

**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 31<sup>st</sup> March 2015 and the year to date results for the period from 01.04.2014 to 31.03.2015 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:

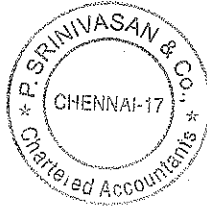
- (i) are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
- (ii) give a true and fair view of the net loss and other financial information for the quarter ended 31.03.2015 as well as the year to date results for the period from 01.04.2014 to 31.03.2015.

Further read with Paragraph 1 above, we report the figures for the quarter ended on March 31, 2015 represent the derived figures between the audited figures in respect of the current full financial year ended on March 31, 2015 and the published figures upto December 2014 being the date of the end of the third quarter of the current financial year, as required under Clause 41 (1) (d) of the Listing Agreement.

Further, read with paragraph 1 above, 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: 28.05.2015



**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

**Statement of Audited Financial Results for the Quarter and Year ended 31st March, 2015**

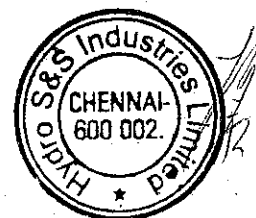
**PART I**

(Rs. in Lakhs)

S No.	Particulars	3 months ended	Preceding 3 months ended	Corresponding	Year to date	Previous
		31.03.2015	31.12.2014	3 months ended 31.03.2014 in the previous year	figures for the current Year ended 31.03.2015	accounting year ended 31.03.2014
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
		Refer Note 3		Refer Note 3		
1	Income from Operations					
	(a) Net Sales / Income from Operations (Net of excise duty)	5,643.48	5,420.33	5,055.09	21,819.27	17,691.51
	(b) Other Operating Income	(16.06)	22.67	12.08	59.97	91.04
	<b>Total Income from Operations (net)</b>	<b>5,627.42</b>	<b>5,443.00</b>	<b>5,067.17</b>	<b>21,879.24</b>	<b>17,782.55</b>
2	Expenses					
	a) Cost of materials consumed	4,162.66	4,510.66	4,446.84	17,772.53	15,523.74
	b) Purchases of stock-in-trade	372.02	222.14	59.12	736.72	59.12
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(145.60)	(121.33)	(105.45)	(334.77)	(26.14)
	d) Employees benefits expense	177.37	222.50	170.83	811.71	729.04
	e) Depreciation and amortisation expense	65.18	88.50	72.53	314.18	265.73
	f) Other expenses	626.97	516.22	783.32	2,247.54	1,826.55
	<b>Total expenses</b>	<b>5,258.60</b>	<b>5,438.69</b>	<b>5,427.19</b>	<b>21,547.91</b>	<b>18,378.05</b>
3	Profit / (Loss) from Operations before other income, finance costs and exceptional items (1-2)	368.82	4.31	(360.02)	331.33	(595.50)
4	Other Income	8.74	2.93	13.43	12.65	23.26
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	377.56	7.24	(346.60)	343.99	(572.24)
6	Finance costs	215.66	235.73	76.95	812.33	656.36
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	161.90	(228.49)	(423.54)	(468.35)	(1,228.60)
8	Exceptional Items	-	-	-	-	-
9	<b>Profit / (Loss) from Ordinary Activities before tax (7 + 8)</b>	<b>161.90</b>	<b>(228.49)</b>	<b>(423.54)</b>	<b>(468.35)</b>	<b>(1,228.60)</b>
10	Tax expenses					
	- Current Tax	-	-	-	-	-
	- Deferred Tax	57.82	(77.35)	(116.36)	(164.14)	(380.88)
11	<b>Net Profit / (Loss) from Ordinary Activities after tax (9 - 10)</b>	<b>104.08</b>	<b>(151.14)</b>	<b>(307.18)</b>	<b>(304.21)</b>	<b>(847.72)</b>
12	Extraordinary items (net of tax expense)	-	-	-	-	-
13	<b>Net Profit / (Loss) for the period (11 - 12)</b>	<b>104.08</b>	<b>(151.14)</b>	<b>(307.18)</b>	<b>(304.21)</b>	<b>(847.72)</b>
14	Share of profit / (loss) of associates	-	-	-	-	-
15	Minority Interest	-	-	-	-	-
16	<b>Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (13+14-15)</b>	<b>104.08</b>	<b>(151.14)</b>	<b>(307.18)</b>	<b>(304.21)</b>	<b>(847.72)</b>
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				175.57	498.35
19	Earnings per share (before extraordinary items) (of Rs. 10/- each) (not annualised)					
(i)	(a) Basic	1.62	(2.36)	(4.79)	(4.75)	(13.23)
	(b) Diluted	1.62	(2.36)	(4.79)	(4.75)	(13.23)
(ii)	Earnings per share (after extraordinary items) (of Rs. 10/- each) (not annualised)					
	(a) Basic	1.62	(2.36)	(4.79)	(4.75)	(13.23)
	(b) Diluted	1.62	(2.36)	(4.79)	(4.75)	(13.23)

**PART II**

PARTICULARS OF SHAREHOLDING						
1	Public shareholding					
	- Number of shares	1,602,172	1,361,102	1,102,172	1,602,172	1,102,172
	- Percentage of shareholding	25.01%	21.24%	17.20%	25.01%	17.20%
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	4,805,032	5,046,102	5,305,032	4,805,032	5,305,032
	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)	74.99%	78.76%	82.80%	74.99%	82.80%
		Quarter ended				
		31.03.2015				
B	INVESTOR COMPLAINTS					
	Pending at the beginning of the quarter	Nil				
	Received during the quarter	3				
	Disposed of during the quarter	3				
	Remaining unresolved at the end of the quarter	Nil				



## STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Lakhs)

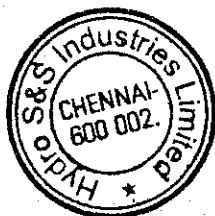
S No.	PARTICULARS	As at	As at
		(Current Year end)	(Previous Year end)
		31.03.2015	31.03.2014
		(Audited)	(Audited)
<b>A</b>	<b>EQUITY AND LIABILITIES</b>		
1	Shareholders' funds		
	(a) Share Capital	640.72	640.72
	(b) Reserves and Surplus	175.57	498.35
	(c) Money received against share warrants	-	-
	Sub-total - Shareholders' funds	816.29	1,139.07
2	Share application money pending allotment	-	-
3	Minority Interest	-	-
4	Non-current liabilities		
	(a) Long-term borrowings	1,505.27	1,456.70
	(b) Deferred tax liabilities (net)	(441.36)	(277.22)
	(c) Other long-term liabilities	8.50	5.50
	(d) Long-term provisions	18.59	12.49
	Sub-total - Non-current Liabilities	1,091.00	1,197.47
5	Current liabilities		
	(a) Short-term borrowings	6,023.27	4,740.88
	(b) Trade payables	3,589.95	2,802.79
	(c) Other current liabilities	451.36	299.37
	(d) Short-term provisions	58.96	43.69
	Sub-total - Current Liabilities	10,123.54	7,886.73
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>12,030.83</b>	<b>10,223.27</b>
<b>B</b>	<b>ASSETS</b>		
1	Non-current assets		
	(a) Fixed assets	2,553.55	2,449.06
	(b) Long-term loans and advances	133.01	109.25
	Sub-total - Non-current assets	2,686.56	2,558.31
2	Current assets		
	(a) Inventories	3,197.52	2,295.42
	(b) Trade receivables	5,593.63	4,707.72
	(c) Cash and cash equivalents	31.66	142.93
	(d) Short-term loans and advances	521.47	518.89
	Sub-total - Current assets	9,344.27	7,664.96
	<b>TOTAL - ASSETS</b>	<b>12,030.83</b>	<b>10,223.27</b>

## NOTES:

- The Company has identified Modified Thermoplastics 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, 2015.
- The figures of the quarter ended 31st March, 2015 and 31st March, 2014 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 &amp; S Industries Limited,

  
 BO JINGEN  
 Managing Director

 Place : Chennai  
 Date : 28.05.2015


May 28, 2015

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

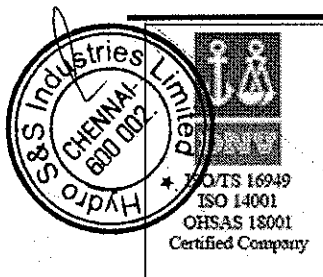
Kind Attn: Mr. S. Subramanian, DCS - CRD

The Board of Directors at their meeting held today, have approved the Annual Accounts of the Company for the year ended 31st March, 2015. We give below the extract of the Operations.

## FINANCIAL RESULTS

(₹ in Lacs)

Particulars	Year Ended March 31, 2015	Year Ended March 31, 2014
<b>Revenue from Operations</b>		
Gross	24,680.58	19,933.00
Net of Excise Duty	21,879.24	17,782.55
Other Income	12.65	23.26
<b>(Loss) / Profit before Finance Costs &amp; Depreciation and amortisation expense</b>	658.16	(306.51)
Finance Costs	812.33	656.36
<b>Loss before Depreciation and amortisation expense</b>	(154.17)	(962.87)
Depreciation and amortisation expense	314.18	265.73
<b>Loss before Tax</b>	(468.35)	(1,228.60)
Tax expenses - Current Tax	-	-
- Deferred Tax	(164.14)	(380.88)
	(164.14)	(380.88)
<b>Loss after Tax</b>	(304.21)	(847.72)
Balance brought forward	(1,247.75)	(400.03)
Depreciation adjustment as per Companies Act, 2013	(18.57)	-
<b>Deficit carried forward</b>	(1570.53)	(1,247.75)



## Hydro S & S Industries Limited

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CIN : L25209TN1983PLC010438

Registered Office :

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Phone : 044 - 28521736 Fax : 044 - 28520420

E-mail : [secretarial@hssil.com](mailto:secretarial@hssil.com) Website : [www.hssil.com](http://www.hssil.com)

## BUSINESS OPERATIONS

Sales Revenue grew by 23% over the previous year, with volume growth of 15% achieved. Engineering Plastic Compounds sourced from HQ Kingfa, achieved its full year of sales, whilst the sale of EP compounds produced by the Company clocked revenue for last quarter of the year.

The benefit of drop of Polypropylene prices during the last quarter did not last long, as the prices started rising sharply towards the end of the last quarter.

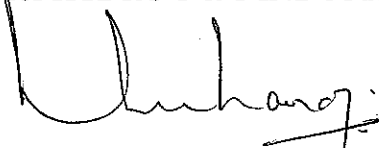
Detailed analysis of the Company's performance during the year is provided in Annexure to this report under Management's Discussion and Analysis Report.

## 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  
ISO 14001  
OHSAS 18001  
Certified Company

## Hydro S & S Industries Limited

(A Kingfa Group Company)

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Registered Office :

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