S.T. Mohite & Co.,
Chartered Accountants
G5, B-Block, Paragon Venkatadri Apartments,
3-4-812, Street No.1, Barkatpura,
Hyderabad - 500 027, A.P. INDIA.
Mob : 9848994508, 9848359721
Email : stmohite@yahoo.com

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, 2013** 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 14.11.2013.** 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, 2013

S.T.Mohite & Co. ★ Chartered Accountants ★ Regd. No. 011410S Hyd.

For S.T.Mohite & Co.
Chartered Accountants (Regd. No. 011410S)

M.T.Sreenivasa Rao
Proprietor (Membership No.15635)

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SREE RAYALASEEMA HI-STRENGTH HYPO LIMITED
REGD.OFFICE:GONDIPARLA,KURNOOL-518 004
UN-AUDITED FINANCIAL RESULTS FOR THE HALF YEAR ENDED ON 30TH SEPTEMBER 2013

(Rs in Lakhs)

Sl. No.	Particulars	For the three months ended			For the six months ended		
		Three months Ended 30-Sep-13 (Un-audited)	Previous 3 months Ended 30-Jun-13 (Un-audited)	Corresponding 3 Months ended in previous year 30-Sep-12 (Un-audited)	30-Sep-13 (Un-audited)	30-Sep-12 (Un-audited)	Previous Accounting Year ended 31-Mar-13 (Audited)
1	**Income from Operations**						
	a) Net Sales / Income from Operations-Net of Excise Duty	7255.83	6493.83	7474.63	13749.66	14379.00	29966.76
	b) Other Operating Income	0.00	0.00	0.00	0.00	0.00	0.00
	Total income from operations - Net	7255.83	6493.83	7474.63	13749.66	14379.00	29966.76
2	**Expenditure**						
	a) Cost of materials consumed	3694.68	3389.15	3285.13	7083.83	6638.64	14361.10
	b) Purchases of Stock-in-trade	0.00	0.00	0.25	0.00	0.25	0.25
	c) Change in inventories of Finished goods&Stock in process	-318.74	-253.35	70.18	-572.09	-119.97	35.46
	d) Employee Benefits expenses	255.10	256.45	262.23	511.55	536.10	1118.14
	e) Depreciation & Amortisation	357.71	338.89	350.30	696.60	647.08	1319.94
	f) Other Expenses	2635.42	2389.61	2494.34	5025.03	4685.00	10028.02
	Total Expenses (a to f)	**6624.17**	**6120.75**	**6462.43**	**12744.91**	**12387.10**	**26862.90**
3	Profit / (Loss) from operations before other Income,finance costs and Exceptional items(1-2)	631.66	373.08	1012.20	1004.75	1991.90	3103.86
4	Other Income	236.81	213.07	42.78	449.88	64.23	296.27
5	Profit / (Loss) from ordinary activities before finance costs and Exceptional items(3+4)	868.47	586.15	1054.98	1454.63	2056.12	3400.14
6	Finance costs	190.94	205.35	178.53	396.29	360.38	789.44
7	Profit / (Loss) from ordinary activities after finance costs but before Exceptional items(5-6)	677.53	380.80	876.44	1058.34	1695.74	2610.69
8	Exceptional items	219.17	247.52	-184.23	466.69	165.58	1329.63
9	Profit / (Loss) from ordinary activities before tax (7+8)	**458.36**	**133.28**	**1060.67**	**591.65**	**1530.16**	**1281.06**
10	Tax Expenses						
	I) Current Tax	18.60	91.84	247.76	110.44	449.12	256.31
	II) Deferred Income Tax	130.33	-48.69	88.33	81.64	25.94	95.68
11	Net Profit / (Loss) from ordinary activities after tax (9-10)	**309.43**	**90.13**	**724.59**	**399.57**	**1055.10**	**929.07**
12	Extraordinary items (net of tax expenses)	0.00	0.00	0.00	0.00	0.00	0.00
13	Net profit / (loss) for the period	309.43	90.13	724.59	399.57	1055.10	929.07
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

For Sree Rayalaseema Hi-Strength Hypo Ltd.

(T.G. BHARATH)
Chairman & Managing Director.

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16 Net profit / (loss) after taxes, minority interest and share of profit / (loss) of associates (13+14+15)	0.00 309.43	0.00 90.13	0.00 724.58	0.00 309.43	0.00 1055.10	0.00 879.67
17 Paid-up Equity Share Capital (Face value of Rs.10 per share)	1471.67	1422.42	1396.09	1471.67	1396.09	1422.42
18 Reserves excluding revaluation reserves as per Balance Sheet of previous accounting year	13113.84	12584.66	12497.34	13113.84	12497.34	12494.53
19 i Earnings per share(before extraordinary items) of Rs 10/-each (not annualised):						
a) Basic	2.71	0.63	7.55	2.71	7.55	6.53
b) Diluted	2.71	0.63	7.55	2.71	7.55	6.53
19 ii Earnings per share (after extraordinary items) of Rs.10/-each (not annualised):						
a) Basic	2.71	0.63	7.55	2.71	7.55	6.53
b) Diluted	2.71	0.63	7.55	2.71	7.55	6.53
A Particulars of share holdings						
1 Public Shareholding						
No. of Shares	6557149	6557149	5709598	6557149	5709598	6557149
Percentage of Shareholding	44.56	46.10	49.67	44.56	49.67	46.10
2 Promoters and promoter group Shareholding						
(a)Pledged/Encumbered - No. 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 - No. of Shares	8159540	7667034	5785233	8159540	5785233	7667034
- Percentage of Shares(as a % of the total shareholding of 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)	55.44	53.90	50.33	55.44	50.33	53.90

B INVESTOR COMPLAINTS

	3 Months ended 30/09/2013
Pending at the beginning of the quarter	NIL
Received during the quarter	13
Disposed of during the quarter	13
Remaining unresolved at the end of the quarter	NIL

For Sree Rayalaseema Hi-Strength Hypo Ltd.

(T.G. BHARATH)
Chairman & Managing Director.

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SEGMENT WISE REVENUE RESULTS AND CAPITAL EMPLOYED

Rs. In Lakhs

Sl. No.	Particulars	For the three months ended			For the six months ended		Previous Accounting Year ended
		Three months Ended	Previous 3 months Ended	Corresponding 3 Months ended in previous year			
		30-Sep-13 (Un-audited)	30-Jun-13 (Un-audited)	30-Sep-12 (Un-audited)	30-Sep-13 (Un-audited)	30-Sep-12 (Un-audited)	31-Mar-13 (Audited)
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1	**Segment Revenue**						
	Chemicals	7179.07	6370.77	6942.27	13549.84	13596.74	29230.54
	Wind Energy Generation	313.57	336.13	532.36	649.70	782.26	1032.49
	Net Sales / Income from Operations	**7492.64**	**6706.90**	**7474.63**	**14199.54**	**14379.00**	**30263.04**
2	**Segment Results**						
	Chemicals	1016.62	745.97	1102.48	1762.60	1903.64	3518.21
	Wind Energy Generation	-148.15	-159.82	-47.50	-307.97	88.26	-118.07
	Total	**868.47**	**586.15**	**1054.98**	**1454.63**	**2056.12**	**3400.14**
3	**Interest (Net)**						
	Chemicals	114.30	167.52	522.50	281.82	202.51	450.73
	Wind Energy Generation	76.64	37.83	-343.97	114.47	157.87	338.71
	Total	**190.94**	**205.35**	**178.53**	**396.29**	**360.38**	**789.44**
	Exceptional items	219.17	**247.52**	**-184.23**	**466.69**	**165.58**	**1329.63**
	Profit/Loss from Ordinary Activities before tax	**458.36**	**133.28**	**1060.68**	**591.65**	**1530.16**	**1281.06**
4	**Capital Employed**						
	(Segment Assets - Segment Liabilities)						
	Chemicals	16396.79	15738.20	14230.24	16396.79	14230.24	15290.95
	Wind Energy Generation	-1811.28	-1478.84	-334.82	-1811.28	-334.82	-1306.73
	Total Capital Employed in Segments	14585.51	14259.36	13895.42	14585.51	13895.42	13984.22

For Sree Rayalaseema Hi-Strength Hypo Ltd.

(T.G. BHARATH)
Chairman & Managing Director

STATE MENT OF ASSETS AND LIABILITES

Sl.No	Particulars	As at Half year ended 30-SEP-2013 Unaudited	Previous year ended 31 MAR-2013 Audited
		Rs.	Rs.
A	**Equity and Liabilities**		
1	**Shareholders fund:**		
	(a) Share Capital	147166890	142241830
	(b) Reserves and Surplus	1311383964	1249452722
	(c) Money received against share warrants	0	6727643
	Sub total- Shareholders fund:	1458550854	1398422195
2	**Share Application money Pending allotment**	0	0
3	**Minority Interest**	0	0
4	**Non-Current Liabilities:**		
	(a) Long-Term Borrowings	688633580	715442101
	(b) Deferred Tax Liabilities (Net)	245442554	237278446
	(c) Other Long Term Liabilities	19771524	14264501
	(d) Long Term Provisions	69508598	109655557
	Sub total -Non current liabilities:	1018556256	1076640605
5	**Current Liabilities**		
	(a) Short-Term Borrowings	308490325	294119561
	(b) Trade Payables	355471516	362343056
	(c) Other Current Liabilities	306179934	278848516
	(d) Short-Term Provisions	177389074	169406969
	Sub total -Current liabilities :	1147530849	1104718102
	Total Equity & Liabilities	**3624637959**	**3579780902**
B	**ASSETS**		
1)	**Non-Current Assets**		
	(a) Fixed Assets - Net	2063048159	2070658228
	(b) Non-current investments	307513256	270120856
	(c) Deferred tax assets (net)	0	0
	(d) Long term loans and advances	303945015	298159139
	(e) Other non-current assets	0	0
	Sub total - Non Current assets:	2674506430	2638938223
2)	**Current Assets**		
	(a) Current investments	0	37392400
	(b) Inventories	258869299	212175549
	(c) Trade receivables	225295537	288347656
	(d) Cash and cash equivalents	50370662	51025075
	(e) Short-term loans and advances	374902254	316608453
	(f) Other current assets	40693777	35293546
	Sub total - Current assets :	950131529	940842679
	Total Assets	**3624637959**	**3579780902**

For Sree Rayalaseema Hi-Strength Hypo Ltd.

(T.C. [illegible])
Chairman & Managing Director

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Notes

1. The above un-audited financial results for the quarter ended 30-09-2013 were reviewed by the Audit Committee and were approved and taken on record by the Board of Directors at their meeting held on 14-11-2013.Statutory Auditors have carried out a limited review pursuant to clause 41 of the listing agreement.

2. During the current quarter the 10 MW thermal power project is commissioned and power generated was captively consumed. Hence, no revenues and expenses are reflected in the segment report for the quarter.

3. Due to depreciation in exchange rate of US Dollar against Indian Rupees, the company has provided for marked-to - market losses. Exercising the option as per Gazette notification under AS - 11 (the effect of change in foreign rate) the company has charged off these exchange fluctuation loss to profit and loss account and such losses, being material in amount, is disclosed as exceptional item.

4. During the quarter 4,92,506 warrants were converted into 4,92,506 Equity Shares of Rs 10/- each in the ratio of 1:1 under II nd tranche on 13th July, 2013 under Preferential issue. These shares were listed on BSE on 04.09.2013 and on NSE on 11.09.2013

5. Other Income includes provisions no longer required and written back on account of additional Power charges (R&C).

6. Previous period / years figures have been regrouped / recast wherever necessary to make them comparable.

Place : Kurnool
Date :14th Nov 2013

for SREE RAYALASEEMA HI-STRENGTH HYPO LTD.,

T.G.BHARATH
CHAIRMAN AND MANAGING DIRECTOR