

Proceedings of the 30th Annual General Meeting of Hydro S & S Industries Limited held on 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.

Directors Present:

1. Mr. N. Subramanian, Independent Director
2. Mr. Bo Jingen, Managing Director
3. Mr. Wu Xiaohui, Whole-time Director

Invitee Present:

Mr. S. Gopalan, Partner, M/s. P. Srinivasan & Co.,
Chartered Accountants (Statutory Auditors)

Scrutinizer Present:

Mr. P.S. Srinivasan, Practicing Company Secretary

In Attendance:

1. Mr. N.K. Ramaswamy, Chief Executive Officer
2. Mr. S.K. Subramanyan, Company Secretary
3. Mr. Xie Dongming, Chief Financial Officer

No. of Members Present :

By attendance : 78
By Proxy : 1

Mr. N. Subramanian, Independent Director occupied the Chair and conducted the Proceedings.

Chairman of the Meeting welcomed the Members.

Chairman of the Meeting checked whether the requisite quorum was present and declared that the required quorum for the Meeting was present.

The Statutory Registers and Inspection documents were available during the Meeting for inspection by the Members.

Chairman of the Meeting introduced Board Members present on the dais to the Members.

Chairman of the Meeting said Notice convening the Meeting having been already circulated may be taken as read with the consent of the Shareholders present.



Chairman of the Meeting addressed his Speech.

Chairman of the Meeting stated that Company has provided electronic voting facility to the members entitled to cast their vote at the Annual General Meeting, as per the provisions of the Companies Act, 2013 in the manner as prescribed under the Companies (Management and Administration) Rules, 2014. Further, it was also clarified 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.

Chairman of the Meeting said - First Item of business is being taken up for consideration - Adoption of Accounts, Directors' Report and Auditors Report. Company Secretary read the Auditors' Report.

Chairman of the Meeting said "Proxies attending the Meeting are not allowed to raise queries relating to any matter."

Chairman of the Meeting invited questions / comments on the working of the Company.

There were queries raised by the shareholders on the performance of the Company, future business on Engineering Plastics etc. Chairman of the Meeting / Managing Director replied to all the queries of the members.

Chairman of the Meeting informed that the Scrutinizer have since handed over the report of the e-voting process. However, the results of the ballot (Physical Voting) which is also to be reckoned by the Scrutinizer, the combined report of the votes cast and the result shall be uploaded on the Company's website www.hssil.com/kyc and communicated to BSE Limited, Madras Stock Exchange Ltd. and National Securities Depository Limited on Monday, 28th July, 2014.

There being no other business to be transacted, Chairman of the Meeting thanked the Members and declared the Meeting as closed.

Conduct of Ballot (Physical Voting)

Mr. P.S. Srinivasan, Scrutinizer appointed conducted the ballot (Physical Voting).

Result of the Electronic Voting and Ballot (Physical Voting) on the Ordinary / Special Businesses as given in the Notice of the 30th Annual General Meeting held on 25th July, 2014.



On the basis of the Scrutinizer's Report for the Electronic Voting and Ballot (Physical Voting) dated July 28, 2014, the summary of which is mentioned hereunder and that all the resolutions for the Ordinary and Special businesses as set out in Item No. 1 to 7 in the Notice of the 30th Annual General Meeting have been duly passed with overwhelming majority.

Resolution Nos. as given in the Notice of the 30th Annual General Meeting	Particulars of votes cast							Result Declared
		Electronic Voting		Ballot (Physical Voting)		Voting Result		
		Nos. (A)	%	Nos. (B)	%	Nos. (A) + (B)	%	
Ordinary Business								
1. Ordinary Resolution for adoption of Directors' Report, the Audited Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss for the year ended 31st March, 2014 and the Auditors' Report thereon.	Votes cast in favour	5305421	100.00	379	100.00	5305800	100.00	Approved with overwhelming majority
	Votes cast against	-	-	-	-	-	-	
	Invalid Votes	-	-	-	-	-	-	
2. Ordinary Resolution to appoint a Director in the place of Mr. Bo Jingen, who opts to retire pursuant to Companies Act, 2013 and being eligible, offers himself for re-appointment.	Votes cast in favour	5305421	100.00	379	100.00	5305800	100.00	Approved with overwhelming majority
	Votes cast against	-	-	-	-	-	-	
	Invalid Votes	-	-	-	-	-	-	
3. Ordinary Resolution for Re-appointment of M/s. P. Srinivasan & Co., as the auditors of the Company and to fix their remuneration.	Votes cast in favour	5305421	100.00	379	100.00	5305800	100.00	Approved with overwhelming majority
	Votes cast against	-	-	-	-	-	-	
	Invalid Votes	-	-	-	-	-	-	



Resolution Nos. as given in the Notice of the 30th Annual General Meeting	Particulars of votes cast							Result Declared
		Electronic Voting		Ballot (Physical Voting)		Voting Result		
		Nos. (A)	%	Nos. (B)	%	Nos. (A) + (B)	%	
Special Business								
4. Ordinary Resolution for appointment of Mr.N.Subramanian as an Independent Director up to 15th May, 2019.	Votes cast in favour	5305421	100.00	379	100.00	5305800	100.00	Approved with overwhelming majority
	Votes cast against	-	-	-	-	-	-	
	Invalid Votes	-	-	-	-	-	-	
5. Special Resolution under Section 180(1) (c) of the Companies Act, 2013 for borrowing an amount not exceeding Rs. 150,00,00,000/-.	Votes cast in favour	5305421	100.00	379	100.00	5305800	100.00	Approved with overwhelming majority
	Votes cast against	-	-	-	-	-	-	
	Invalid Votes	-	-	-	-	-	-	
6. Special Resolution for intimation to Board for Industrial & Financial Reconstruction regarding erosion of more than fifty percent of its peak net worth.	Votes cast in favour	5305421	100.00	379	100.00	5305800	100.00	Approved with overwhelming majority
	Votes cast against	-	-	-	-	-	-	
	Invalid Votes	-	-	-	-	-	-	
7. Special Resolution for Preferential Allotment of Equity Shares	Votes cast in favour	5305421	100.00	379	100.00	5305800	100.00	Approved with overwhelming majority
	Votes cast against	-	-	-	-	-	-	
	Invalid Votes	-	-	-	-	-	-	



The Resolutions for the Ordinary and Special businesses as set out in Item Nos. 1 to 7 in the Notice of the 30th Annual General Meeting, duly approved by the members with overwhelming majority, are recorded hereunder as part of the proceedings of 30th Annual General Meeting of the Members held on 25th July, 2014.

ORDINARY BUSINESS

Item No. 1 of the Notice

Ordinary Resolution for adoption of Directors' Report, the Audited Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss for the year ended 31st March, 2014 and the Auditors Report thereon.

"RESOLVED THAT 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, be and are hereby approved and adopted."

Item No. 2 of the Notice

Ordinary Resolution to appoint a Director in the place of Mr. Bo Jingen, who opts to retire pursuant to the provisions of the Companies Act, 2013 and being eligible offers himself for re-appointment.

"RESOLVED THAT Mr. Bo Jingen who opts to retire pursuant to the provisions of the Companies Act, 2013 and being eligible, offers himself for re-appointment be and is hereby re-appointed as a Director of the Company".

Item No. 3 of the Notice

Ordinary Resolution for Re-appointment of M/s. P. Srinivasan & Co., as the auditors of the Company and to fix their remuneration.

"RESOLVED that, pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder, and pursuant to the recommendations of the audit committee of the Board of Directors, M/s. P. Srinivasan & Co., Chartered Accountants (Firm Registration No.004054S), be and are hereby re-appointed as the auditors of the Company, to hold office from the conclusion of this AGM up to the conclusion of the third consecutive AGM (subject to ratification of the appointment by the members at every AGM held after this AGM) and that the Board of Directors be and are hereby authorized to fix such remuneration as may be determined by the audit committee in consultation with the auditors.



SPECIAL BUSINESS

Item No. 4 of the Notice

Ordinary Resolution for appointment of Mr. N.Subramanian as an Independent Director up to 15th May, 2019.

"RESOLVED that, pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder read with Schedule IV to the Companies Act, 2013, Mr. N.Subramanian (holding DIN 03602858), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 16th May, 2014 and who holds office until the date of AGM, in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. N.Subramanian as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company up to 15th May, 2019, not liable to retire by rotation."

Item No. 5 of the Notice

Special Resolution under Section 180 (1) (c) of the Companies Act, 2013 for borrowing an amount not exceeding ₹ 150,00,00,000/-.

"RESOLVED that, in supersession of the resolution passed by the Shareholders of the Company through postal ballot and result were declared on 7th December, 2009, pursuant to Section 180 (1)(c) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow from time to time, for the purpose of Company's business, such sum or sums of money, as they in their absolute discretion thinks fit, notwithstanding that the monies so borrowed together with the monies already borrowed by the Company and remaining outstanding shall be in excess of the aggregate of the paid-up share capital and free reserves, but not exceeding ₹ 150,00,00,000/- (Rupees One Hundred and Fifty Crores Only) over and above the paid-up share capital and free reserves for the time being of the Company."

Item No. 6 of the Notice

Special Resolution for intimation to Board for Industrial and Financial Reconstruction regarding erosion of more than fifty percent of its peak net worth.



"RESOLVED that, the Report of Board of Directors of the Company to the shareholders on erosion of more than fifty percent of the Company's peak net worth during immediately preceding four financial years by its accumulated losses as on 31st March, 2014 and the causes for such erosion, as required under Section 23 of the Sick Industrial Companies (Special Provisions) Act, 1985, ("SICA") be and is hereby considered and approved.

RESOLVED FURTHER that in accordance with the requirement of Section 23 of the SICA, the Company do report to the Board for Industrial and Financial Reconstruction ("BIFR") of the fact that the accumulated losses of the Company as on 31st March, 2014 have resulted in an erosion of more than fifty percent of its peak net worth during immediately preceding four financial years.

RESOLVED FURTHER that Mr. Bo Jingen, Managing Director be authorised to finalise and send the report to the BIFR and to do all such acts, deeds, matters and things as it may deem necessary, desirable or expedient in relation thereto."

Item No. 7 of the Notice

Special Resolution for Preferential Allotment of Equity Shares

"RESOLVED THAT in order to meet the immediate fund requirement of the Company, pursuant to the provisions of Section 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, (the "Act") (including any statutory amendments thereto or modifications or re-enactments thereof for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of the Company and the regulations/guidelines/clarifications, if any, prescribed by the Securities and Exchange Board of India ("SEBI"), the Reserve Bank of India, Foreign Exchange Management Act, 1999 and the Listing Agreement entered into by the Company with the Stock Exchanges and all other applicable Laws and Regulations and subject to the Company obtaining all approvals, consents, permissions and sanctions as may be required from any and all governmental or Regulatory Authorities and all other Institutions and Bodies including Banks and Financial Institutions, and subject to such conditions and modifications as may be prescribed or imposed whilst granting such approvals, permissions, consents, and sanctions, as are acceptable to the Board of Directors of the Company (the "Board", which term shall be deemed to include any committee of Directors which the Board may have constituted or hereinafter may constitute to exercise its powers including the power conferred by this resolution) and subject to the approval of shareholders in general meeting, the consent of the Company be and is hereby accorded to issue and allot not exceeding 21,35,000 equity shares of the face value of Rs. 10.00 each ("Equity Shares") at a premium of Rs. 41.25 each as calculated on relevant date being 30 days prior to the date of passing of this resolution i.e. 25.06.2014, in accordance with SEBI (ICDR) Regulations, 2009, aggregating to an amount of Rs. 10,94,18,750.00 on preferential basis to HONGKONG VICTORY INVESTMENT CO., LIMITED, RM 2108, 21/F C C WU BLDG, 302 - 308



HENNESSY RD, WANCHAI, HONG KONG on such terms and conditions as may be determined by the Board in accordance with SEBI (ICDR) Regulations, 2009 or other provisions of the law as may be prevailing; however subject to the approval of SEBI as may be required under Clause 40(A)(ii)(g) of the Listing Agreement.

RESOLVED FURTHER THAT the Board be and is hereby authorized to decide and approve the other terms and conditions of the issue of Equity Shares on preferential basis and also shall be entitled to vary, modify or alter any of the terms and conditions of such issue, however in compliance with the statutory approvals as may be required.

RESOLVED FURTHER THAT in the Equity Shares to be issued and allotted in terms of this resolution shall rank pari passu in all respects with the existing equity shares of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the issue of Equity Shares the Board be and is hereby authorized to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient in relation to all matters concerning the proposed issue and allotment of Equity Shares, the rights attached thereto and the listing thereof with the Stock Exchange(s) and to resolve and settle all questions and difficulties and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion deems fit, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution.

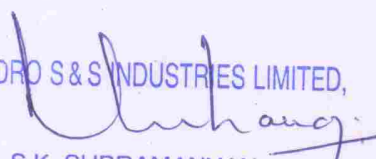
RESOLVED FURTHER THAT the Board be and is hereby authorized to determine in its absolute and complete discretion how much of the capital raised pursuant to this resolution should be utilized for the different purposes thereof viz., future expansion, repayments, working capital, general corporate purposes.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers conferred by this resolution on it to any Committee of Directors, any other Director or officer of the Company to give effect to the aforesaid resolution."

All the above resolutions were passed with overwhelming majority.

Certified True Copy

For HYDRO S & S INDUSTRIES LIMITED,


S.K. SUBRAMANYAN
Company Secretary.

CHAIRMAN OF THE MEETING