

HYDRO S & S INDUSTRIES LIMITED

(A Kingfa Group Company)

CIN : L25209TN1983PLC010438

Regd. Office : Dhun Building, III Floor, 827, Anna Salai, Chennai - 600 002.

Phone : 044 - 28521736 Fax : 044 - 28520420 Website : www.hssil.com/kyc

Statement of Audited Financial Results for the Quarter and Year ended 31st March, 2014

PART I

(Rs. in Lakhs)

S No.	Particulars	3 months ended	Preceding	Corresponding	Year to date figures	Previous
		31.03.2014	3 months ended	3 months ended	for the current	accounting
		(Audited)	31.12.2013	31.03.2013 in	Year ended	year ended
		Refer Note 3	(Unaudited)	the previous year	31.03.2014	31.03.2013
				(Audited)	(Audited)	(Audited)
				Refer Note 3		
1	Income from Operations					
	(a) Net Sales / Income from Operations (Net of excise duty)	5,055.09	4,443.10	3,668.15	17,691.51	15,589.93
	(b) Other Operating Income	12.08	39.60	12.95	91.04	68.02
	Total Income from Operations (net)	5,067.17	4,482.70	3,681.10	17,782.55	15,657.95
2	Expenses					
	a) Cost of materials consumed	4,446.84	4,008.02	3,122.92	15,523.74	13,636.37
	b) Purchases of stock-in-trade	59.12	-	-	59.12	-
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(105.45)	(112.57)	51.62	(26.14)	(155.26)
	d) Employees benefits expense	170.83	197.15	178.68	729.04	694.33
	e) Depreciation and amortisation expense	72.53	66.90	87.60	265.73	281.85
	f) Other expenses	783.32	382.29	391.52	1,826.55	1,297.50
	Total expenses	5,427.19	4,541.79	3,832.34	18,378.05	15,754.79
3	Profit / (Loss) from Operations before other income, finance costs and exceptional items (1-2)	(360.02)	(59.09)	(151.24)	(595.50)	(96.84)
4	Other Income	13.43	5.77	55.18	23.26	83.63
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	(346.60)	(53.32)	(96.06)	(572.24)	(13.21)
6	Finance costs	76.95	173.26	187.30	656.36	697.12
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(423.54)	(226.58)	(283.36)	(1,228.60)	(710.33)
8	Exceptional Items	-	-	-	-	-
9	Profit / (Loss) from Ordinary Activities before tax (7 + 8)	(423.54)	(226.58)	(283.36)	(1,228.60)	(710.33)
10	Tax expenses					
	- Current Tax	-	-	(1.00)	-	-
	- Deferred Tax	(116.36)	(40.09)	(105.50)	(380.88)	(205.50)
11	Net Profit / (Loss) from Ordinary Activities after tax (9 - 10)	(307.18)	(186.49)	(176.86)	(847.72)	(504.83)
12	Extraordinary items (net of tax expense)	-	-	-	-	-
13	Net Profit / (Loss) for the period (11 - 12)	(307.18)	(186.49)	(176.86)	(847.72)	(504.83)
14	Share of profit / (loss) of associates	-	-	-	-	-
15	Minority Interest	-	-	-	-	-
16	Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (13+14-15)	(307.18)	(186.49)	(176.86)	(847.72)	(504.83)
17	Paid-up equity share capital (Face Value - Rs. 10/- per share)	640.72	640.72	640.72	640.72	640.72
18	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	498.35	1,346.07
19	Earnings per share (before extraordinary items) (of Rs. 10/- each) (not annualised)					
(i)	(a) Basic	(4.79)	(2.91)	(2.76)	(13.23)	(7.88)
	(b) Diluted	(4.79)	(2.91)	(2.76)	(13.23)	(7.88)
(ii)	Earnings per share (after extraordinary items) (of Rs. 10/- each) (not annualised)					
	(a) Basic	(4.79)	(2.91)	(2.76)	(13.23)	(7.88)
	(b) Diluted	(4.79)	(2.91)	(2.76)	(13.23)	(7.88)

PART II

A PARTICULARS OF SHAREHOLDING						
1	Public shareholding					
	- Number of shares	1102172	1102172	2146504	1102172	2146504
	- Percentage of shareholding	17.20%	17.20%	33.50%	17.20%	33.50%
2	Promoters and Promoter Group Shareholding					
	a) Pledged / Encumbered					
	Number of shares	Nil	Nil	Nil	Nil	Nil
	Percentage of shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil	Nil
	Percentage of shares (as a % of the total share capital of the company)	Nil	Nil	Nil	Nil	Nil
	b) Non-encumbered					
	Number of shares	5305032	5305032	4260700	5305032	4260700
	Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%
	Percentage of shares (as a % of the total share capital of the company)	82.80%	82.80%	66.50%	82.80%	66.50%
	Particulars	Quarter ended				
		31.03.2014				
B	INVESTOR COMPLAINTS					
	Pending at the beginning of the quarter	Nil				
	Received during the quarter	2				
	Disposed of during the quarter	2				
	Remaining unresolved at the end of the quarter	Nil				

STATEMENT OF ASSETS AND LIABILITIES

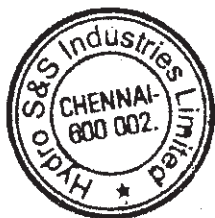
(Rs. in Lakhs)

S No.	PARTICULARS	As at	As at
		(Current Year end)	(Previous Year end)
		31.03.2014 (Audited)	31.03.2013 (Audited)
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share Capital	640.72	640.72
	(b) Reserves and Surplus	498.35	1,346.07
	© Money received against share warrants	-	-
	Sub-total - Shareholders' funds	1,139.07	1,986.79
2	Share application money pending allotment	-	-
3	Minority Interest	-	-
4	Non-current liabilities		
	(a) Long-term borrowings	1,456.70	351.38
	(b) Deferred tax liabilities (net)	(277.22)	103.66
	© Other long-term liabilities	5.50	26.50
	(d) Long-term provisions	12.49	11.14
	Sub-total - Non-current Liabilities	1,197.47	492.68
5	Current liabilities		
	(a) Short-term borrowings	4,740.88	2,767.89
	(b) Trade payables	2,802.79	2,507.96
	© Other current liabilities	299.37	664.89
	(d) Short-term provisions	43.69	53.59
	Sub-total - Current Liabilities	7,886.73	5,994.33
	TOTAL - EQUITY AND LIABILITIES	10,223.27	8,473.80
B	ASSETS		
1	Non-current assets		
	(a) Fixed assets	2,449.06	2,580.46
	(b) Goodwill on consolidation	-	-
	© Non-current investments	-	-
	(d) Deferred tax assets (net)	-	-
	(e) Long-term loans and advances	109.25	108.37
	(f) Other non-current assets	-	-
	Sub-total - Non-current assets	2,558.31	2,688.83
2	Current assets		
	(a) Current investments	-	45.45
	(b) Inventories	2,295.42	1,916.42
	© Trade receivables	4,707.72	3,349.20
	(d) Cash and cash equivalents	142.93	79.33
	(e) Short-term loans and advances	518.89	394.57
	(f) Other current assets	-	-
	Sub-total - Current assets	7,664.96	5,784.97
	TOTAL - ASSETS	10,223.27	8,473.80

NOTES:

- The Company has identified Reinforced Polypropylene as the only reportable segment.
- The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 28th May, 2014.
- The figures of the quarter ended 31st March, 2014 and 31st March, 2013 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the relevant financial year.
- Figures for the previous quarter and year have been regrouped / rearranged, wherever necessary.

for Hydro S & S Industries Limited,

Place : Chennai
Date : 28.05.2014BO JINGZHEN
Managing Director

P. SRINIVASAN & CO
Chartered Accountants

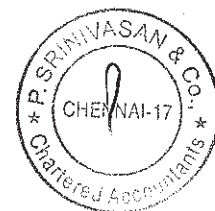
Annexure VII to Clause 41
When an Unqualified Opinion is expressed on the Quarterly Financial Results
(For companies other than banks)

Auditor's Report on Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Clause 41 of the Listing Agreement

To
Board of Directors of Hydro S&S Industries Limited,
Chennai 600002.

We have audited the quarterly financial results of Hydro S&S Industries Limited for the quarter ended 31st March 2014 and the year to date results for the period 01.04.2013 to 31.03.2014 attached herewith, being submitted by the company pursuant to the requirement of clause 41 of the Listing Agreement 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. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 or by the Institute of Chartered Accountants of India and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.



In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

- (i) are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
- (ii) give a true and fair view of the net loss and other financial information for the quarter ended 31.03.2014 as well as the year to date results for the period from 01.04.2014 to 31.03.2014.

Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

for P. Srinivasan & Co.,
Chartered Accountants



S. Gopalan
Partner

M. No. 021007

Place: Chennai 600017

Date: 28.05.2014



May 28, 2014

Corporate Relationship Department,
Bombay Stock Exchange Limited,
1st Floor, New Trading Ring,
Rotunda Building, Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
MUMBAI : 400 001

Fax No. 022 2272 2037 / 39 / 41 / 61 / 2272 3121 / 3719

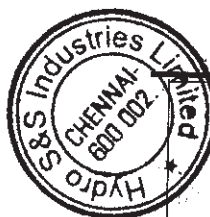
Kind Attn: Mr. S. Subramanian, DCS - CRD

The Board of Directors at their meeting held today, have approved the Annual Accounts of the Company for the year ended 31st March, 2014. We give below the extract of the Operations.

FINANCIAL RESULTS

(₹ in Lacs)

Particulars	Year Ended March 31, 2014	Year Ended March 31, 2013
Revenue from Operations		
Gross	19,933.00	17,634.38
Net of Excise Duty	17,782.55	15,657.95
Other Income	23.26	83.63
(Loss) / Profit before Finance Costs & Depreciation and amortisation expense	(306.51)	268.64
Finance Costs	656.36	697.12
Loss before Depreciation and amortisation expense	(962.87)	(428.48)
Depreciation and amortisation expense	265.73	281.85
Loss before Tax	(1,228.60)	(710.33)
Tax expenses - Current Tax	-	-
- Deferred Tax	(380.88)	(205.50)
Loss after Tax	(847.72)	(504.83)
Balance brought forward	(400.03)	104.80
Deficit carried forward	(1,247.75)	(400.03)



ISO/TS 16949
ISO 14001
OHSAS 18001

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BUSINESS OPERATIONS

Operating revenues grew by about 13% over the previous years with volume growth of about 4%. Pilot sales of Engineering Plastics supported by HQ Kingfa were also made.

After the first quarter, the raw material inflation and Exchange rate erosion dealt a severe blow to margins and cash flow. Towards the later half of the year, infusion of cash from Parent Kingfa helped mitigate the situation.

The Operations of the Pudukkottai unit were curtailed during the year and finally the plant ceased operation from May 2014 onwards.

Detailed analysis of the Company's performance during the year is provided in Annexure - F to this Report.

DIVIDEND

The operations of the Company have resulted in a loss as explained in detail in the Management's Discussion and Analysis Report. Hence, your Directors regret that they are unable to recommend any dividend on the Equity Share Capital of the Company for the year under review.

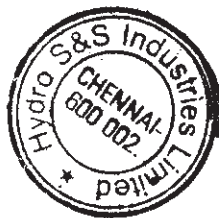
Thanking you,

Yours faithfully,

for HYDRO S & S INDUSTRIES LIMITED,


(S.K. SUBRAMANYAN)

Company Secretary



ISO/TS 16949
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