

**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.

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**LIMITED REVIEW REPORT BY INDEPENDENT AUDITORS  
TO THE BOARD OF SREE RAYALASEEMA HI-STRENGTH HYPO LIMITED  
IN TERMS OF CLAUSE 41 OF LISTING AGREEMENT**

We have reviewed the accompanying Unaudited Consolidated and Standalone Financial Results of "SREE RAYALASEEMA HI-STRENGTH HYPO LIMITED, GONDIPARLA, KURNOOL" and its Associate Company which is a deemed subsidiary as per Explanation to Sec 129(3) of Companies Act, 2013 for the quarter ended 30th June, 2014, 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 14.08.2014. Our responsibility is to issue a report on these financial statements based on our review.

2. We conducted our review 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 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.

3. We did not review the Financial Statements of the deemed subsidiary that has been considered in the preparation of the Statement and which constitute total revenue of Rs.18390 lakhs and net profit of Rs. 934 lakhs for the quarter then ended. These financial statements and other financial information have been reviewed by other auditors whose reports have been furnished to us, and our opinion on the Statement to the extent they have been derived from such financial statements is based solely on the report of such other auditors.

4. Based on our review conducted as stated above, subject to non-provision of cumulative arrears of depreciation up to 31.03.2014 required under revised depreciation policy for the remaining useful life of assets as required under Section 123 read with Schedule II of the Companies Act, 2013, 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



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Accounting Standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per section 211 (3C) of the Companies Act, 1956 ( which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 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 :14<sup>th</sup> August , 2014



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

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

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		SREE RAYALASEEMA HI-STRENGTH HYPO LIMITED				REGD. OFFICE, GONDIPARLA, KURNOOL-518 004				CIN NO. L24110AP2005PLC045726, TEL 08518-226656 FAX 08518-223066 WWW.TGVGROUP.COM				UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED ON 30 JUNE 2014			
		(STANDALONE)								CONSOLIDATED							
Sl. No.	Particulars	Three months Ended		Previous 3 months Ended		Corresponding 3 Months ended in previous year		Previous Accounting Year ended		Three months Ended							
		30.06.2014 (Unaudited) Rs.in Lakhs	31.03.2014 (Audited) Rs.in Lakhs	30.06.2014 (Unaudited) Rs.in Lakhs	31.03.2014 (Audited) Rs.in Lakhs	30.06.2013 (Unaudited) Rs.in Lakhs	31.03.2014 (Audited) Rs.in Lakhs	31.03.2014 (Unaudited) Rs.in Lakhs	30.06.2014 (Unaudited) Rs.in Lakhs								
1	<b>Income from Operations</b>																
	a) Net Sales / Income from Operations-Net of Excise Duty	9482.31	8374.06	6493.83	29608.32	25591.08											
	b) Other Operating Income	0.00	0.00	0.00	0.00	0.00											
	Total income from operations - Net	9482.31	8374.06	6493.83	29608.32	25591.08											
2	<b>Expenditure</b>																
	a) Cost of materials consumed	5045.76	4530.44	3389.15	15241.28	8845.54											
	b) Purchases of Stock-in-trade	0.00	0.37	0.00	0.37	0.00											
	c) Change in inventories of Finished goods & Stock in process	-51.43	-64.67	-253.35	-500.68	-136.43											
	d) Employee Benefits expenses	321.14	327.59	256.45	1083.09	1121.14											
	e) Depreciation & Amortisation	302.43	397.60	338.89	1491.08	1204.43											
	f) Other Expenses	3075.44	2937.83	2389.61	10883.95	11789.49											
	<b>Total Expenses (a to f)</b>	<b>8693.35</b>	<b>8129.16</b>	<b>6120.75</b>	<b>28199.08</b>	<b>22824.17</b>											
3	Profit / (Loss) from operations before other income, finance costs and Exceptional items(1-2)	788.96	244.90	373.08	1409.24	2766.91											
4	Other Income	30.51	162.16	213.07	982.95	117.56											
5	Profit / (Loss) from ordinary activities before finance costs and Exceptional items(3+4)	819.47	407.06	586.15	2392.19	2884.47											
6	Finance costs	234.86	771.97	205.35	924.13	1043.86											
7	Profit / (Loss) from ordinary activities after finance costs but before Exceptional items(5-6)	584.61	135.09	380.80	1468.06	1840.61											
8	Exceptional items	-361.62	-102.95	247.52	302.24	-149.62											
9	Profit / (Loss) from ordinary activities before tax (7+8)	<b>946.23</b>	<b>238.04</b>	<b>133.28</b>	<b>1165.82</b>	<b>1990.23</b>											
10	Tax Expenses																
	l) Current Tax	154.61	42.26	91.84	233.25	364.61											
	ll) Deferred Income Tax	-12.97	78.83	-48.69	186.97	-112.97											
11	Net Profit / (Loss) from ordinary activities after tax (9-10)	<b>804.59</b>	<b>116.95</b>	<b>90.13</b>	<b>743.59</b>	<b>251.64</b>											

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12	Extraordinary items (net of tax expenses)	0.00	0.00	0.00	0.00	
13	Net profit / (loss) for the period	804.59	116.95	90.13	743.59	1738.59
14	Share of Profit / (loss) of associates	3.00	0.00	0.00	0.00	
15	Minority Interest / other shareholders interest	3.00	0.00	0.00	0.00	1284.82
16	Net profit / (loss) after taxes, minority interest and share of profit/ (loss) of associates (13+14+15)	804.59	116.95	90.13	743.59	453.77
17	Paid-up Equity Share Capital (Face value of Rs.10 per share)	1471.67	1471.67	1422.42	1471.67	
18	Reserves excluding revaluation reserves as per Balance Sheet of previous accounting year	14262.45	13457.87	12584.56	13457.87	
19	Earnings per share (before extraordinary items) of Rs.10/-each (not annualised)					
	a) Basic	5.47	5.05	0.63	5.05	
	b) Diluted	5.47	5.05	0.63	5.05	
19	Earnings per share (after extraordinary items) of Rs.10/-each (not annualised)					
	a) Basic	5.47	5.05	0.63	5.05	
	b) Diluted	5.47	5.05	0.63	5.05	
A	Particulars of share holdings					
1	Public Shareholding					
	No. of Shares	6557149	6557149	6557149	6557149	
	Percentage of Shareholding	44.56	44.56	46.10	46.10	
2	Promoters and promoter group Shareholding					
	(a) Pledged/Encumbered					
	- No. of Shares	NIL	NIL	NIL	NIL	
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	NIL	NIL	NIL	NIL	
	(b) Non-encumbered					
	- No. of Shares	8159540	8159540	7667034	8159540	
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	
	- Percentage of Shares (as a % of the total share capital of the company)	55.44	55.44	53.90	55.44	



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B INVESTOR COMPLAINTS		3 Months ended 30/06/2014					
	Pending at the beginning of the quarter						
	Received during the quarter		NIL				
	Disposed of during the quarter		17				
	Remaining unresolved at the end of the quarter		17				
			NIL				
SEGMENT WISE REVENUE RESULTS AND CAPITAL EMPLOYED							
(STANDALONE)							
Sl. No.	Particulars	Three months Ended		Corresponding 3 Months ended in previous year		Previous Accounting Year ended	
		30.06.2014 Unaudited Rs.in Lakhs	31.03.2014 Audited Rs.in Lakhs	30.06.2013 Unaudited Rs.in Lakhs	31.03.2014 Audited Rs.in Lakhs	30.06.2014 (Unaudited) Rs.in Lakhs	30.06.2014 (Unaudited) Rs.in Lakhs
1	<b>Segment Revenue</b>						
	Chemicals	8680.92	8317.52	6370.77	29644.27	24876.74	
	Power Generation	831.90	218.70	336.13	947.00	831.90	
	Net Sales / Income from Operations	9512.82	8536.22	6706.90	30591.27	25708.64	
2	<b>Segment Results</b>						
	Chemicals	821.19	652.00	745.97	2889.18	2886.19	
	Power Generation	-1.72	-244.95	-159.82	-496.99	-1.72	
	Total	819.47	407.06	586.15	2392.19	2884.47	
3	<b>Interest ( Net )</b>						
	Chemicals	77.85	-50.72	167.82	436.21	911.26	
	Power Generation	157.01	322.69	37.83	487.92	157.01	
	Total	234.86	271.97	205.65	924.13	1043.86	
	Exceptional items	-361.62	-102.95	247.52	302.24	-149.62	
	Profit/Loss from Ordinary Activities before tax	946.23	238.04	133.28	1165.82	1990.23	
4	<b>Capital Employed</b>						
	(Segment Assets - Segment Liabilities)						
	Chemicals	20291.04	17879.06	15738.20	17879.06	68783.04	
	Power Generation	8046.96	10027.87	-1478.84	10027.87	13069.96	
	Total Capital Employed in Segments	28338.00	27906.93	14259.36	27906.93	81853.00	

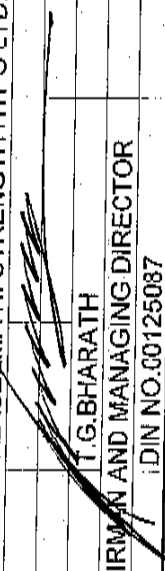
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Notes	
1	The above Standalone and consolidated unaudited financial results for the quarter ended 30.06.2014 were reviewed by the Audit Committee and were approved and taken on record by the Board of Directors at their meeting held on 14-08-2014. The Statutory Auditors of the company have carried out a limited review of these financial results
2	The exceptional items includes net of profit on sale of investments Rs.509.72 Lakhs and Loss on fire accident Rs.148.10 Lakhs. The assets involved in fire are fully insured and a insurance claim is also preferred.
3	For the quarter ending June,2014, the company has revised its Accounting Policy for depreciation on assets in accordance with Section 123 read with Part C in Schedule II of the Companies Act,2013 by recognising useful life of assets. Consequently, the depreciation for this quarter is lower by Rs. 80.98 lakhs. The differential cumulative depreciation amount upto 31.03.2014 would be provided by adjusting against outstanding reserves in subsequent quarters in this financial year 2014-15.
4	As per section 129 of Companies Act, 2013 which came into effect from 01.04.2014, associate/ deemed subsidiary M/s.Sree Rayalaseema Alkalies and Allied Chemicals Ltd., financial statements were consolidated for the first time, without corresponding previous figures, for quarter ending June, 2014.
5	Previous period / years figures have been regrouped / recast wherever necessary to make them comparable.
	Place : Kurnool
	Date :14-08-2014
	for SREE RAYALASEEMA HI-STRENGTH HYPO LTD.,
	
	T.G. BHARATH
	CHAIRMAN AND MANAGING DIRECTOR
	DIN NO.00125087



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