

# SPLENDID METAL PRODUCTS LIMITED

(Formerly Known as Sujana Metal Products Ltd)

Date: 07.09.2017

To

The Secretary,  
BSE Limited,  
New Trading Wing  
Rotunda Building  
P.J.Towers, Dalal Street,  
MUMBAI - 400 001  
Scrip Code: 513414

The Manager  
National Stock Exchange of India Ltd,  
Exchange Plaza, C-1,Block "G"  
5<sup>th</sup> Floor, Bandra (E),  
MUMBAI - 400 051  
Scrip Symbol: SMPL

Dear Sir/Madam,

## Sub: Notice of the 27<sup>th</sup> Annual General Meeting - Reg.

Please find enclosed, a copy of the Notice dated 14<sup>th</sup> August, 2017 convening the 27<sup>th</sup> Annual General Meeting of the Company held on Friday, 29<sup>th</sup> September, 2017 at Katriya Hotel & Towers, #8, Raj bhavan Road, Somajiguda, Hyderabad-500082 at 12.00 noon.

The remote e-voting period commences on September 25<sup>th</sup>, 2017 (9:00 A.M.) and ends on September 28<sup>th</sup>, 2017 (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 Friday, September 22<sup>nd</sup>, 2017, may cast their vote by remote e-voting. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 22<sup>nd</sup> September, 2017, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer/ RTA and If the member is already registered with NSDL for e-voting then he/she can use his/her existing user ID and password for casting the vote.

This may be treated as Compliance of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015

Thanking You,

Yours faithfully,

For Splendid Metal Products Limited

  
Shaik Ibraheem  
Company Secretary



**CORPORATE INFORMATION****BOARD OF DIRECTORS**

<i>Non-Executive Chairman</i>	:	Dr. V. Malakonda Reddy*
<i>Managing Director</i>	:	Shri R.K.Birla
<i>Directors</i>	:	Shri G.Srinivasa Raju Shri J. Ramakrishnan* Dr. K.Srinivasa Rao* Shri S.Hanumantha Rao Shri Ch. Srinivasu, IDBI Nominee Shri Ram Kumar, PNB Nominee <i>(*Independent &amp; Non-Executive Director)</i>

<b>MANAGEMENT COMMITTEE</b>	:	Shri G. Srinivasa Raju Shri R. K.Birla Shri S.Hanumantha Rao
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<b>AUDIT COMMITTEE</b>	:	Dr.K.Srinivasa Rao Shri S.Hanumantha Rao Dr.V.Malakonda Reddy
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<b>SHARE TRANSFER COMMITTEE</b>	:	Shri R.K.Birla Shri G.Srinivasa Raju
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<b>SHAREHOLDERS' GRIEVANCES COMMITTEE</b>	:	Shri S.Hanumantha Rao Shri G.Srinivasa Raju
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<b>NOMINATION AND REMUNERATION COMMITTEE</b>	:	Dr.K.Srinivasa Rao Shri J.Ramakrishnan Dr. V. Malakonda Reddy
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<b>CORPORATE SOCIAL RESPONSIBILITY COMMITTEE</b>	:	Shri G.Srinivasa Raju Shri S.Hanumantha Rao Dr.K.Srinivasa Rao
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<b>RISK MANAGEMENT COMMITTEE</b>	:	Shri.G.Srinivasa Raju Shri S.Hanumantha Rao Dr.K.Srinivasa Rao
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<b>KEY MANAGERIAL PERSONNEL</b>	:	Shri R.K.Birla, Managing Director Shri Ch. Narayana Rao, Chief Financial Officer Shri Shaik Ibraheem, Company Secretary
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<b>STATUTORY AUDITORS</b>	:	M/s. T. Raghavendra & Associates Chartered Accountants, Hyderabad
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<b>INTERNAL AUDITORS</b>	:	Shri M. Balarama Krishnaiah Chartered Accountant, Hyderabad
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<b>COST AUDITORS</b>	:	M/s. Nageswara Rao & Co Cost Accountants, Secunderabad
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<b>BANKERS</b>	:	Andhra Bank Bank of Baroda Bank of India IDBI Bank Limited Indian Overseas Bank Indian Bank Karnataka Bank Limited
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# SPLENDID METAL PRODUCTS LIMITED

State Bank of Patiala  
Punjab National Bank (PNB)  
Lakshmi Vilas Bank  
Oriental Bank of Commerce

## REGISTERED OFFICE & CORPORATE OFFICE

: Plot No. 18, Nagarjuna Hills, Panjagutta  
Hyderabad-500082, Telangana

## 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 Seventh (27th) Annual General Meeting of the members of the Company will be held on Friday, the 29th day of September, 2017 at Katriya Hotel & Towers, # 8, Raj Bhavan Road, Somajiguda, Hyderabad-500082, Telangana at 12.00 noon to transact the following business:**

**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, 2017 and the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Shri G. Srinivasa Raju (DIN: 00132249), who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of M/s. T. Raghavendra & Associates (Membership No. 023806), Chartered Accountants, as Statutory Auditors and if thought it to pass with or without modification(s), the following resolution as an ordinary resolution.

“RESOLVED THAT pursuant to the provisions of Section 139, 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014 and all other applicable provisions, if any, of the Companies Act, 2013 and pursuant to the resolution passed by Members at the Twenty Sixth(26th) Annual General Meeting appointing M/s. T.Raghavendra & Associates (Membership No.023806), Chartered Accountants as Statutory Auditors of the Company to hold office until the conclusion of Thirtieth (30th) Annual General Meeting of the Company, the Company hereby ratifies the appointment of M/s. T.Raghavendra & Associates, as Statutory Auditors of the Company for the financial year ending 31st March,2018, and the Board of Directors be and are hereby authorized to fix their remuneration, in accordance with the recommendation of the Audit Committee in consultation with the auditors.”

**SPECIAL BUSINESS**

4. **To consider and re-appoint Shri R.K.Birla, as Managing Director of the Company and in this regard, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the rules, circulars, orders and notifications issued there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V of the Companies Act (including any statutory modification(s) or re-enactment thereof, for time being in force), subject to all guidelines for managerial remuneration issued by the Central Government from time to time, and approval of Central Government, required if any, and such other consents and approvals as may be required, and as recommended by the Nomination and Remuneration Committee, consent of the members be and is hereby accorded for reappointment of Shri R.K. Birla (DIN:00118776), as the Managing Director and Whole time Key Managerial Personnel (KMP), of the Company liable to retire by rotation, with substantial powers of management to be exercised by him, subject to the superintendence, control and direction of the Board of Directors of the Company, for a period of 03 (three) Years, effective from 14th August, 2017 till 13th August, 2020 on the remuneration of Rs. 60,18,000 (Sixty Lakhs Eighteen Thousand Only) per annum (including perquisites except car and telephone provided by the Company).

“RESOLVED FURTHER THAT the terms of the re-appointment of Shri R.K. Birla shall be subject to revision by the Board of Directors (here inafter referred to as “Board” which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution), from time to time during the tenure of the appointment, taking into account the performance of the Company, within the overall limit as provided in the provisions of the Companies Act, 2013.”

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“RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the currency of his tenure, the Company will, subject to applicable laws and such sanctions and approvals as may be required, pay remuneration to Shri R.K.Birla, as Managing Director as provided in this resolution.”

“RESOLVED FURTHER THAT the remuneration specified above for Shri R.K.Birla, Managing Director may, subject to overall ceiling specified above and subject to Schedule V of the Companies Act be modified, during the tenure of office as Managing Director, as may be agreed by the Board of Directors and Shri R.K.Birla.”

“RESOLVED FURTHER THAT the Board of Directors of the Company or the Company Secretary of the Company be and are hereby directed and severally authorised to complete necessary statutory formalities to give effect to the resolution and to do all such acts, deeds, matter and things as it may, in its absolute discretion deem desirable, necessary, expedient, usual or proper to implement this resolution from time to time and execute all necessary documents, applications and returns along with filing of necessary e-form with the Registrar of Companies, Andhra Pradesh & Telangana”.

**5. To ratify the remuneration of the Cost Auditors for the financial year ending March 31st , 2018 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the 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, to be paid to M/s. Nageswara Rao & Co, (Member Ship No:000332) Cost Auditors of the Company, for the financial year 2017-18, as approved by the Board of Directors of the Company, be and is hereby ratified.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution

BY ORDER OF THE BOARD

**R.K.BIRLA**

Place: Hyderabad

Managing Director

Date: August 14th, 2017

(DIN: 00118776)

**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 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 September 28th , 2017 (One day only).
9. Details under SEBI (Listing Obligations & Disclosure Requirements) 2015 in respect of the Directors seeking appointment/ re-appointment at the Annual General Meeting, forms integral part of the notice. The directors have furnished the requisite declarations for their appointment/ re-appointment.
10. 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

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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. Electronic copy of the Annual Report for 2016-17 (including Notice of the 27th 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 2016-17 is being sent in the permitted mode.
18. 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.
19. Members may also note that the Notice of the 27th Annual General Meeting and the Annual Report for 2016-17 will also be available on the Company's website [www.sujana.com](http://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.
20. 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.
21. 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.

## 22. Instructions for members for voting 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 27th 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 September 25th, 2017 (9:00 A.M.) and ends on September 28th, 2017 (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 Friday, September 22nd, 2017, 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.

- Shri Y. Ravi Prasada Reddy, Proprietor of M/s. RPR & Associates, Company Secretaries, Hyderabad, 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 evoting 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.
- The process and manner for remote e-voting are as under :
  - (a) In case a Member receives an e-mail from NSDL (for members whose e-mail ID’s are registered with the Company/Depository Participant(s)):
    - (i) Open e-mail and open PDF file with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
    - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsd.com/>
    - (iii) Click on Shareholder – Login
    - (iv) Put user ID and password as initial password noted in step (i) above. Click Login.
    - (v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
    - (vi) Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.
    - (vii) Select “EVEN” of Splendid Metal Products Limited (Formerly known as Sujana Metal Products Ltd.)
    - (viii) Now you are ready for e-Voting as Cast Vote page opens
    - (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
    - (x) Upon confirmation, the message “Vote cast successfully” will be displayed
    - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote
    - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail [yrvifcs@gmail.com](mailto:yrvifcs@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
  - (b) In case of Shareholders’ receiving Physical copy of Notice [for members whose email IDs are not registered with the Company



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/ Depository Participant(s) or requesting physical copy]:

- (i) Initial password is provided at the bottom of the attendance slip.
  - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) Above, to cast vote.
- (c) 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 Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- (d) If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote.
- (e) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- (f) The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 22nd September, 2017.
- (g) Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 22nd September, 2017, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer/ RTA.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222- 990.

BY ORDER OF THE BOARD

**R.K.BIRLA**

Managing Director  
(DIN: 00118776)

Place: Hyderabad  
Date: August 14th, 2017

## 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. 4 to 5 of the accompanying Notice:

### Item No 4:

Shri R.K.Birla aged about 65 years old and he has worked with Poddar Products Limited as Chief Executive for 8 years and later in the year 1992 he joined the Company as Director (Operations). His vast experience in the Steel industry has helped the Company strategically, resulting in the Company to expand rapidly and benefit from key opportunities in the Indian and overseas steel industry. Shri R.K.Birla was appointed as Managing Director of the Company for a period of 5 years with effect from 28.01.2013. His current term of appointment as a Managing Director of the Company shall expire on 27.01.2018. On the recommendation of the Nomination and Remuneration Committee, Board of Directors re-appointed him as Managing Director of the Company for a further period of 3 years with effect from 14.08.2017 with a remuneration of Rs. 60,18,000/- per annum (including perquisites except car and telephone provided by the Company) pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 read with Section II of Part II of Schedule V of the Companies Act, 2013 and subject to the approval of members of the Company and Central Government required if any and such other statutory approvals as may be required.

During the financial year 2016-17, your Company has incurred a loss of Rs. 341.75 crores. In case of loss or inadequacy of profits in any financial year during his tenure as Managing Director of the Company, the remuneration payable to him shall be in accordance with the limits prescribed in Section II of Part II of Schedule V of the Companies Act, 2013 as amended from time to time subject to the Compliance thereof but in any event shall not exceed the

remuneration payable when the profits of the Company are adequate.

As the profits for the year 2016-17 are inadequate to pay the remuneration to managerial person under Section 197 of the Companies Act, 2013, special resolution is required to be passed by the members of the Company to fix the remuneration of Shri R.K.Birla, Managing Director for a period not exceeding three years pursuant to the provisions of Section II of Part II of Schedule V of the Companies Act, 2013 subject to the approval of Central Government required if any and such other statutory approvals as may be required.

In accordance with the provisions of Section 196, 197, 203 and Schedule V of the Companies Act, 2013, approval of shareholders is required for the resolution set out at Item no. 4 of the Notice.

Statement as per Section II, Part II of Schedule V of the Companies Act, 2013 is as follows:

**I. GENERAL INFORMATION**

- (1) **Nature of Industry: Iron & Steel Industry**
- (2) **Date or Expected Date of commencement of commercial production:**

The Company was incorporate on May 2nd, 1988 under the name of M/s. Sujana Steel Re-Rolling Industries Private Limited. The Company was incorporated with an object to manufacture Steel Re-rolled products. The Company was converted into public limited company on 20th April 1992.

Splendid Metal Products Limited (SMPL) is a Company engaged in the business of manufacturing and marketing value added steel products. SMPL is India’s premier integrated steel manufacturing company. The company’s integrated steel making facilities produce the entire range of steel products – sponge iron to finished steel.

- (3) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: N.A.**
- (4) **Financial performance based on given indicators:**

Particulars	FY 2016-17 (12 months) (Rs in lakhs)	FY 2015-16 (12 months) (Rs in lakhs)	FY 2014-15 (12 months) (Rs in lakhs)
Total Revenue	132026.92	352632.33	352277.39
Total Expenses	175266.78	366823.49	351711.04
Profit After Tax	(34175.16)	(10518.70)	93.76
Dividend Rate	Nil	Nil	Nil

**(5) Export performance and net foreign exchange earnings:**

Particulars	FY 2016-17 (12 months) (Rs in lakhs)	FY 2015-16 (12 months) (Rs in lakhs)	FY 2014-15 (12 months) (Rs in lakhs)
Export FOB Value	Nil	Nil	1820.29
Earnings in Foreign Exchange	Nil	1994.02	1820.29

**(6) Foreign investments or collaborators, if any:**

- Investments in subsidiaries during 2016-17 : Nil
- Loans and advances to subsidiaries during 2016-17 : Nil
- Investment in Share capital by Foreign Companies : Nil
- Foreign Collaborations : None

**II. INFORMATION ABOUT THE APPOINTEE**

**(1) Background details:**

Name of the Director : Shri R.K. Birla

Age : 65 years

Qualification: MBA from BITS Pilani

**Expertise and experience in specified functional areas:**

He has worked with Poddar Products Limited as Chief Executive for 8 years and later in the year 1992 he joined the Company as Director (Operations). His vast experience in the Steel industry has helped the Company strategically, resulting in the Company to expand rapidly and benefit from key opportunities in the Indian and overseas steel industry.

- (2) **Past Remuneration:** During the year 2016-17, the Company has not paid any remuneration to Shri R.K.Birla due to losses. The members of the Company 26th

# SPLENDID METAL PRODUCTS LIMITED

Annual General Meeting held on 30th September, 2016 have fixed the remuneration of Rs.1,20,36,000/- (Rupees One Crore Twenty Lakhs Thirty Six Thousand Only) per annum to Shri R. K. Birla, Managing Director of the Company for the balance tenure of his term i.e upto 27.01.2018.

(3) **Recognition or awards:** Nil

(4) **Job profile and his suitability:** Chief Executive Officer and Managing Director.

Considering the background, competence and experience of Shri R.K.Birla, Managing Director of the Company and also by considering the guidance and advices provided by him during his tenure as Managing Director of the Company, the Board feels he is the best suitable for the post of Managing Director.

(5) **Remuneration proposed:**

The remuneration being proposed as approved by the Remuneration Committee of the Company and Board of the Company is Rs. 60,18,000/- (Rupees Sixty Lakhs Eighteen Thousand Only) per annum subject to deduction of applicable taxes, inclusive of all perquisites and allowances but excluding Car Service provided by the Company and Telephone facility.

**Salary break up details are as follows:**

1. **Basic Salary :** Rs. 4,25,000/- per month.

**The perquisites are classified into three categories A , B and C as follows:**

**Category A:**

1. **Housing:**

(i) The expenditure incurred by the Company on hiring furnished accommodation will be subject to a ceiling of 18% of the salary.

(ii) In case no accommodation is provided by the Company, the Managing Director shall be entitled to house rent allowance subject to the ceiling laid down in (i) above.

2. **Club Fees:** Fees of Clubs subject to a maximum of one club. This will not include admission and life membership fees.

**Category B:**

1. Contribution to provident fund superannuation or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act of 1961.

2. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service subject to a ceiling of Rs.10,00,000/-

3. Earned/privilege leave:

On full pay and allowances as per the rules of the Company, but not more than 15 days leave for every twelve months of service. Leave accumulated but not availed of will be allowed to be encashed at the end of the tenure.

The aforesaid perquisite stated in Category B will not be included in the computation of the aforesaid ceiling on perquisites.

**Category C:**

Provision of car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purposes shall be billed by the Company to the Managing Director.

(6) **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):**

Shri R.K.Birla has held key positions in the Company ever since his employment in the year 1992. His vast experience in the steel industry has helped the Company strategically, resulting in the Company to expand rapidly and benefit from key opportunities in the Indian and overseas steel industry.

His skill set and his experience places him in a correspondingly equal position to major steel companies in India. The remuneration proposed is reasonable as profile with respect to compared to size of the company, profile industry, size of the company, and position of the person as well as with respect profile and position of person to the industry.

(7) **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:**

Except for receiving remuneration from the Company as Managing Director, Shri R.K.Birla and his relatives had no other pecuniary relationship with the Company.

### III. OTHER INFORMATION

#### (1) Reason of inadequate profits:

Your company has incurred a net loss of Rs.34175.16 lakhs for the financial year ended 31st March 2017. The major reasons among others are;

- Increase in cost of production.
- Delay in Sanction of adequate working capital by Banks. Non Release of working capital sanctioned by the banks. which is severely affecting the operations of the Company.
- Slowdown in the business due to unfavorable markets and delayed realization, increase in raw material consumption, overall reduction in quantitative discounts.
- High Finance Cost.
- Exports are declined due to a sharp decline in steel prices internationally coupled with weak demand.

#### (2) Steps taken or proposed to be taken for improvements:

- Technical Modifications and Technological Changes leading to increase in productivity & operational efficiency.
- Repayments of high interest debts in a phased manner.
- Efforts to improve the working capital of the Company.

#### (3) Expected increase in productivity and profits in measureable terms:

With an unprecedented raise cost, unfavorable markets and decline in exports, the margins are severely hit. As a result the profits of the company declined. To overcome these obstacles the company is commissioning new innovative techniques and tools to increase the productivity and profits.

Shri R.K.Birla, is interested in the resolution

set out respectively at Item Nos. 4 of the Notice with regard to his respective appointment.

Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/his relatives is, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends the Special Resolution set out in Item Nos. 4 of the Notice for approval of members of the Company.

#### Item No: 5

The Board of Directors, on recommendation of the Audit Committee, at their meeting held on May 30th, 2017, has approved the appointment and remuneration of the M/s. Nageswara Rao & Co, (Membership No: 000332) Cost Accountants in practice, as Cost Auditors of the Company to conduct the audit of the cost records of the Company across various segments, for the financial year ending 31st March, 2018 on a remuneration of Rs. 1,50,000/- (Rupees One Lakh Fifty Thousand Only) plus reimbursement of actual expenses.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2018.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the shareholders.

BY ORDER OF THE BOARD

**R.K. BIRLA**

Managing Director

(DIN: 00118776)

Place: Hyderabad

Date: August 14th, 2017

# 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 G. Srinivasa Raju	Shri R.K.Birla
Director Identification Number	00132249	00118776
Date of Birth	20.10.1963	20.01.1952
Date of Appointment	18-08-1999	05.05.1992
Expertise	<p>He is a Promoter-Non Executive Director of the company. He has a rich and varied industrial experience, which also includes the management of granite units. Mr. G. Srinivasa Raju has wide exposure to the steel products industry; he also possesses a deep understanding of all the aspects of business administration. Presently, he is the managing director of SUIL.</p> <p>Mr. G. Srinivasa Raju has joined as one of the promoters in the year 1995.</p>	<p>He has worked with Poddar Products Limited as Chief Executive for 8 years and later in the year 1992 he joined the Company as Director (Operations). His vast experience in the Steel industry has helped the Company strategically, resulting in the Company to expand rapidly and benefit from key opportunities in the Indian and overseas steel industry</p>
Qualifications	Post graduate in mechanical engineering with specialization in Machine designs from Roorkee University	MBA from Birla Institute of Technology
Directorship held in other public companies (excluding foreign companies)	<ol style="list-style-type: none"> <li>1. Sujana Universal Industries Limited</li> <li>2. Sujana Holdings Limited</li> <li>3. Neueon Towers Limited</li> <li>4. Sujana Projects Limited</li> <li>5. Sujana Energy Limited</li> <li>6. Sujana Capital Services Limited</li> </ol>	Nil
Membership/ Chairmanship of Committees of other public companies (includes only Audit Committees and Shareholders' Grievances Committee) C=Chairman, M=Member	<p>Shareholders' Grievances Committee:</p> <ol style="list-style-type: none"> <li>1. Neueon Towers Limited (M)</li> <li>2. Sujana Universal Industries Limited(M).</li> </ol>	Nil
Shareholdings in the Company	Nil	Nil
Relationship between directors inter-se	Nil	Nil

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**Route Map to the AGM Venue : Katriya Hotel & Towers, # 8, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082, Telangana.**



# SPLENDID METAL PRODUCTS LIMITED

(Formerly Known as Sujana Metal Products Ltd.)

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

CIN : L28120TG1988PLC008610

**27th Annual General Meeting - Friday, 29th September, 2017**

## ATTENDANCE SLIP

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

I, hereby record my presence at the 27th Annual General Meeting of the Company to be held on Friday, September 29th, 2017 at Katriya Hotel & Towers, # 8, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082, Telangana at 12.00 noon.

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
<b>107562</b>		

# SPLENDID METAL PRODUCTS LIMITED

(Formerly Known as Sujana Metal Products Ltd.)

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

CIN : L28120TG1988PLC008610

**Form No. MGT - 11**

## PROXY FORM

*[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]*

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 27th Annual General Meeting of the Company, to be held on the Friday, September 29th , 2017 at 12.00 noon at Katriya Hotel&Towers, # 8, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082, Telangana and at any adjournment thereof in respect of such resolutions as are indicated below: