

#### DETAILED NOTE ON SCHEME

The Transferor Company No. 1 SRHHL Industries Limited is engaged, inter alia, in the business of wind power, and hatchery . The Transferor Company No. 1 has recorded an income of Rs. 92,62,812 and a net profit of Rs. 29,51,638 for the financial year ended March 31, 2011.

The Transferor Company No. 2 T G V Pharma Private Limited is engaged in manufacture and sale of inorganic chemicals used in bulk drugs and pharmaceutical industries. The Transferor Company No. 2 has recorded an income of Rs.8,64,66,599 and a net profit of Rs. 85,65,556 for the financial year ended March 31, 2011.


The Transferor Companies are engaged in manufacture and sale of chemicals and wind power.

The Transferee Company is in the related business as that of the Transferor Companies and is interested in the acquisition of the business of Transferor Companies through the scheme of arrangement. The Transferee Company is financially and technically sound and equipped to make the acquisition and continue the businesses carried on by the Transferor Companies after the present Scheme of Arrangement is given effect to. The Transferee Company has recorded a gross income of Rs. 215,57,15,823 and a net profit of Rs. 20,76,14,937 for the financial year ended March 31, 2011.

#### Details of exchange ratio:

on the basis of the Exchange Ratio arrived at by Praturi & Sriram and S.T. Mohite & Co, Chartered Accountants in their report dated 21<sup>st</sup> December 2011, the details are as follows:

For Sree Rayalaseema Hi-Strength  
Hypo Ltd.

  
(V. Surekha)  
Company Secretary

- (a) 23(twenty three) Equity Shares of Rs.10 each in the share capital of the Transferee Company credited as fully paid up for every 200 (two hundred) Equity Shares of Rs.10/- each fully paid up held by such members in the share capital of the Transferor Company No. 1.
- (b) 790(seven hundred and ninety) Equity Shares of Rs.10 each in the share capital of the Transferee Company credited as fully paid up for every 100 (Hundred) Equity Shares of Rs.100/- each fully paid up held by such members in the share capital of the Transferor Company No. 2.

**Treatment of fractional shares arising in allotment of new shares:**

In case any shareholder's holding in the Transferor Company No. 1 or Transferor Company No. 2, as the case may be, is such that the shareholder becomes entitled to a fraction of an equity share of the Transferee Company, the Transferee Company shall not issue fractional share certificates to such shareholder but shall consolidate such fractions and issue consolidated equity shares to a trustee nominated by the Transferee Company in that behalf, who shall sell such shares and distribute the net sale proceeds (after deduction of the expenses incurred and taxes, if any) to the shareholders respectively entitled to the same in proportion to their fractional entitlements.

**For Sree Rayalaseema Hi-Strength  
Hypo Ltd.,**

*V. Surekha*  
(V. Surekha)  
Company Secretary