



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
 CIN : L27109AP1985PLC005303

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED December 31, 2017

(Amount in Lakhs.)

Particulars	Quarter Ended		Nine Months Ended		
	31.12.17	30.09.17	31.12.16	31.12.17	31.12.16
	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited
I Revenue from operations	10.97	77.38	286.00	138.04	639.08
II Other income	0.83	0.99	1.14	2.76	3.07
III Total Revenue(I+II)	11.80	78.37	287.14	138.80	642.15
IV Expenses					
Cost of materials consumed	0.00	3.38	60.04	69.97	226.68
Purchase of stock in trade					
Change in inventories of finished goods, stock in trade and work in progress	13.32	71.32	48.75	50.95	(41.56)
Employee benefit Expenses	12.46	12.54	12.77	37.71	37.08
Finance costs	2.95	2.33	1.44	1.00	5.82
Depreciation and amortisation expenses	1.79	0.51	0.43	2.78	1.30
Other expenses	5.00	16.22	14.60	30.34	41.80
Total Expenses(IV)	36.17	109.31	138.03	201.17	271.96
V Profit before tax	(24.37)	(30.94)	149.11	(62.37)	270.19
VI Tax expense:					
Current tax	-	-	49.00	-	89.00
Deferred tax					
Deferred tax					
VII Profit for the period (VII-VIII)	(24.37)	(30.94)	100.11	(62.37)	181.19
VIII OTHER COMPREHENSIVE INCOME	-	-	-	-	-
A-(i) Items that will be reclassified to the profit or loss					
(ii) Income tax on items that will be reclassified to the profit or loss					
B-(i) Items that will not be reclassified to the profit or loss					
a) Remeasurement of Defined employee benefit plans					
(ii) Income tax on items that will not be reclassified to the profit or loss					
Total Other Comprehensive Income (net of taxes)					
Total Comprehensive Income for The Period	(24.37)	(30.94)	100.11	(62.37)	181.19
IX Earnings per Equity share-Basic and diluted (Not Annualised)	(0.81)	(1.03)	3.34	(2.08)	6.04
Weighted average number of equity shares (In no's)	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000

Notes.

1. The company has presented for the first time, its financial results under Indian accounting standards ("Ind AS") from April 1, 2017 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS-34-Interim financial reporting prescribed under section 133 of the companies act 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India. Financial results for the comparative period have also been presented in accordance with the recognition and measurement principles of Ind AS-34.

2. Reconciliation of Net profit between the financial results as previously reported (referred to as "Previous GAAP") and Ind AS for

(Amount in Lakhs.)

Nature of Adjustments	Note no	For the	For the
		Quarter ended	Nine months ended
		31.12.2016	31.12.2016
AS per the Previous GAAP		100.11	181.19
Ind AS Adjustments		-	-
AS per Ind AS		100.11	181.19

For Southern Magnesium & Chemicals Limited

Joint Managing Director



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3. The Company's business activity falls within a single business segment i.e magnesium, in terms of IND AS 108 on operating
4. The format for unaudited quarterly results as prescribed in SEBI's Circular CIR/CFD/CMD/15-2015, dated 30th November 2015, has been modified to comply with requirements of SEBI's circular dated 5th July, 2016. The company has opted to present Ind AS compliant figures for the corresponding quarter ended December 2016 without subjecting to limited review or audit. However, the management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of the Company's affairs.
5. The above unaudited financial results have been reviewed by the audit committee and approved by the board at their meeting held on 13-2-2018. The statutory auditors of the company have carried out limited review of the results for the quarter ended December 31, 2017.
6. Previous year/period figures have been regrouped and reclassified wherever necessary to conform to those of the current

For and on behalf of Board of Directors

N. Rajender Prasad
Joint Managing Director

Place: Hyderabad
Date : 13.02.2018



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Note No.	PARTICULARS	Amount in ₹	
		As per Previous GAAP	As per IndAS
1	Revenue from Operations:		
	A. Sale of Products		
	a. Magnesium Powder	13,343,427	13,343,427
	b. Magnesium Turnings	260,100	260,100
		<u>13,603,527</u>	<u>13,603,527</u>
	Less: Goods and Service Tax	-	-
	Total	13,603,527	13,603,527
2	Other Income:		
	A. Interest Income on		
	a. Bank and other Deposits	276,264	276,264
	B. Other Non-operating Income (Net of Expenses)	-	-
	Total	276,264	276,264
3	Cost of Materials Consumed		
	Opening Stock	-	-
	Add: Purchases	6,697,298	6,697,298
		<u>6,697,298</u>	<u>6,697,298</u>
	Less: Value of Raw materials sold	-	-
	Less: Closing Stock	-	-
	Total	6,697,298	6,697,298
4	Changes in Inventories of Stock-in-Trade:		
	a. Inventory at the beginning of the period		
	(i) Magnesium Metal powder	85,211	85,211
	(ii) Magnesium Metal Ingots	71,219	71,219
	(iii) Magnesium Powder imp	25,638,347	25,638,347
	Sub - Total	25,794,777	25,794,777
	b. Inventory at the end of the period		
	(i) Magnesium Metal powder	89,377	89,377
	(ii) Magnesium Metal Ingots	148,993	148,993
	(iii) Magnesium Powder imp	20,461,325	20,461,325
	Sub - Total	20,699,695	20,699,695
	Total	5,095,082	5,095,082
5	Employee Benefits Expense:		
	a. Salaries, Wages and Bonus	3,437,134	3,437,134
	b. Staff welfare expenses	159,338	159,338
	c. Contribution to provident and other funds	174,732	174,732
	Total	3,771,204	3,771,204
6	Finance Costs		
	a. Interest on others	641,348	641,348
	Total	641,348	641,348
7	Depreciation and amortisation expense:		
	a. Depreciation on Property, Plant and Equipment	277,683	277,683
	Total	277,683	277,683

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 Joint Managing Director



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8 Other expenses:

1 Power Charges	224,242	-	224,242
2 Post & Telegrams	69,539	-	69,539
3 Telephone Charges	84,688	-	84,688
4 Carriage & Freight	175,787	-	175,787
5 Travelling & Conveyance	1,204,215	-	1,204,215
6 Advertisement	48,436	-	48,436
7 Appeal Fees	5,000	-	5,000
8 Bank Charges	53,745	-	53,745
9 Books & Periodicals	1,435	-	1,435
10 Building Maintenance	111,672	-	111,672
11 Certification fees	2,875	-	2,875
12 Computer Maintenance	13,987	-	13,987
13 Consumption of General Stores	1,360	-	1,360
14 Directors Sitting Fees	1,500	-	1,500
15 E Voting Charges	4,784	-	4,784
16 Entertainment	96,974	-	96,974
17 Filing Fee	4,200	-	4,200
18 General Charges	66,054	-	66,054
19 Income Tax 2015-16	-	-	-
20 Insurance	102,911	-	102,911
21 L D Charges	-	-	-
22 Audit Fee	41,400	-	41,400
23 Listing Fees	215,625	-	215,625
24 Machinery Maintenance	146,996	-	146,996
25 Net Charges	30,536	-	30,536
26 ESI Contributions	3,623	-	3,623
27 Packing Material	6,167	-	6,167
28 Printing Stationery	76,659	-	76,659
29 Professional Charges	148,143	-	148,143
30 Rates & Taxes	95,586	-	95,586
31 RTA Charges	27,674	-	27,674
32 Service Tax	10,130	-	10,130
33 Subscription	14,970	-	14,970
34 Tender Schedule Exp	200	-	200
35 Vehicle Maintenance	171,134	-	171,134
36 PF Administration Charges	29,016	-	29,016
37 Foreign Exchange Fluxation	50,394	-	50,394
38 Sales tax	291,494	-	291,494
Total	3,634,152	-	3,634,152

9 Earnings Per Equity Share:

a. Total Comprehensive Income for the period	(6,236,976)	-	(6,236,976)
b. Weighted average number of equity shares of Rs. 10/-each	3,000,000	-	3,000,000
Earnings per equity share (Basic and Diluted)(Not Annualised) - (a) / (b)	(2.08)	-	(2.08)

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Joint Managing Director



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UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2017

Extract of Unaudited Financial Results for the Quarter and Nine months ended December 31, 2017

(₹ in lakhs)

Particulars	Quarter ended			Nine months ended	
	12/31/2017 (UNAUDITED)	9/30/2017 (UNAUDITED)	12/31/2016 (UNAUDITED)	12/31/2017 (UNAUDITED)	12/31/2016 (UNAUDITED)
Total Income from Operations (net)	10.97	77.38	286.00	136.04	539.08
Net Profit/(Loss) for the period (before tax and exceptional	(24.37)	(30.94)	149.11	(62.37)	270.19
Net Profit/(Loss) for the period (before tax after exceptional	(24.37)	(30.94)	149.11	(62.37)	270.19
Net Profit/(Loss) for the period after tax (after exceptional	(24.37)	(30.94)	100.11	(62.37)	181.19
Total comprehensive income for the period	(24.37)	(30.94)	100.11	(62.37)	181.19
Equity Share Capital	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000
Earnings Per Share (Not Annualised):					
Basic : (₹)	(0.81)	(1.03)	3.34	(2.08)	6.04
Diluted : (₹)	(0.81)	(1.03)	3.34	(2.08)	6.04

Notes:

The above is an extract of the detailed format of Quarter ending unaudited financial results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the quarter ending unaudited financial results are available on the Stock Exchange Websites (www.bseindia.com) and on the Company's Website:

The above unaudited financial results have been reviewed by the audit committee and approved by the board at their meeting held on 13-2-18. The statutory auditors of the company have carried out limited review of the results for the quarter ended 31st December, 2017.

For and on behalf of Board of Directors

N. Rajender Prasad
Joint Managing Director

Place : Hyderabad
Date : 13.02.2018