

# **KINGFA | Hydro S & S**

## **HYDRO S & S INDUSTRIES LIMITED**

**(A Kingfa Group Company)**

CIN : L25209TN1983PLC010438

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

Phone : 044 - 28521736, Fax : 044 - 28520420, E-mail : info@hssil.com, Website : www.hssil.com

### **NOTICE OF POSTAL BALLOT AND E-VOTING**

Dear Members,

#### **Notice pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management & Administration) Rules, 2014**

Notice is hereby given that, pursuant to Section 110 of the Companies Act, 2013 ("the Act") read with Companies (Management and Administration) Rules, 2014 (the "Rules"), Hydro S & S Industries Limited (the "Company") is seeking consent of its Members for the Special Businesses to be transacted through Postal Ballot, which includes voting by electronic means for the following items:

- 1) Approval for change of name of the Company from "Hydro S & S Industries Limited" to "Kingfa Science & Technology (India) Limited" and consequent alteration to Memorandum of Association and Articles of Association of the Company.
- 2) Approval for appointment of Mr.N.K.Ramaswamy as a Director of the Company.
- 3) Approval for appointment of Mr.N.K.Ramaswamy as a Whole-time Director of the Company, designated as Chief Executive Officer.
- 4) Authorisation to vary/enlarge the terms of offer made for rights issue relating only to the Object of the issue and Utilisation of proceeds.

The proposed resolutions along with Explanatory Statement setting out the material facts and the reasons thereof are appended along with the Postal Ballot Form for your consideration.

Mr.P.S.Srinivasan, Practising Company Secretary (C.P. No.3122) has been appointed by the Company as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

Please read carefully the instructions printed on the back of the Postal Ballot Form and return the form duly completed in all respects in the attached self-addressed postage prepaid envelope so as to reach the Scrutinizer by Friday, January 29, 2016, before 5.00 p.m. Please note that any Postal Ballot Form(s) received after the said date will be treated as if no reply has been received from the member.

#### **E-Voting**

In compliance with the Listing Agreement and provisions of Section 110 of the Act read with the Rules, e-voting facility is being provided to all the members which would enable them to cast their votes electronically.

The Company has engaged National Securities Depository Limited (NSDL) for providing the e-voting facility through its platform.

The process and manner for e-voting is provided in the notice. In case a member votes through e-voting facility, he/she is not required to vote through Postal Ballot Form. In case a member votes through e-voting facility as well as sends his/ her vote through Postal Ballot Form, the vote cast through e-voting shall be considered and the voting through Postal Ballot Form shall not be considered by the Scrutinizer.

The e-voting will commence on Thursday, December 31, 2015 at 9.00 a.m. and will end on Friday, January 29, 2016 at 5.00 p.m. (both days inclusive).

The results, together with the Scrutinizer's Report, will be announced on or before Monday, February 01, 2016 at the registered office of the Company and will be displayed on the website of the Company i.e., www.hssil.com and also on the website of NSDL i.e., <https://www.evoting.nsdl.com> besides being communicated to BSE Limited on which the shares of the Company are listed.

## RESOLUTIONS PUT THROUGH POSTAL BALLOT

### Item No.1

**Approval for change of name of the Company from “Hydro S & S Industries Limited” to “Kingfa Science & Technology (India) Limited” and consequent alteration to Memorandum of Association and Articles of Association of the Company.**

**To consider and if thought fit, to assent / dissent to the following Special Resolutions:**

**RESOLVED THAT** pursuant to the provisions of Section 4, 13, 14 and 15 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force) and subject to approval of Central Government, Registrar of Companies and any other statutory approvals as may be required in this matter, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company for changing the name of the Company from “Hydro S & S Industries Limited” to “Kingfa Science & Technology (India) Limited” as made available by the Registrar of Companies, Chennai, Tamil Nadu.

**RESOLVED FURTHER THAT** upon receipt of fresh Certificate of Incorporation consequent upon change of name, the old name, i.e., “Hydro S & S Industries Limited”, be substituted with the new name, i.e., “Kingfa Science & Technology (India) Limited” and Clause I of the Memorandum of Association of the Company be substituted by the following clause:

1. The name of the Company is **Kingfa Science & Technology (India) Limited**.

**RESOLVED FURTHER THAT** Clause 2.i. (b) of the Articles of Association of the Company be substituted by the following clause:

2. i. (b) “The Company” means **Kingfa Science & Technology (India) Limited**.

**RESOLVED FURTHER THAT** subject to the above, the name of the Company wherever it appears in the Memorandum of Association and the Articles of Association of the Company be substituted by the new name “**Kingfa Science & Technology (India) Limited**”.

**RESOLVED FURTHER THAT** the Security ID in BSE Limited, where the Company's Equity Shares are listed be amended as KINGFA instead of HYDROS&S.

**RESOLVED FURTHER THAT** any of the Directors and/ or Company Secretary be and are hereby severally authorised to do and perform or cause to be done and perform all such acts, deeds, matters and things, as may be required or deemed necessary or incidental thereto including signing and filing all the e-forms and other documents with any statutory authorities and to settle and finalise all issues that may arise in this regard and the Board of Directors is also authorized to delegate all or any of the powers or authorities herein conferred to any Directors or other officials of the Company, without further reference to the shareholders of the Company.

### Item No.2

**Approval for appointment of Mr.N.K.Ramaswamy as a Director of the Company.**

**To consider and if thought fit, to assent / dissent to the following Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) (“the Act”), Mr.N.K.Ramaswamy (holding DIN 07339610), who was appointed as an Additional Director pursuant to Section 161 of the Act and the Articles of Association of the Company and who holds office up to the date of the ensuing Annual General Meeting and in respect of whom the Company has received a Special notice in writing from a member under Section 160 of the Act proposing his candidature for appointment as a Director, be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement of directors by rotation.”

### Item No.3

**Approval for appointment of Mr.N.K.Ramaswamy as a Whole-time Director of the Company, designated as Chief Executive Officer.**

**To consider and if thought fit, to assent / dissent to the following Special Resolution:**

“RESOLVED THAT, pursuant to the provisions of Sections 196, 197, 198, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment/modification thereof) and such other

necessary approval(s), consent(s) or permission(s), as may be required, the consent of the Members of the Company be and is hereby accorded to appoint Mr.N.K.Ramaswamy (holding DIN 07339610), as a Whole-time Director of the Company, designated as Chief Executive Officer, liable to retire by rotation, for a period of 3 years w.e.f November 13, 2015 with such remuneration as set out in the Explanatory Statement provided that the total remuneration (including all perquisites) shall not exceed the ceiling limit as provided in Schedule V, Part II, of the Companies Act, 2013 or such amounts as may be specified by any amendment to the Act.”

“RESOLVED FURTHER THAT in the event of the Company making adequate profits the Board of Directors / Nomination and Remuneration Committee constituted by the Board, be and hereby authorized to revise, amend, alter and vary the terms of the remuneration and/or perquisites payable to Mr.N.K.Ramaswamy, at its absolute discretion, subject to the guidelines or ceilings wherever applicable, within the applicable provisions of the Companies Act, 2013 and the amount of remuneration shall not exceed the limits specified in such section.”

“RESOLVED FURTHER THAT in case the Company has no profits or its profits are inadequate in any financial year during the tenure of appointment of Mr.N.K.Ramaswamy, it may pay a remuneration to Mr.N.K.Ramaswamy, which shall not exceed the ceiling as provided in Schedule V, Part II, of the Companies Act, 2013 or such amounts as may be specified by any amendment to the Act.”

“RESOLVED FURTHER THAT the Board of Directors and the Company Secretary be and are hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and do all statutory filings, as mandated, as per the provisions of Companies Act, 2013.”

### Item No.4

**Authorisation to vary/enlarge the terms of offer made for rights issue relating only to the Object of the issue and Utilisation of proceeds.**

**To consider and if thought fit, to assent / dissent to the following Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 27 and other applicable provisions, if any, of the Companies Act, 2013 and other applicable rules, regulations, guidelines and other statutory provisions for the time being in force, approval of the Members of the Company be and is hereby accorded to vary the terms referred to in the Letter of Offer dated September 16, 2015 filed by the Company with Securities and Exchange Board of India, (the 'Letter of Offer') including to vary and or revise (amount or schedule of deployment) the utilization of the proceeds from the Rights issue of Equity Shares made in pursuance of the said Letter of Offer and or to utilize the proceeds from the Rights Issue including but not limited to allocation intended for New Manufacturing facility – land into objects otherwise than identified in the Letter of Offer as below:

1. Setting up of a facility at Pune or such other location.

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things, deal with such matters, take necessary steps in the matter as the Board may in its absolute discretion deem necessary, desirable or expedient and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members 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 delegate all or any of the powers herein conferred to any committee of directors or any other officer(s) or authorized representative(s) of the Company to give effect to the aforesaid resolution.”

By Order of the Board,  
for **Hydro S & S Industries Limited**

Place : Chennai  
Date : 15<sup>th</sup> December, 2015

**S.K. SUBRAMANYAN**  
Company Secretary

### Notes:

1. The Explanatory Statement as required under Section 102 of the Companies Act, 2013 is annexed hereto.

2. The Notice, together with the documents accompanying the same, is being sent to all the members by email / registered post whose names appear in the Register of Members/ list of Beneficial Owners as received from the National Securities Depository Services Limited (NSDL)/ Central Depository Services (India) Limited (CDSL) or Registrar and Share Transfer Agent as at 23<sup>rd</sup> December, 2015, at their respective registered/ last known address. The Notice will be displayed on the website of the Company ([www.hssil.com](http://www.hssil.com)) and of NSDL (<https://www.evoting.nsdl.com>)
3. Members have the option either to vote through the e-voting process or through the postal ballot form.
4. A postal ballot form along with self-addressed postage pre-paid envelope is also enclosed. Members who have received the postal ballot notice by e-mail and who wish to vote through postal ballot form, can download the postal ballot form from the Company's website ([www.hssil.com](http://www.hssil.com)) or seek duplicate postal ballot form from the Company or Registrar at [yuvraj@integratedindia.in](mailto:yuvraj@integratedindia.in)
5. Incomplete, unsigned, improperly or incorrectly tick marked postal ballot forms will be rejected. There will be only 1 (one) postal ballot form for every registered folio /client ID irrespective of the number of joint members.
6. The postal ballot form should be completed and signed by the Shareholder (as per specimen signature registered with the Company and/or furnished to NSDL/ CDSL). In case, shares are jointly held, this form should be completed and signed by the first named member and, in his/her absence, by the next named member. Holder(s) of Power of Attorney ("PoA") on behalf of a Shareholder may vote on the postal ballot mentioning the registration number of the PoA with the Company or enclosing a copy of the PoA authenticated by a notary. In case of shares held by companies, societies etc., the duly completed postal ballot form should be accompanied by a certified copy of the board resolution/ authorization giving the requisite authority to the person voting on the postal ballot form.
7. Profile of Director being appointed as required under the Listing Agreement entered into with the Stock Exchanges.

Particulars	Item No.2 & 3
Name of the Director	Mr. N.K.Ramaswamy
Date of Birth	21/08/1961
Date of first appointment	13.11.2015
Qualifications	Bachelor degree in Science & Technology.
Experience in specific functional area	New project implementation & the strategic marketing.
Directorships held in other Public Companies	-
Committee Chairmanship/ Membership held in other Companies	-
Number of shares held in the Company as on 31 <sup>st</sup> March 2015	NIL

8. In compliance with provisions of the equity Listing Agreement, the Company is pleased to offer e-voting facility to its Members holding equity shares as on Wednesday, December 23, 2015, to exercise their right to vote electronically on the above resolutions. For this purpose, the Company has signed an agreement with NSDL for facilitating e-voting.

**9. The instructions for the Members for voting electronically are as under:-**

- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:
  - (i) Open email and open PDF file viz; "Hydro S & S e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
  - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
  - (iii) Click on Shareholder – Login
  - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.

- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (vi) Home page of e-voting opens. Click on e-voting: Active Voting Cycles.
  - (vii) Select "EVEN" of Hydro S & S Industries Limited.
  - (viii) Now you are ready for e-voting as Cast Vote page opens.
  - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
  - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [pssrinivasan1939@gmail.com](mailto:pssrinivasan1939@gmail.com) or [evoting@hssil.com](mailto:evoting@hssil.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- B. In case a Member receives physical copy of the Postal Ballot Forms [for members whose email IDs are not registered with the Company/ Depository Participants(s) or requesting physical copy]:
    - (i) Initial password is provided as below/at the bottom of the Postal Ballot Form :
 

EVEN (E-Voting Event Number)	USER ID	PASSWORD/PIN
    - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
10. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
  11. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
  12. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
  13. The e-voting period commences on Thursday, December 31, 2015 (9.00 am) and ends on Friday, January 29, 2016 (5.00 p.m.), (both days inclusive). During this period, shareholders' of the company, holding shares either in physical form or in dematerialized form, as on the relevant date Wednesday, December 23, 2015 may cast their votes electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
  14. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the relevant date i.e. Wednesday, December 23, 2015.
  15. Members have the option to vote either through e-voting or through physical postal ballot form. If a Shareholder has opted for e-voting, then he/she should not vote by physical postal ballot form also and vice-versa. However, in case Members cast their vote both via physical postal ballot form and e-voting, then voting through e-voting shall prevail and voting done by postal ballot shall be treated as invalid.
  16. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the relevant date only shall be entitled to avail the facility of e-voting or voting by postal ballot.
  17. The Company has appointed Mr.P.S.Srinivasan, Practising Company Secretary (C.P. No.3122) as Scrutiniser for providing facility to the members of the Company to scrutinize the voting and e-voting process in a fair and transparent manner.
  18. The Scrutiniser shall within a period not exceeding two (2) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutiniser's Report, forthwith to the Chairman and Managing Director of the Company.

19. The results along with the Scrutiniser's Report shall be placed on the website of the Company <http://www.hssil.com> and on the notice board of the Company at its registered office immediately after the declaration of result by the Chairman or a Director authorized by him in writing. The results shall also be communicated to BSE Limited, Mumbai.

**EXPLANATORY STATEMENT  
(PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013)**

**Item No.1**

In order to reflect the new ownership of the Company, it is proposed to change the name of the Company to "Kingfa Science & Technology (India) Limited".

Board of Directors of the Company on December 15, 2015 approved the proposed name change. Pursuant to the Company's application filed with the Registrar of Companies, the Registrar vide their letter dated December 08, 2015 have made available the name "Kingfa Science & Technology (India) Limited".

Pursuant to Sections 13 and 14 of the Companies Act, 2013, approval of the members is sought by way of special resolution for alteration of the Memorandum of Association and Articles of Association of the Company consequent to name change.

The draft of the revised Memorandum of Association and Articles of Association reflecting the name change is available for inspection by the Members at the registered office of the Company on all working days (except Saturdays, Sundays and public holidays) between 11.00 am to 1.00 pm upto the date of closing of e-voting or last date of receipt of Postal Ballot Forms i.e., Friday, January 29, 2016.

The Board recommends the resolutions as set out at Item No. 1 of the Notice for approval of Members as a Special Resolutions.

None of the Promoters, Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise, in this resolutions except to the extent of their shareholding as Members.

**Item No.2**

Mr.N.K.Ramaswamy was appointed as an Additional Director by the Board, based on the recommendations of the Nomination and Remuneration Committee of the Board, with effect from 13<sup>th</sup> November, 2015. The Company has received a notice in writing from a Member of the Company alongwith requisite deposit proposing his candidature for the office of Director of the Company. The Company has received from Mr.N.K.Ramaswamy consent in writing to act as director.

Mr. N.K.Ramaswamy, aged 54 years, holds a Bachelor degree in Science & Technology. He joined our Company as the Chief Executive Officer since May 04, 2009. He is responsible for new project implementation & the strategic marketing of our company. He has a total work experience of about 28 years.

Mr. N.K.Ramaswamy, is also the Member of Corporate Social Responsibility Committee of the Board of the Company.

Except Mr.N.K.Ramaswamy, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution. This Explanatory Statement may also be regarded as a disclosure under the Listing agreement with the Stock Exchange.

The Board considers that the appointment of Mr.N.K.Ramaswamy would be of immense benefit to the Company. Accordingly, the Board recommends the resolution for the approval of the members.

**Item No.3**

**Appointment of Mr.N.K.Ramaswamy as Whole-time Director**

Mr.N.K.Ramaswamy was appointed as Whole-time Director of the Company, designated as Chief Executive Officer, by the Board, based on the recommendations of the Nomination and Remuneration Committee of the Board, for a period of three years with effect from November 13, 2015 subject to the consent of the Members of the Company.

In view of the current business situation globally and more particularly the industry segment in which the Company operates, it is felt that there is a likelihood of a situation of inadequacy of profits for payment of Managerial remuneration as specified in Schedule V of the Companies Act, 2013. However, the remuneration payable to Mr.N.K.Ramaswamy, Whole-time Director shall not exceed the limit as provided under Schedule V, Part II of the Companies Act, 2013 and his appointment is being moved as Special Resolution.

The following additional information as required by Section II of Part II of Schedule V to the Companies Act, 2013 is given below:

**I. General Information:**

**1. Nature of Industry.**

The Company is engaged in the business of manufacture of Modified Thermoplastics.

**2. Date or expected date of commencement of Commercial production.**

Not applicable as the Company is an existing Company.

**3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.**

Not applicable as the Company is an existing Company.

**4. Financial Performance based on given indicators.**

(₹ in lacs)

Particulars	Year ended 31.03.2013	Year ended 31.03.2014	Year ended 31.03.2015
Sales	17,634.38	19,933.00	24,680.58
PBDIT	268.64	(306.51)	658.16
PBIT	(13.21)	(572.24)	343.98
Loss after Tax	(504.83)	(847.72)	(304.21)

**5. Export Performance.**

The Company is taking continuous steps to develop export markets as appropriate to the nature of its products.

**6. Foreign investments or collaborations, if any.**

Technology transfer and Investments are envisaged from M/s. Kingfa Sci. & Tech. Co. Ltd., Guangzhou, China.

**II. Information about the appointee:**

S No.	Description	Particulars
1.	Background details	Mr. N.K.Ramaswamy, aged 54 years, holds a Bachelor degree in Science & Technology. He joined our Company as the Chief Executive Officer since May 04, 2009. He is responsible for new project implementation & the strategic marketing of our company.
2.	Past Remuneration for the Financial year 2014- 15.	₹ 50.50 lacs per annum.
3.	Recognition or awards / job profile and suitability.	IPI Chennai Chapter - Vice Chairman. Industry Experience of over 28 years. Paper presented in international and national seminars.
4.	Remuneration Proposed	It shall not exceed ₹ 65 lacs per annum.
5.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person.	The remuneration proposed to be paid is consistent with the responsibility of the position and is comparable with the remuneration in similar industries in the same segment of business.
6.	Pecuniary relationship directly or indirectly with the Company, or relationship with managerial personnel, if any.	Nil

### III. Other Information:

(1) Reasons of loss or inadequate profits.

The substantial increase in the input Raw Material, steep depreciation of the value of the Indian Rupee thereby increasing input cost and inability to pass on the full impact to the Customer.

(2) Steps taken or proposed to be taken for improvement.

i) Broad based product offering.

ii) More focus on non auto business.

iii) Enhancing geographical customer base.

iv) Introducing various cost control measures including implementation of Energy Conservation, Optimization of formulation, reduction in interest costs through efficient funds management and seeking appropriate price revision from Customers.

(3) Expected increase in productivity and profits in measurable terms.

The Company is seeking revision in the terms of reference with major OEMs to rework pricing on a quarterly basis from the current half yearly / annual basis which will benefit the Company by way of faster passing on the cost increases.

The Company which is expanding its business horizon is now poised to take advantage of several new opportunities. It also faces several challenges which are to be addressed from time to time with regard to costs etc. The Company is confident of successfully addressing these issues in the long term interest of all stakeholders.

### IV. Disclosures:

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financial or otherwise, in the said Resolution except Mr.N.K.Ramaswamy.

The information contained in the foregoing paragraphs may also be treated as a notice to be issued to the members of the Company under the applicable provisions of the Companies Act, 2013.

Your Directors accordingly recommend the resolution proposing his appointment for the approval of the members of the Company.

#### Item No. 4

The Company in the Offer document at the recently concluded Rights Issue, had specified "Capital Expenditure (₹ 45.99 crores) at the existing manufacturing location" as one of the objects of the Issue.

Recently Senior Executives from Kingfa, China who had visited India to discuss the Infrastructure and Capacity Expansion proposals concluded that from a long term perspective and vision for the Indian Company, it is better to go in for a green field manufacturing location near Pune, which will be capable of housing the capacity expansion in the medium term future. The location would also house a State of Art "Technical and Product Development" Centre to meet the growing needs of the Company. Hence it was advised not to further invest in Building related needs at the existing manufacturing location.

Instead the company may identify a suitable land which will take care of the above needs.

We have identified certain land near Pune for this purpose. It is proposed to utilize the funds mobilized from the Rights Issue to the extent of ₹ 45.99 crores for this purpose.

Since there is a change in end use of objects of Utilisation of the Rights Issue money, this change requires the approval of the Shareholder's by means of a Special Resolution, which is proposed to be obtained through postal ballot.

None of the Promoters, Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise, in this resolution except to the extent of their shareholding as Members.

Accordingly, the Board recommends the resolution for the approval of the members.

By Order of the Board,  
for **Hydro S & S Industries Limited**

Place : Chennai  
Date : 15<sup>th</sup> December, 2015

**S.K. SUBRAMANYAN**  
Company Secretary