

**S.T. Mohite & Co.,**

Chartered Accountants

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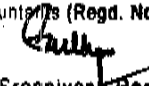
LIMITED REVIEW REPORT IN TERMS OF CLAUSE 41 OF LISTING AGREEMENT

We have reviewed the accompanying statement of Un-audited Financial Results of "**SREE RAYALASEEMA HI-STRENGTH HYPO LIMITED, GONDIPARLA, KURNOOL**" for the **second 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 in its meeting held on 14.11.2012.** 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) 2410, **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.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of Un-audited financial results prepared in accordance with applicable Accounting Standards and other recognized accounting practices and policies 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 : 14th November, 2012For S.T. Mohite & Co.
Chartered Accountants (Regd. No. 011410S)
M.T. Sreenivas Rao
Proprietor (Membership No. 15635)

SREE RAYALASEEMA HI-STRENGTH HYPO LIMITED						
REGD OFFICE: GONDIPARLA, KURNOOL - 518004						
(Rs. In Lakhs)						
Statement of Unaudited Results for the Quarter and Six Months ended 30/09/2012						
Particulars	3 months ended 30-Sep-12	Preceding 3 months ended 30-Jun-12	Corresponding 3 months ended 30/09/2011 in the previous year (Unaudited)	Year to date figures for Half year ended 30-Sep-12 (Unaudited)	Year to date figures for Half year ended 30-Sep-11 (Unaudited)	Year to date figures for the previous year ended 31-Mar-12 (Audited)
1 Income from Operations						
(a) Net sales / income from operations (net of excise duty)	7474.63	6904.37	5867.67	14379.00	11677.50	24299.00
(b) Other operating income	0	0	0.00	0.00	0.00	0.00
Total income from operations (net)	7474.63	6904.37	5867.67	14379.00	11677.50	24299.00
2 Expenses						
(a) Cost of materials consumed	3285.13	3353.51	2955.76	6638.64	5929.47	12242.19
(b) Purchases of stock-in-trade	0.25	0.00	135.19	0.25	135.93	241.12
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	0.00	-190.16	-89.74	-119.97	75.91	-127.22
(d) Employee benefits expenses	262.23	273.88	260.75	536.10	512.54	980.74
(e) Depreciation and amortisation expense	350.30	296.78	298.65	647.08	597.32	1198.00
(f) Other expenses	2494.34	2190.67	1330.36	4885.00	2623.74	6086.81
Total expenses	6462.43	5924.67	4910.98	12387.10	9874.90	20621.64
3 Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	1012.20	979.695	956.6925	1991.896	1702.605	3677.36
4 Other Income	42.78	21.45	62.17	64.23	66.26	265.18
5 Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	1054.98	1001.145	1018.86	2056.12	1768.86	3942.54
6 Finance costs	178.53	181.85	208.39	360.38	427.70	695.55
7 Profit / (Loss) from ordinary activities after finance costs, but before exceptional items (5-6)	876.44	819.295	810.47	1695.74	1461.16	3246.99
8 Exceptional items	-184.23	349.81	0.00	165.58	0.00	495.03
9 Profit / (Loss) from ordinary activities before tax (7-8)	1060.67	469.485	810.47	1530.16	1461.16	2751.96
10 Tax expense						
Current Tax	247.76	201.36	159.18	449.12	287.42	1096.92
Deferred Tax	88.33	-62.39	-46.26	25.94	-98.06	-165.40
11 Net Profit / (Loss) from ordinary activities after tax (9-10)	724.59	330.52	697.55	1055.10	1271.80	1820.44
12 Extraordinary items (net of tax expense Rs. Lakhs)	0	0	0.00	0.00	0.00	0
13 Net profit / (Loss) for the period (11-12)	724.59	330.52	697.55	1055.10	1271.80	1820.44
14 Share of profit / (loss) of associates	0.00	0.00	0.00	0.00	0.00	0.00
15 Minority interest	0.00	0.00	0.00	0.00	0.00	0.00
16 Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (13 + 14 + 15)	724.59	330.52	697.55	1055.10	1271.80	1820.44

For Sree Rayalaseema Hi-Strength Hypo Ltd.,

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(T.O. BHARATH)
Chairman & Managing Director

17	Paid-up equity share capital (Face value of Rs.10/- per Share)	1398.09	1094.75	1094.75	1398.09	1094.75	1398.09
18	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	12497.34	9492.10	7783.78	12497.34	7783.78	11442.24
19.i	Earnings per share (before extraordinary items) (of Rs.10/- each) (not annualised)						
	(a) Basic	7.55	5.22	11.60	7.55	11.60	13.02
	(b) Diluted	7.55	5.22	11.60	7.55	11.60	13.02
19.ii	Earnings per share (after extraordinary items) (of Rs.10/- each) (not annualised)						
	(a) Basic	7.55	5.22	11.6	7.55	11.6	13.02
	(b) Diluted	7.55	5.22	11.6	7.55	11.6	13.02
A	PARTICULARS OF SHAREHOLDING						
1	Public shareholding						
	- Number of shares	6561877	5686058	5709598	6561877	5709598	6561877
	- Percentage of shareholding	46.93	51.94	52.15	46.93	52.15	46.93
2	Promoters and Promoter Group Shareholding						
a)	Pledged / 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	7418982	5261403	5237863	7418982	5237863	7418982
	- Percentage of shares (as a % of the total shareholding of the Promoter and promoter group)	100.00	100.00	100.00	100.00	100.00	100.00
	- Percentage of shares (as a % of the total share capital of the company)	53.07	48.06	47.85	53.07	47.85	53.07
	Particulars	6 months ended (30/09/2012)					
B	INVESTOR COMPLAINTS						
	Pending at the beginning of the quarter	NIL					
	Received during the quarter	20					
	Disposed of during the quarter	20					
	Remaining unresolved at the end of the quarter	NIL					
	SEGMENT WISE REVENUE RESULTS AND CAPITAL EMPLOYED						
Sl. No.	Particulars	Quarter Ended			HALF YEAR ENDED		YEAR END
		30-Sep-12	30-Jun-12	30-Sep-11	30-Sep-12	30-Sep-11	31-Mar-12
1	Segment Revenue						
	Chemicals	6942.27	6704.84	5392.75	13596.74	11029.83	23452.29
	Wind Energy Generation	532.36	199.53	474.92	782.26	647.87	846.71
	Net Sales / Income from Operations	7474.63	6904.37	5867.67	14379.00	11677.50	24299.00
2	Segment Results						
	Chemicals	1059.79	585.33	1264.92	1903.64	1572.84	3795.43
	Wind Energy Generation	47.59	-414.37	308.23	88.26	229.77	-118.07
	Total	1012.20	979.70	956.69	1991.90	1802.61	3677.36
3	Interest (Net)						

For Sree Rayalaseema Hi-Strength Hypo Ltd.,

(T.G.BHARATH)

Chairman & Managing Director

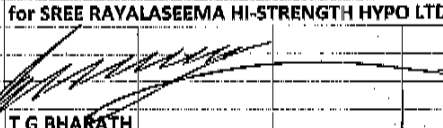
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	Chemicals	522.50	101.28	176.06	202.51	296.94	356.84
	Wind Energy Generation	-343.97	80.57	32.33	157.87	130.76	338.71
	Total	178.53	181.85	208.39	360.38	427.70	695.55
	Profit/Loss from Ordinary Activities before tax	1060.67	469.49	810.47	1530.16	1461.16	2751.96
4	Capital Employed						
	(Segment Assets - Segment Liabilities)						
	Chemicals	14230.24	11635.98	8570.30	14230.24	9328.77	13638.41
	Wind Energy Generation	-334.82	-1094.39	308.22	-334.82	-450.25	-798.08
	Total Capital Employed in Segments	13895.42	10541.59	8878.52	13895.42	8878.52	12840.33
						Half Year Ended	
						30-Sep-12	31-Mar-12
	I. EQUITY AND LIABILITIES						
	(1) Shareholder's Funds						
	(a) Share Capital					398.08	1398.09
	(b) Reserves and Surplus					12497.34	11442.24
	(c) Money received against share warrants					0	0
	(2) Share Application money pending allotment					0	0
	(3) Non-Current Liabilities						
	(a) Long-Term Borrowings					7217.85	6311.41
	(b) Deferred Tax Liabilities (Net)					2303.04	2277.10
	(c) Other Long Term Liabilities					0	0
	(d) Long Term Provisions					49.33	49.33
	(4) Current Liabilities						
	(a) Short-Term Borrowings					3542.74	3547.88
	(b) Trade Payables					1358.45	1019.96
	(c) Other Current Liabilities					1143.29	1748.51
	(d) Short-Term Provisions					2096.94	1698.66
	Total Equity & Liabilities					31604.06	29493.18
	II. ASSETS						
	(1) Non-Current Assets						
	(a) Fixed Assets						
	(i) Gross Block					22788.11	21153.05
	(ii) Depreciation					5745.49	5100.62
	(iii) Net Block					17022.62	16052.43
	(b) Non-current investments					2247.35	2249.33
	(c) Deferred tax assets (net)					0	0
	(d) Long term loans and advances					0	0
	(e) Other non-current assets					0	0
	(2) Current Assets						
	(a) Current investments						
	(b) Inventories					2919.80	2102.07
	(c) Trade receivables					2869.13	2580.93
	(d) Cash and cash equivalents					316.22	524.30
	(e) Short-term loans and advances					5604.31	5749.80
	(f) Other current assets					624.63	234.32
	Total Assets					31604.06	29493.18
Notes							
1	The above Unaudited financial results were reviewed by the Audit Committee and were approved and taken on record by the Board of Directors at their meeting held on 14.11.2012. The Auditors of the Company have carried out a limited review pursuant to clause 41 of the Listing Agreement.						
2	Previous period/year figures have been regrouped/ recast/ rearranged where ever necessary to make them comparable.						

For Sree Rayalaseema HI-Strength Hypo Ltd.,

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K.G.BHARATH)
Chairman & Managing Director

3	Pursuant to Scheme of Arrangement, the Company has issued 24, 86,028 Equity Shares of Rs.10/- each to the shareholders of Transferor Companies and shown in share suspense account as on 31.03.2012. The Company has now allotted these shares on 14.11.2012. Necessary listing applications shall be submitted to Stock Exchanges for listing of new shares.	
4	Pursuant to Scheme of Arrangement sanctioned by Hon'ble High Court of Andhra Pradesh vide its Order DT. 31.08.2012, and which came into effect on 20 th September, 2012, all assets and liabilities have been transferred to and vested in the Company with retrospective from the Appointed Date i.e., 1 st April, 2011. Accordingly, the figures reported for corresponding half year ended 30 th September, 2011 and quarter ended 30 th September, 2011 have been suitably recast to give effect to the Scheme of Arrangement and to incorporate therein the financials of the merged entity for the period.	
5	During this quarter, the expanded capacity of hypo chlorite plant had commenced commercial production.	
6	The Foreign exchange transactions outstanding as on 30.09.2012 are provided for at marked-to-market rates as on that date exercising the option as per Gazette Notification under AS-11 (the effect of changes in foreign exchange rate). The Company, accordingly, recognized a net gain of Rs. 184.23 lakhs on account of exchange fluctuation during quarter ended 30.09.2012 and being material in amount is disclosed as exceptional item (Rs. 495.03 lakhs loss for the year ended 31.03.2012)	
7	The taxes on Income for the quarter ending 30.09.2012 is determined in accordance with AS-25, interim financial reporting read with relevant guidance notes issued by ICAI	
Place : Kurnool		for SREE RAYALASEEMA HI-STRENGTH HYPO LTD.,
Date :14-11-2012		
		
		T G BHARATH
		CHAIRMAN & MANAGING DIRECTOR

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