

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 September 30, 2025 and year-to-date results for the period from April 01, 2025 to September 30, 2025 ("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 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: 25215798BMITZQE1482

Date : 12.11.2025

Place : Hyderabad



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

Southern Magnesium and Chemicals Limited
 CIN- L27109TG1985PLC005303

Regd. office : Deccan Chambers, 5th Floor, 6-3-666/B, Somajiguda, Hyderabad - 500 082

Un-Audited Financial Results for Quarter and the Half Year Ended 30th September, 2025

Particulars		For the Quarter ended			Half year ended		Rs.in lakhs
		30-09-2025 (Un-Audited)	30-06-2025 (Un-Audited)	30-09-2024 (Un-Audited)	30-09-2025 (Un-Audited)	30-09-2024 (Un-Audited)	Year ended 31-03-2025 (Audited)
I	Revenue from operations	165.81	21.70	393.10	187.51	988.52	1,243.49
II	Other income	12.51	10.75	15.41	23.26	20.87	56.92
III	Total Income	178.32	32.45	408.51	210.77	1,009.39	1,300.41
IV	Expenses						
	Cost of raw materials consumed	120.87	21.47	174.84	142.35	437.51	562.94
	Changes in inventories of finished goods and work-in-progress	(12.84)	(18.40)	29.19	(31.24)	37.55	71.48
	Employee benefits expense	21.38	22.39	24.12	43.78	82.54	132.37
	Finance costs	10.04	8.14	0.31	18.19	1.73	14.71
	Depreciation and amortization expense	1.28	1.28	1.53	2.56	3.04	6.10
	Other expenses	9.89	10.75	27.07	20.63	57.98	85.55
	Total expenses (IV)	150.62	45.63	257.06	196.27	620.35	873.15
V	Profit/(Loss) before exceptional items and tax (III-IV)	27.70	(13.18)	151.45	14.50	389.04	427.26
VI	Exceptional items	-	-	-	-	-	-
VII	Profit/(Loss) before tax (V+VI)	27.70	(13.18)	151.45	14.50	389.04	427.26
VIII	Tax expense:						
	Current tax	3.86	-	37.57	3.86	97.49	109.15
	Deferred tax	3.11	(3.32)	(0.07)	(0.21)	(0.20)	(1.66)
IX	Profit/(Loss) for the period (VIII-IX)	20.73	(9.86)	113.95	10.85	291.75	319.77
X	Other Comprehensive income						
	i. Items that will not be reclassified subsequently to profit or loss	-	-	-	-	-	-
	ii. Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
	Total Other Comprehensive Income for the period (VIII)	-	-	-	-	-	-
XI	Total Comprehensive Income/(loss) for The Period (VII + VIII)	20.73	(9.86)	113.95	10.85	291.75	319.77
XII	Equity Share Capital	300.00	300.00	300.00	300.00	300.00	300.00
XIII	Other Equity	-	-	-	-	-	-
XIV	Earnings per equity share -Basic and Diluted (of Rs.10 each)	0.69	(0.33)	3.80	0.36	9.72	10.66

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.
- The above Unaudited financial results for the quarter and half year ended 30th September, 2025, were reviewed by Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on 12th November, 2025. The above results have been subjected to limited review by the statutory auditors of the Company. An unqualified report has been issued by them thereon.
- The Company's business activity falls within a single business segment i.e Magnesium in terms of IND AS 108 on operating segments.
- Previous year/period figures have been regrouped wherever necessary to conform current year/period classification.

For and on behalf of the Board of Directors

N.Rajender Prasad
 Managing Director

Place: Hyderabad
 Date: 12-11-2025



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Balance Sheet as at 30.09.2025

(Rs. In Lakhs)

Particulars	As at 30.09.2025 (Un-Audited)	As at 31.03.2025 (Audited)
ASSETS		
Non-current assets		
(a) Property, Plant and Equipment	27.36	29.92
(b) Other Non Current Assets	1.10	1.10
(c) Other Financial Assets	225.00	225.00
(d) Deferred Tax Asset	0.34	0.13
Total non current asset	253.80	256.15
Current assets		
(a) Inventories	897.45	971.61
(b) Financial Assets	-	-
(i) Trade receivables	22.34	53.28
(ii) Cash and cash equivalents	3.38	1.97
(iii) Others bank balances	601.15	612.00
(iv) Others financial assets	2.45	6.11
(c) Other current assets	35.89	61.16
Total Current Assets	1,562.66	1,706.13
TOTAL ASSETS	1,816.46	1,962.28
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share capital	300.00	300.00
(b) Other Equity	1,003.04	992.19
	1,303.04	1,292.19
Liabilities		
Non - current liabilities		
Total Non Current Liability	-	-
Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	469.75	329.46
(ii) Trade payables		
- Total outstanding dues of micro and small enterprises	-	-
- Total outstanding dues of other than micro and small enterprises	-	220.80
(iii) Other financial liabilities	28.26	15.90
(b) Other current liabilities	1.95	90.20
(c) Current tax liability (net)	13.46	13.73
Total Current liabilities	513.42	670.09
TOTAL EQUITY & LIABILITIES	1,816.46	1,962.28

For Southern Magnesium & Chemicals Limited

Managing Director



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Statement of Cash Flow

For the half year ended 30th, September, 2025

Particulars	For Half year ended	
	30-09-2025 (unaudited)	30-09-2024 (unaudited)
A. Cash Flow From Operating Activities		
Profit/ (Loss) before tax	14.50	389.04
Adjustments for:		
Depreciation and amortization expense	2.56	3.04
Interest income	(23.26)	(20.87)
Finance Cost	18.19	1.73
Operating Profit before working capital Changes	11.99	372.94
Movement in Working Capital		
Decrease/(increase) in inventories	74.15	(16.46)
Decrease/(increase) in trade receivables	30.94	247.47
Increase / (decrease) Trade payables	(220.80)	109.13
Decrease / (Increase) in financial assets and non-financial assets	28.92	(464.65)
Increase / (decrease) in financial liabilities and other liabilities	(75.88)	(16.21)
Cash Generated from Operations	(150.68)	232.22
Taxes Paid	(4.13)	(147.91)
Net Cash flow from Operating Activities (A)	(154.81)	84.31
Cash Flow From Investing Activities		
Purchase of Property plant and equipment and intangible assets incl. CWIP	-	(0.26)
Movement in other bank balances	10.85	-
Interest Received	23.26	20.87
Net cash flow generated/(used) from investing activities (B)	34.11	20.61
Cash flows from financing activities		
Proceeds from/(repayment of) long-term loans and borrowings, net	-	-
Proceeds from/(repayment of) short-term loans and borrowings, net	140.29	(0.81)
Interest paid	(18.19)	(1.73)
Net cash from/(used in) financing activities (C)	122.10	(2.54)
Net increase in cash and cash equivalents (A+B+C)	1.40	102.37
Cash and cash equivalents at the beginning of the period/year	1.97	3.93
Cash and cash equivalents at the end of the year	3.37	106.30
Component of Cash and Cash Equivalent		
Cash in Hand	0.41	0.43
Balance with banks In current Account	2.97	104.86
Margin money deposits (on Bank Guarantees) with balance maturity less than 3 months	-	1.02
Total Cash and Cash Equivalents in Cash Flow Statement	3.38	106.30

For Southern Magnesium & Chemicals Limited

Managing Director