



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 : L27109TG1985PLC005303

To
The Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 001

Date: 10.11.2020
Place: Hyderabad

SUB: Intimation to BSE about outcome of Board Meeting -Reg

Dear Sir / Madam,

With reference to the above cited subject, Board of Directors of the company at their meeting held on Tuesday, 10th November 2020, inter-alia has transacted the following item of agenda:

- Unaudited Financial Results with Limited Review Report have been approved for quarter and half year ended 30.09.2020.

This is for your information and record.

For Southern Magnesium and Chemicals Limited

Mr. Rajender Prasad Nuthakki
Joint Managing Director & CFO
DIN: 00145659

SOUTHERN MAGNESIUM AND CHEMICALS LIMITED
CIN: L27109TG1985PLC005303

Regd. office : Deccan Chambers, 5th Floor, 6-3-666/B, Somajiguda, Hyderabad – 500082
Un-Audited Financial Results for Quarter and Half year Ended 30th September,2020

(Rupees in lakhs)

Sl. No	Particulars	For the Quarter ended			Half Year Ended		Year Ended
		30.09.2020 (Un Audited)	30.06.2020 (Un Audited)	30.09.2019 (Un Audited)	30.09.2020 (Un Audited)	30.09.2019 (Un Audited)	31.03.2020 (Audited)
I	Revenue From Operations	16.85	73.43	72.73	90.28	85.96	158.56
II	Other Income	0.46	0.70	0.62	1.15	1.64	2.77
III	Total Income (I+II)	17.31	74.13	73.35	91.43	87.60	161.34
IV	EXPENSES						
	Cost of materials consumed	18.32	11.95	35.87	30.27	56.24	60.81
	Purchase of stock in trade	-	-	-	-	-	-
	Changes in Inventories of finished goods, Stock-in-Trade and work-in-progress	(6.22)	17.78	(19.31)	11.56	(34.65)	2.29
	Employee benefits expense	16.83	18.09	16.53	34.91	30.46	75.45
	Finance costs	2.07	1.73	2.38	3.8	4.23	8.50
	Depreciation and amortization expense	2.40	2.38	2.36	4.78	4.72	9.48
	Other expenses	7.96	6.79	8.68	14.75	17.67	39.21
	Total expenses (IV)	41.36	58.72	46.51	100.07	78.67	195.73
V	Profit/(loss) before exceptional items and tax (III- IV)	(24.05)	15.41	26.84	(8.64)	8.93	(34.39)
VI	Exceptional Items	-	-	-	-	-	-
VII	Profit/(loss) before tax (V+VI)	(24.05)	15.41	26.84	(8.64)	8.93	(34.39)
VIII	Tax expense:						
	Current tax	-	-	-	-	-	-
	Relating to earlier years	-	-	-	-	-	(6.54)
	Deferred tax	(1.63)	(0.28)	(1.75)	(1.91)	(1.75)	(4.76)
IX	Profit/(Loss) for the period (VII-VIII)	(22.42)	15.69	28.59	(6.73)	10.68	(23.09)
X	Other Comprehensive Income						
	A (i) Items that will not be reclassified to profit or loss	-	-	-	-	-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
	B (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	Total Other Comprehensive Income (net of taxes)	-	-	-	-	-	-
XI	Total Comprehensive Income for the period	(22.42)	15.69	28.59	(6.73)	10.68	(23.09)
XII	Earnings per equity share- Basic and Diluted	(0.75)	0.52	0.95	(0.22)	0.36	(0.77)
	Weighted Average number of equity shares in nos	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000

Notes:

- The Unaudited financial results of the Company have been prepared in accordance with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The above unaudited financial results for the half year ended 30th September, 2020, were reviewed by Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on 10th November, 2020. An unqualified report has been issued by them thereon.
- COVID-19 is the infectious disease caused by the most recently discovered coronavirus a pandemic. The Company has adopted measures to curb the spread of infection in order to protect the health of our employees and ensure business continuity with minimal disruption, the effect of operations of the company for the quarter ended 30th September, 2020 is marginal. The company will continue to closely monitor any material changes to future economic conditions.
- The Company's business activity falls within a single business segment i.e Magnesium in terms of IND AS 108 on operating segments.
- Previous figures have been regrouped or rearranged wherever necessary to conform current year classification.

For and on behalf of the Board of Directors

Place : Hyderabad
Date : 10.11.2020


N. Rajender Prasad
Joint Managing Director

Southern Magnesium and Chemicals Limited
CIN- L27109TG1985PLC005303
 Regd. office : Deccan Chambers, 5th Floor, 6-3-666/B, Somajiguda, Hyderabad – 500 082

BALANCE SHEET AS AT 30TH SEPT, 2020

(Rupees in lakhs)

Particulars	As at 30.09.2020 (Un-audited)	As at 31.03.2020 (Audited)
ASSETS		
Non-current assets		
(a) Property, Plant and Equipment	51.06	55.16
(b) Other Non Current Assets	1.15	1.15
(c) Deferred Tax Asset(net)	8.95	7.03
Total non current asset	61.16	63.35
Current assets		
(a) Inventories	229.03	234.47
(b) Financial Assets		
(i) Trade receivables	35.21	9.93
(ii) Cash and cash equivalents	12.81	3.74
(iii) Others bank balances	26.93	26.93
(iv) Others financial assets	4.71	5.54
(c) Other current assets	4.46	1.33
(d) Current tax asset (net)	3.60	3.49
Total Current Assets	316.75	285.43
TOTAL ASSETS	377.91	348.78
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share capital	300.00	300.00
(b) Other Equity	(51.12)	(44.39)
	248.88	255.61
Liabilities		
Non - current liabilities		
(a) Financial Liabilities		
(i) Borrowings	23.40	23.90
(b) Deferred tax liabilities	-	-
(c) Provisions	-	10.59
Total Non Current Liability	23.40	34.49
Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	84.60	48.27
(ii) Trade payables		
- Total outstanding dues of micro and small enterprises	10.02	-
- Total outstanding dues of other than micro and small enterprises	-	-
(iii) Other financial liabilities	7.68	8.35
(b) Other current liabilities	3.33	2.06
(c) Current tax liability (net)	-	-
Total Current liabilities	105.63	58.68
TOTAL EQUITY & LIABILITIES	377.91	348.78

For and on behalf of the Board of Directors



N.Rajender Prasad
Joint Managing Director

Place : Hyderabad
Date : 10.11.2020

Southern Magnesium and Chemicals Limited

CIN - L27109TG1985PLC005303

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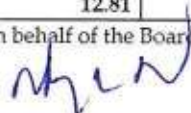
Cash Flow Statement

For the half year ended 30th September, 2020

(Rupees in lakhs)

Particulars	For the Half Year Ended	
	30-09-2020	30-09-2019
Cash flows from/(used in) operating activities		
Net Profit/ (Loss) before tax as per Statement of Profit and Loss	(8.64)	8.93
Adjustments for :		
Depreciation and amortisation expenses	4.78	4.72
Interest earned	(1.15)	(1.64)
Finance costs	3.80	4.23
Operating Profit/(Loss) before changes in operating assets and liabilities	(1.21)	16.24
Adjustments for changes in operating assets and liabilities:		
(Increase) / Decrease in Inventories	5.44	(40.37)
(Increase) / Decrease in Trade receivables	(25.27)	14.64
(Increase) / Decrease in Other assets	1.70	(1.16)
(Increase) / Decrease in Other Current assets	(3.13)	5.62
Increase / (Decrease) in Trade payables	10.02	(5.24)
Increase / (Decrease) in Other financial liabilities	(0.67)	(2.53)
Increase / (Decrease) in Other liabilities	1.27	(17.54)
Increase / (Decrease) in Provisions	(10.59)	-
Cash generated from Operations	(22.44)	(30.34)
Income tax paid (net of refunds)	(0.12)	(1.54)
Net Cash generated from operating activities (A)	(22.56)	(31.88)
Cash flows from/(used in) investing activities		
Purchase of property, plant and equipment	(0.68)	(21.44)
Interest received	0.28	1.64
Net Cash generated from/(used in) investing activities (B)	(0.40)	(19.80)
Cash flows from/(used in) Financing activities		
Repayment of Borrowings	(0.50)	(2.65)
Proceeds from Current borrowings	36.33	28.39
Interest paid	(3.80)	(4.23)
Net cash used in financing activities (C)	32.03	21.51
Net increase/(decrease) in cash and cash equivalents (A+B+C)	9.07	(30.17)
Cash and cash equivalents as at the beginning of the year	3.74	67.29
Cash and cash equivalents as at the end of the period	12.81	37.13
Reconciliation of cash and cash equivalents as per the statement of cash flow		
	As at	As at
Cash and cash equivalents at the end of the period	30th Sept, 2020	30th Sept, 2019
Cash on hand	1.74	2.63
Current accounts	11.07	1.07
Deposits with original maturity of less than 3 months		33.43
Total	12.81	37.13

For and on behalf of the Board of Directors



N. Rajender Prasad
Joint Managing Director

Place: Hyderabad

Date: 10.11.2020



Independent Auditor's Review Report on Quarterly and Year to Date Unaudited Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, as amended

To the Board of Directors of SOUTHERN MAGNESIUM AND CHEMICALS LIMITED.

1. We have reviewed the accompanying statement of unaudited financial results of SOUTHERN MAGNESIUM AND CHEMICALS LIMITED ("the Company") for the quarter ended 30th September, 2020 and year-to-date results for the period from 1st April, 2020 to 30th September, 2020 ("the statement") attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.
3. We conducted our review of the statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial information performed by the Independent Auditor of the Entity", issued by Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free from material misstatement. A review of interim financial information consists of making inquiries, primarily of personnel 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.
4. 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 the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

for **BRAHMAYYA & CO.**
Chartered Accountants
Firm's Regn No. 000513S



K. Shraavan
(K.SHRAVAN)
Partner

Membership No. 215798

UDIN: 20215798AAAAFM6835

Date : 10.11.2020