



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 2nd quarter ended 30th Sept 2012

PART - 1		Rupees (lakhs)					31.03.2012	
		Particulars	Quarter Ended			Half Year Ended		
			30.09.12	30.06.12	30.09.11	30.09.12		30.09.11
		Un-Audited	Un-Audited	Audited	Un-Audited	Un-Audited	Audited	
							Rs.	
1	Income from operations						155.84	
	(a) Net Sales / Income from operations (Net of excise duty)	1.80	76.00	27.17	77.80	69.05		
	(b) Other operating Income	9.69	0.00	0.00	9.69	0.00	0.00	
	Total income from operations (net)	11.49	76.00	27.17	87.49	69.05	155.84	
2	Expenses							
	a) Cost of raw materials consumed	2.62	30.04	14.22	32.67	37.82	94.32	
	b) Changes in inventories of finished goods and work-in-progress	(0.11)	5.27	2.16	5.16	3.03	(1.13)	
	c) Employee benefits expense	6.05	6.64	3.82	12.69	7.82	19.82	
	d) Depreciation and amortization expense	0.61	0.61	1.13	1.21	2.27	4.34	
	e) Other Expenses	3.65	5.48	4.72	9.13	8.86	23.60	
	Total Expenses	12.82	48.04	26.05	60.86	59.80	140.95	
3	Profit/ (Loss) from operations before other income & finance exceptional items (1-2)	-1.33	27.96	1.12	26.63	9.25	14.89	
4	Other Income	0.00	0.00	0	0.00	0.00	0.18	
5	Profit/ (Loss) before finance & exceptional items (3+4)	-1.33	27.96	1.12	26.63	9.25	15.07	
6	Finance Cost	0.00	1.67	0.20	1.67	0.47	4.29	
7	Profit/(Loss) after financial but before exceptional items (5-6)	-1.33	26.29	0.92	24.96	8.78	10.78	
8	Exceptional items	5.93	0.00	0.00	5.93	0.00	(21.90)	
9	Profit/ (Loss) from ordinary activities before Tax (7+8)	-7.26	26.29	0.92	19.03	8.78	(11.11)	
10	Tax expense	0.00	0.00	0.00	0.00	0.00	0.00	
11	Net Profit /(Loss) from ordinary activities after tax (9-10)	-7.26	26.29	0.92	19.03	8.78	(11.11)	
12	Extraordinary items	0.00	0.00	0.00	0.00	0.00	0.00	
13	Net Profit/ (Loss) for the period (11-12)	-7.26	26.29	0.92	19.03	8.78	(11.11)	
14	Paid up equity Share Capital (Rs.10/- Share Face value)	300	300	300	300	300	300	
15	Reserves excluding revaluation reserves as per Balance Sheet of previous accounting year	10	10	10	10	10	10	
16	Earnings per Share (EPS) (in rupees)							
	a) Basic and diluted EPS. Rs.(before extraordinary items),	-0.24	0.88	0.03	0.63	0.29	(0.37)	
	b) Basic and diluted EPS. Rs.(after Extraordinary items for the)	-0.24	0.88	0.03	0.63	0.29	(0.37)	



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PART - 2

A. Particulars of Shareholding

S.no	PARTICULARS	Quarter Ended			Half Year Ended		31.03.2012
		30.09.12	30.08.12	30.09.11	30.08.12	30.09.11	
		Un-Audited	Un-Audited	Audited	Un-Audited	Un-Audited	
1	Public Share holding						
	- Number of shares	14,01,400	14,01,400	14,01,400	14,01,400	14,01,400	14,01,400
	- percentage of share holding	46.71%	46.71%	46.71%	46.71%	46.71%	46.71%
2	Promoters and Promoter Group Shareholding	15,98,600	15,98,600	15,98,600	15,98,600	15,98,600	15,98,600
	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	15,98,600	15,98,600	15,98,600	15,98,600	15,98,600	15,98,600
	- 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)	53.31%	53.31%	53.31%	53.31%	53.31%	53.31%

B. Investor Complaints

S.no	Particulars	Quarter ended 30.09.2012
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



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STATEMENT OF ASSETS & LIABILITIES

	Particulars	As at	
		30-09-2012 (un-audited)	31-03-2012 (audited)
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share capital	400.00	400.00
	(b) Reserves and surplus	(628.58)	(647.61)
	Sub-total - Shareholders' funds	(228.58)	(247.61)
2	Share application money pending allotment	0.00	0.00
3	Non-current liabilities		
	(a) Long-term borrowings	0.00	0.00
	(b) Deferred tax liabilities (net)	0.00	0.00
	(c) Other long-term liabilities	0.00	0.00
	(d) Long-term provisions	0.00	0.00
	Sub-total - Non-current liabilities	0.00	0.00
4	Current liabilities		
	(a) Short-term borrowings	238.5	296.23
	(b) Trade payables	4.18	1.88
	(c) Other current liabilities	100.76	88.74
	(d) Short-term provisions	1.39	1.55
	Sub-total - Current liabilities	344.83	388.40
	TOTAL - EQUITY AND LIABILITIES	116.25	140.79
B	ASSETS		
1	Non-current assets		
	(a) Fixed assets - tangible assets	40.72	41.66
	(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
	Sub-total - Non-current assets	40.72	41.66
2	Current assets		
	(a) Current investments	0	0.00
	(b) Inventories	30.46	30.46
	(c) Trade receivables	29.92	57.28
	(d) Cash and cash equivalents	1.17	1.14
	(e) Short-term loans and advances	13.87	9.88
	(f) Other current assets	0.11	0.37
	Sub-total - Current assets	75.53	99.13
	TOTAL - ASSETS	116.25	140.79

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, 1954

Place : Hyderabad
 Date : 14.11.2012

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

- The above results have been subjected to Limited review by the 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 14.11.2012
- There are no pending shareholders complaints
- The company has not adopted AS-16 Employee Benefits issued by ICAI for providing its liability towards employee benefits. The impact on the above results due to non-adoption of AS-16 "Employee Benefits" could not be ascertained.



K.S. Rao & Co.
CHARTERED ACCOUNTANTS

LIMITED REVIEW REPORT ON THE FINANCIAL RESULTS OF SOUTHERN MAGNESIUM AND CHEMICALS LIMITED FOR THE QUARTER AND HALF YEAR ENDED 30th SEPTEMBER, 2012 TO BE SUBMITTED TO THE STOCK EXCHANGES

We have reviewed the accompanying statement of un-audited 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 ended 30th September, 2012, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, "Engagements to Review Financial Statements" 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 misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and 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 impacts on the loss for the quarter ended 30th September, 2012 and its impact on the Profit for the half year ended 30th September, 2012 can not be quantified.

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 as notified by the Companies (Accounting Standards) Rules, 2006 and other recognized accounting practices and policies **subject to our comment above** 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 : 14.11.2012

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

P. Govardhana Reddy
(P.GOVARDHANA REDDY)
Partner
Membership No.029193

