



# SOUTHERN MAGNESIUM AND CHEMICALS LIMITED

Deccan Chambers, 5<sup>th</sup> Floor, 6-3-666/B, Somajiguda, Hyderabad-500 082

Phones: 23311789, 23312341, Fax: 040-23319871 E-Mail: [southernmagnesium@gmail.com](mailto:southernmagnesium@gmail.com)

CIN : L27109AP1985PLC005303

SOUTHERN MAGNESIUM AND CHEMICALS LIMITED

Un-audited Financial Results for the quarter and half-year ended 30.09.2015

PART - 1

Rupees (lakhs)

	Particulars	Quarter Ended			Half Year Ended		Year ended
		30.09.15	30.06.15	30.09.14	30.09.15	30.09.14	31.03.2015
		Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Audited
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
1	<b>Income from operations</b>						
	(a) Net Sales / Income from operations (Net of excise duty)	107.76	64.34	134.89	172.10	171.77	546.64
	(b) Other operating Income	0.00	0.00	0.00	0.00	0.00	0.00
	<b>Total income from operations (net)</b>	<b>107.76</b>	<b>64.34</b>	<b>134.89</b>	<b>172.10</b>	<b>171.77</b>	<b>546.64</b>
2	<b>Expenses</b>						
	a) Cost of raw materials consumed	8.17	72.66	63.52	80.83	64.63	205.99
	b) Changes in inventories of finished goods and work-in-progress	32.85	(68.69)	1.35	(35.84)	11.70	4.86
	c) Employee benefits expense	11.52	11.31	9.92	22.83	17.37	43.65
	d) Depreciation and amortization expense	0.43	0.43	0.41	0.86	0.81	1.66
	e) Other Expenses	6.00	13.95	10.93	19.95	14.90	30.39
	<b>Total Expenses</b>	<b>58.97</b>	<b>29.66</b>	<b>86.13</b>	<b>88.63</b>	<b>109.41</b>	<b>286.55</b>
3	<b>Profit/ (Loss) from operations before other income &amp; finance exceptional items (1-2)</b>	<b>48.79</b>	<b>34.68</b>	<b>48.76</b>	<b>83.47</b>	<b>62.36</b>	<b>260.09</b>
4	Other Income	0.13	0.15	0.49	0.28	0.88	2.14
5	<b>Profit/ (Loss) before finance &amp; exceptional items (3+4)</b>	<b>48.92</b>	<b>34.83</b>	<b>49.25</b>	<b>83.75</b>	<b>63.24</b>	<b>262.23</b>
6	Finance Cost	2.50	1.70	3.46	4.20	4.06	5.99
7	<b>Profit/(Loss) after financial but before exceptional items (5-6)</b>	<b>46.42</b>	<b>33.13</b>	<b>45.79</b>	<b>79.55</b>	<b>59.18</b>	<b>256.24</b>
8	Exceptional items	0.00	0.00	**65.95	0.00	66.08	81.10
9	<b>Profit/ (Loss) from ordinary activities before Tax (7+8)</b>	<b>46.42</b>	<b>33.13</b>	<b>111.74</b>	<b>79.55</b>	<b>125.26</b>	<b>337.34</b>
10	Tax expense	0.00	0.00	0.00	0.00	0.00	11.70
11	<b>Net Profit / (Loss) from ordinary activities after tax (9-10)</b>	<b>46.42</b>	<b>33.13</b>	<b>111.74</b>	<b>79.55</b>	<b>125.26</b>	<b>325.64</b>
12	Extraordinary items	0.00	0.00	0.00	0.00	0.00	0.00
13	<b>Net Profit/ (Loss) for the period (11-12)</b>	<b>46.42</b>	<b>33.13</b>	<b>114.74</b>	<b>79.55</b>	<b>125.26</b>	<b>325.64</b>
14	<b>Paid up equity Share Capital (Rs.10/- Share Face value)</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>300</b>
15	<b>Reserves excluding revaluation reserves as per Balance Sheet of previous accounting year</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>
16	<b>Earnings per Share (EPS) (in rupees)</b>						
	a) Basic and diluted EPS. Rs. (before extraordinary items ),	1.55	1.10	*3.72	2.65	4.01	10.69
	b) Basic and diluted EPS. Rs. (after Extraordinary items)	1.55	1.10	*3.72	2.65	4.01	10.69

\* subject to preference dividend of Rs.5,00,000 per annum which is considered at the half year ended and year ended.

\*\* Gain on Sale of Land

Southern Magnesium and Chemicals Ltd

*[Signature]*  
Joint Managing Director



PART - 2

# SOUTHERN MAGNESIUM AND CHEMICALS LIMITED

Deccan Chambers, 5<sup>th</sup> Floor, 6-3-666/B, Somajiguda, Hyderabad-500 082  
 Phones:-23311789, 23312341, Fax: 040-23319871 E-Mail: [southernmagnesium@gmail.com](mailto:southernmagnesium@gmail.com)  
 CIN : L27109AP1985PLC005303

## A. Particulars of Shareholding

S.no	PARTICULARS	Quarter Ended			Half Year Ended		Year ended
		30.09.15	30.06.15	30.09.14	30.09.15	30.09.14	31.03.2015
		Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Audited
1	<b>Public Share holding</b>						
	- Number of shares	13,01,200	13,01,200	13,01,200	13,01,200	13,01,200	13,01,200
	- percentage of share holding	43.35%	43.35%	43.35%	43.35%	43.35%	43.35%
2	<b>Promoters and Promoter Group Shareholding</b>	16,98,800	16,98,800	16,98,800	16,98,800	16,98,800	16,98,800
	a) Pledge / encumbered						
	- Number of shares	Nil	Nil	Nil	Nil	Nil	Nil
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil	Nil	Nil
	- Percentage of shares (as a % of the total share Capital of the company)	Nil	Nil	Nil	Nil	Nil	Nil
	b) Non-encumbered						
	-Number of Shares	16,98,800	16,98,800	16,98,800	16,98,800	16,98,800	16,98,800
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%	100%
	- Percentage of shares (as a % of the total share Capital of the company)	56.65%	56.65%	56.65%	56.65%	56.65%	56.65%

## B. Investor Complaints

S.no	Particulars	Quarter ended 30.09.2015
1	Pending at the beginning of the quarter	Nil
2	Received during the quarter	Nil
3	Disposed of during the quarter	Nil
4	Remaining unresolved at the end of the quarter	Nil

of SOUTHERN Magnesium & Chemicals Ltd.

Joint Managing Director



# SOUTHERN MAGNESIUM AND CHEMICALS LIMITED

Deccan Chambers, 5<sup>th</sup> Floor, 6-3-666/B, Somajiguda, Hyderabad-500 082  
 Phones: 23311789, 23312341, Fax: 040-23319871 E-Mail: southernmagnesium@gmail.com  
 Un-audited Statement of Assets and Liabilities as at 30.09.2015  
 CIN : L27109AP1985PLC005303

## STATEMENT OF ASSETS & LIABILITIES

	Particulars	As at	
		30.09.2015 (un-audited)	31.03.2015 (audited)
<b>A</b>	<b>EQUITY AND LIABILITIES</b>		
1	<b>Shareholders' funds</b>		
	(a) Share capital	300.00	300.00
	(b) Reserves and surplus	(254.10)	(333.66)
	<b>Sub-total - Shareholders' funds</b>	45.90	(33.66)
2	<b>Share application money pending allotment</b>	0.00	0.00
3	<b>Non-current liabilities</b>		
	(a) Long-term borrowings	0.00	0.00
	(b) Deferred tax liabilities (net)	8.40	8.40
	(c) Other long-term liabilities	0.00	0.00
	(d) Long-term provisions	0.00	0.00
	<b>Sub-total - Non-current liabilities</b>	8.40	8.40
4	<b>Current liabilities</b>		
	(a) Short-term borrowings	170.88	233.91
	(b) Trade payables	0.00	0.00
	(c) Other current liabilities	42.73	22.54
	(d) Short-term provisions	1.22	6.53
	<b>Sub-total -current liabilities</b>	214.83	262.98
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>269.12</b>	<b>237.72</b>
<b>B</b>	<b>ASSETS</b>		
1	<b>Non-current assets</b>		
	(a) Fixed assets –tangible assets	32.76	33.61
	(b) Non-current investments	0.00	0.00
	(c) Deferred tax assets (net)	0.00	0.00
	(d) Long-term loans and advances	0.00	0.00
	(e) Other non-current assets	0.00	0.00
	<b>Sub-total - Non-current assets</b>	32.76	33.61
2	<b>Current assets</b>		
	(a) Current investments	0.00	0.00
	(b) Inventories	83.96	79.28
	(c) Trade receivables	106.68	81.49
	(d) Cash and cash equivalents	21.97	28.42
	(e) Short-term loans and advances	22.25	13.25
	(f) Other current assets	1.50	1.68
	<b>Sub-total - Current assets</b>	236.37	204.11
	<b>TOTAL - ASSETS</b>	<b>269.12</b>	<b>237.72</b>

Place : Hyderabad

Date : 14.11.2015

Sd/-  
(N.Rajender Prasad)  
Jt.Managing Director

- Sales figures are net of duties and taxes
- The above Results were subjected to a limited review by the statutory auditors of the Company and were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on 14<sup>th</sup> November 2015.
- There are no pending shareholders complaints.
- The company has not adopted AS-15 Employee Benefits issued by ICAI for providing its liability towards employee benefits. The impact on the above results could not be ascertained due to non - adoption of AS-15 "Employee Benefits"

Southern Magnesium & Chemicals Ltd.

*(Signature)*  
Jt. Managing Director



# SOUTHERN MAGNESIUM AND CHEMICALS LIMITED

Deccan Chambers, 5<sup>th</sup> Floor, 6-3-666/B, Somajiguda, Hyderabad-500 082

Phones: 23311789, 23312341, Fax: 040-23319871 E-Mail: [southernmagnesium@gmail.com](mailto:southernmagnesium@gmail.com)

CIN : L27109AP1985PLC005303

## Cash Flow Statement for the half-year ended 30.09.2015

	Particulars	For the	
		Half year ended 30.09.2015 (un-audited)	Previous year ended 31.03.2015 (audited)
A.	Net cash flow from operating activities	60.50	111.34
B.	Net cash flow from investing activities	0.28	68.83
C.	Net cash flow used in financing activities	(67.23)	(158.57)
	Net increase/(decrease) in Cash and cash equivalents (A+B+C)	(6.45)	21.60
	Cash and cash equivalents at the beginning of the half-year/year	28.42	6.82
	Cash and cash equivalents at the end of the half-year/year	21.97	28.42

Southern Magnesium & Chemicals Ltd.

*[Signature]*  
Joint Managing Director



TO  
THE BOARD OF DIRECTORS,  
SOUTHERN MAGNESIUM AND CHEMICALS LIMITED,  
HYDERABAD.

**REVIEW REPORT ON FINANCIAL INFORMATION OF SOUTHERN MAGNESIUM AND CHEMICALS LIMITED FOR THE QUARTER ENDED 30<sup>th</sup> SEPTEMBER 2015 TO BE SUBMITTED TO STOCK EXCHANGES.**

1. We have reviewed the accompanying statement of unaudited financial results of **SOUTHERN MAGNESIUM AND CHEMICALS LIMITED**, 6-3-666/B, 5th Floor, Deccan Chambers, Somajiguda, Hyderabad – 500 082, Telangana ("the Company") for the Quarter ended 30<sup>th</sup> September, 2015 being submitted by the Company pursuant to the requirements of Clause 41 of the Listing Agreement with the Stock Exchanges except for the disclosures regarding 'Public Shareholding' and 'Promoter Group Shareholding' which have been traced from the disclosures made by the management and have not been reviewed by us. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with the terms of Clause 41 of the Listing Agreement entered into by the said Entity with Stock Exchanges. Our responsibility is to express a conclusion on this interim financial information based on our review.

**Scope of Review**

2. We conducted our review in accordance with 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 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.

*The Company has not adopted and complied with the requirements of AS-15 'Employee Benefits' in respect of the Gratuity liability, which constitutes a departure from the Accounting standards referred to in section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. In view of this the liability of the company in this regard could not be ascertained. Consequently, we are unable to comment about the impact of this on the profit for the quarter and Half – Year ended 30<sup>th</sup> SEPTEMBER 2015, income tax and shareholder's funds.*





**Conclusion**

3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards specified under section 133 of the Companies Act 2013 read with Rule 7 of Companies (Accounts) Rules 2014 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place : Hyderabad  
Date : 14.11.2015

For K.S.RAO & CO.,  
Chartered Accountants  
Firm's Regn. No. 003109S

(P. GOVARDHANA REDDY)  
Partner  
Membership No. 029193