



# SOUTHERN MAGNESIUM AND CHEMICALS LIMITED

Deccan Chambers, 5th Floor, 6-3-666/B, Somajiguda, Hyderabad-500 082.  
Phones : 23311789, 23312341, Fax : 040 - 23319871 E-mail : southernmagnesium@gmail.com

## SOUTHERN MAGNESIUM AND CHEMICALS LIMITED

Un-audited Financial Results for the 3rd quarter ended 31st December 2013

PART - 1

Rupees (lakhs)

	Particulars	Quarter Ended			Year to date		
		31.12.13	30.09.13	31.12.12	31.12.13	31.12.12	31.03.2013
		Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Audited
							Rs.
<b>1</b>	<b>Income from operations</b>						
	(a) Net Sales / Income from operations (Net of excise duty)	36.22	37.63	58.28	136.83	136.08	208.8
	(b) Other operating Income	0.00	0.00	5.48	0.00	15.17	0.17
	<b>Total income from operations (net)</b>	<b>36.22</b>	<b>37.63</b>	<b>63.76</b>	<b>136.83</b>	<b>151.25</b>	<b>208.97</b>
<b>2</b>	<b>Expenses</b>						
	a) Cost of raw materials consumed	10.20	18.15	48.39	63.46	81.05	118.89
	b) Changes in inventories of finished goods and work-in-progress	5.20	(0.98)	(14.75)	3.47	-9.59	(22.28)
	c) Employee benefits expense	6.96	6.88	6.16	20.26	18.85	25.58
	d) Depreciation and amortization expense	0.48	0.49	0.61	1.45	1.82	2.47
	e) Other Expenses	5.37	6.49	6.08	16.72	15.21	20.83
	<b>Total Expenses</b>	<b>28.21</b>	<b>31.03</b>	<b>46.49</b>	<b>105.36</b>	<b>107.34</b>	<b>145.49</b>
<b>3</b>	<b>Profit/ (Loss) from operations before other income &amp; finance exceptional items (1-2)</b>	<b>8.01</b>	<b>6.60</b>	<b>17.27</b>	<b>31.47</b>	<b>43.91</b>	<b>63.48</b>
<b>4</b>	Other Income	0.16	0.00	0.00	0.19	0.00	0
<b>5</b>	<b>Profit/ (Loss) before finance &amp; exceptional items (3+4)</b>	<b>8.17</b>	<b>6.60</b>	<b>17.27</b>	<b>31.66</b>	<b>43.91</b>	<b>63.48</b>
<b>6</b>	Finance Cost	1.20	1.20	0.00	3.61	1.67	2.34
<b>7</b>	<b>Profit/(Loss) after financial but before exceptional items (5-6)</b>	<b>6.97</b>	<b>5.40</b>	<b>17.27</b>	<b>28.05</b>	<b>42.24</b>	<b>61.14</b>
<b>8</b>	Exceptional items	0.00	0.00	0.00	0.00	5.93	5.93
<b>9</b>	<b>Profit/ (Loss) from ordinary activities before Tax (7+8)</b>	<b>6.97</b>	<b>5.40</b>	<b>17.27</b>	<b>28.05</b>	<b>36.31</b>	<b>55.21</b>
<b>10</b>	Tax expense	0.00	0.00	0.00	0.00	0.00	0.00
<b>11</b>	<b>Net Profit / (Loss) from ordinary activities after tax (9-10)</b>	<b>6.97</b>	<b>5.40</b>	<b>17.27</b>	<b>28.05</b>	<b>36.31</b>	<b>55.21</b>
<b>12</b>	Extraordinary items	0.00	0.00	0.00	0.00	0.00	0.00
<b>13</b>	<b>Net Profit/ (Loss) for the period (11-12)</b>	<b>*6.97</b>	<b>*5.40</b>	<b>*17.27</b>	<b>*28.05</b>	<b>36.31</b>	<b>55.21</b>
<b>14</b>	Paid up equity Share Capital (Rs.10/- Share Face value)	300	300	300	300	300	300
<b>15</b>	Reserves excluding revaluation reserves as per Balance Sheet of previous accounting year	10	10	10	10	10	10
<b>16</b>	Earnings per Share (EPS) (in rupees)						
	a) Basic and diluted EPS. Rs.(before extraordinary items ),	0.23	0.18	0.58	0.94	1.21	1.84
	b) Basic and diluted EPS. Rs.( after Extraordinary items for the)	0.23	0.18	0.58	0.94	1.21	1.84

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



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## PART - 2

### A. Particulars of Shareholding

S.no	PARTICULARS	Quarter Ended			Year to date		
		31.12.2013	30.09.13	31.12.12	31.12.2013	31.12.2012	31.03.2013
		Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Audited
1	<b>Public Share holding</b>						
	- Number of shares	1,301,200	1,301,200	1,301,200	1,301,200	1,301,200	1,301,200
	- percentage of share holding	43.35%	43.35%	43.35%	43.35%	43.35%	43.35%
2	<b>Promoters and Promoter Group Shareholding</b>	1,698,800	1,698,800	1,698,800	1,698,800	1,698,800	1,698,800
	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	1,698,800	1,698,800	1,698,800	1,698,800	1,698,800	1,698,800
	- 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 31.12.2013
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

1. Figures for the previous quarters/reporting periods have been regrouped to conform with the requirements of the revised Schedule -VI to the Companies Act, 1956

Place : Hyderabad  
Date : 29.01.2014

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

- The above results have been subjected to Limited review by statutory Auditor of the Company
- Sales figures are net of duties and taxes
- The above financial results have been taken on record by the Board of Directors at the meeting held on 29.01.2014
- 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 due to non - adoption of AS-15 "Employee Benefits" could not be ascertained.



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 AND NINE MONTHS PERIOD ENDED 31<sup>ST</sup> DECEMBER 2013 TO BE SUBMITTED TO STOCK EXCHANGES**

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 (A.P) for the Quarter and Nine months period ended 31<sup>st</sup> December 2013 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 audited 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**

We conducted our review in accordance with Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". 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.

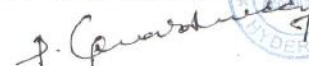
**The Company has not estimated gratuity liability and liability towards Leave Encashment in accordance with AS-15 Employee Benefits issued by ICAI. Exact variance due to non-adoption of AS-15 and its impact on the Profit for the quarter and nine months period ended 31st December 2013 cannot be quantified.**

**Conclusion**

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Interim Financial Information has not been prepared in all material respects, in accordance with and in terms of Clause 41 of the Listing Agreements with the Stock exchanges and has not disclosed the information required to be disclosed, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place : Hyderabad  
Date : 29<sup>th</sup> January, 2014.

for K.S.RAO & CO.,  
Chartered Accountants  
Firms' Regn.No.003109S



(P.GOVARDHANA REDDY)  
Partner  
Membership No.029193

