

July 25, 2014

Madras Stock Exchange Limited,
Exchange Buildings,
Post Box No.183,
New No.30 (Old No.11),
Second Line Beach,
Chennai - 600 001.

Kind Attn. : Mr.Sampath, Manager - Listing

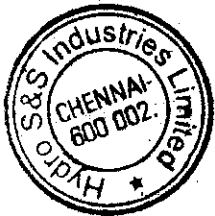
Dear Sirs,

Sub : Outcome of 30th Annual General Meeting of the Company

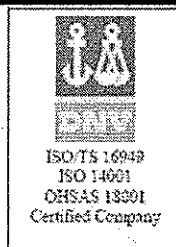
This is to inform you that the following business was transacted at the 30th Annual General Meeting of the Company held today, Friday, the 25th July, 2014 at 10.15 a.m. at Narada Gana Sabha, "Mini Hall", No.314 (Old No.254), T. T. K. Road, Chennai - 600 018.

Quorum was present.

1. The Directors' Report, the Audited Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss for the year ended 31st March, 2014, the Cash flow Statement for the year ended on March 31, 2014 and the Auditors Report thereon were approved and adopted by the Shareholders.
2. Mr.Bo Jingen who opts to retire pursuant to Companies Act, 2013 and being eligible, reappointed as a Director of the Company.
3. M/s. P. Srinivasan & Co., Chartered Accountants was reappointed as the auditors of the Company and remuneration to be fixed by the Board of Directors.
4. Mr. N.Subramanian was appointed as an Independent Director up to 15th May, 2019.
5. Increase of borrowing powers of the Board under Section 180 (1) (c) of the Companies Act, 2013 for an amount not exceeding ₹ 150,00,00,000/-.
6. Intimation to Board for Industrial and Financial Reconstruction regarding erosion of more than fifty percent of its peak net worth.
7. Preferential Allotment of Equity Shares.



...2



Hydro S & S Industries Limited,

(A Kingfa Group Company)

CIN : L25209TN1983PLC010438

Registered Office :

827, Anna Salai, Dhun Building,

Chennai - 600 002, India

Phone : 044 - 28521736 Fax : 044 - 28520420

E-mail : secretarial@hssil.com Website : www.hssil.com/kyc

: 2 :

We enclose herewith copy of the Speech of the Chairman of the Meeting.

The Company provided electronic voting facility to the members entitled to cast their vote at the Annual General Meeting, as per the Companies Act, 2013 in the manner as prescribed under the Companies (Management and Administration) Rules, 2014. Further, that this being the first year of introduction, those Members who have not been able to cast their vote electronically but if present at the Meeting may cast their votes. Accordingly, this facility was also provided to the Members.

Pursuant to Clause 35A of the listing agreement, voting results will be furnished, in the required format separately on declaration of voting results. The proceedings of the Annual General Meeting, will also be forwarded separately on declaration of voting results.

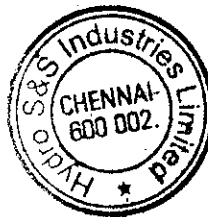
Kindly take the same on record.

Thanking you,

Yours faithfully,

for HYDRO S & S INDUSTRIES LIMITED,

(S.K. SUBRAMANYAN)
COMPANY SECRETARY



Encl: as above



ISO-TS 16949
ISO 14001
OHSAS 18001
Certified Company

Hydro S & S Industries Limited,

(A Kingfa Group Company)

CIN : L25209TN1983PLC010438

Registered Office :

827, Anna Salai, Dhun Building,

Chennai - 600 002, India

Phone : 044 - 28521736 Fax : 044 - 28520420

E-mail : secretarial@hssil.com Website : www.hssil.com/kyc

Hydro S & S

KINGFA

**Hydro S & S Industries Limited
(A Kingfa Group Company)**

**Annual General Meeting - 25th July, 2014
Speech of the Chairman of the Meeting**

LADIES AND GENTLEMEN:

It gives me immense pleasure on behalf of the Board of Directors, to welcome you all to the 30th Annual General Meeting of your Company. The Annual Report for the year ended 31st March, 2014 has already been circulated and with your permission I will take it as read.

To begin with let me give you a brief overview of the Indian economy. As you all know, our economy is going through a difficult phase as a result of which the auto sector recorded one its worst periods in 2013. The volatile market situation has affected the overall growth of the industry. The auto sector is expected to pickup in the second half of the year 2014-15. However, we are confident that in the long run the auto industry is poised for significantly higher growth.

OVERVIEW

Your Company had total revenue from operations (net) of Rs. 177.80 crores. This reflects a growth of 13% over the earlier year though volumes in this period grew only 4%.

After the first quarter, the raw material inflation and exchange rate erosion dealt a severe blow to our margins and cash flow. Basic input PP prices went up by over 25% quickly, really impacting our margins significantly.

Focus on appliance segment is yielding some movement with major washing machine, air conditioner, television manufacturers now working with us for development of material solutions.

New raw material sources, new raw material types, manufacturing and planning process and flexible approach helped us reduce impact of raw material inflation and also our ability to meet the customer's requirements in difficult times.

The Company is focusing to offer products into other non auto segments besides setting up a facility for manufacture of Engineering Plastics Compounds. In view of the capital required for these initiatives and also to comply with the requirement of the listing agreement, the promoters had identified a strategic Investor who is willing to invest funds into the Company and for which the approval of the Shareholders is being sought for issue of Equity Shares on a preferential basis.

BUSINESS OUTLOOK

With the current account deficit coming under control and tightening of expenditure to control fiscal deficit, the government finances are expected to improve. However, containing inflation and boosting business sentiments to improve investments in the country would be the key challenges for the new government. The market is expected to remain subdued in the near term with expectations of a turnaround in second half of 2014; however, the revival is expected to be slow. These along with the other initiatives undertaken by the Company is expected to turnaround the operations.

APPLICATION TO BIFR

The Company is seeking Shareholders approval for filing with Board for Industrial and Financial Reconstruction a status report consequent to an erosion of more than fifty percent of its peak net worth as stipulated under Sick Industrial Companies (Special Provisions) Act, 1985. We wish to reiterate to the Shareholders that the Company is leaving no stone unturned to turnaround the operations of the Company through various means the details of which are more spelt out in the explanatory statement to the resolution of the notice.

ACKNOWLEDGEMENT

To conclude, I wish to convey my thanks and acknowledgement for the co-operation and assistance extended by the parent Company, Kingfa Sci. & Tech. Co., Ltd., China, the Company's Bankers, dealers, customers and suppliers. I would also like to congratulate each and every member of the Hydro Family for their sincere and committed contribution and most importantly, you, the Shareholders in standing by the Company during these trying times.

I look forward to your continued support and encouragement as we embark on another year. My best wishes to all of you.

I thank all the members present for participating in today's meeting.

Chairman of the Meeting