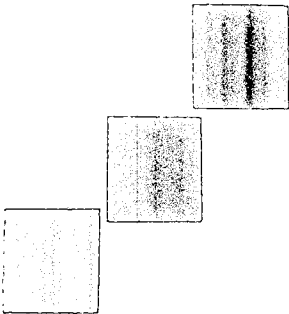


Annual Report 1997-98



Hydro S&S Industries Limited





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HYDRO S&S INDUSTRIES LIMITED

Board of Directors

V. SRINIVASAN *Chairman*
MURALI VENKATRAMAN
W. ADAMS
S. RAMASWAMY
K. D. PARAKH
R. K. CHARI
BABULAL M. VARMA
NARAYAN SETHURAMON
JAN HEBER
S. MUTHUSAMI *(Nominee - GIC of India)*
PER ARNE AUESTAD *Alternate Director*
K. SRIRAM *Whole-time Director*

**General Manager (Finance)
& Company Secretary**

S. K. SUBRAMANYAN

Auditors

P. Srinivasan & Co.
Chartered Accountants
Chennai - 600 017.

Legal Advisors

T. Raghavan
Chennai - 600 018.
T. V. Padmanabhan
Chennai - 600 017.

Bankers

Canara Bank, Chennai - 600 002.
Standard Chartered Bank, Chennai - 600 001.
The Federal Bank Ltd., Chennai - 600 002.
The Karnataka Bank Ltd., Chennai - 600 002.
The Benares State Bank Ltd., Chennai - 600 018.

Registered Office

Dhun Building, III Floor,
827, Anna Salai, Chennai - 600 002.
Phone : 8520292 & 8521736

Works

15C, SIPCOT Industrial Complex,
Pudukkottai - 622 002.
RS No. 38/1 Sedarapet Village
Villiyannur Commune
Pondicherry - 605 111



HYDRO S&S INDUSTRIES LIMITED

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Fourteenth Annual General Meeting of the Company will be held on Friday, the 28th August, 1998 at 10.00 a.m. at Mini Hall, The Music Academy, No. 306, TTK Road, Chennai - 600 014 to transact the following Business:

ORDINARY BUSINESS

1. To consider and adopt the Balance Sheet of the Company as at 31st March, 1998 and the Profit and Loss Account for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Murali Venkatraman, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr. K.D. Parakh, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr. Narayan Sethuram, who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint Auditors to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

6. To consider and if thought fit, to pass, with or without modification, the following Resolutions as Ordinary Resolutions:
 - 1) "RESOLVED THAT in accordance with the provisions of Sections 269, 109, 309, 311, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, approval be and is hereby accorded

to the re-appointment of Mr. K. Sriram as Whole-time Director (Director - Operations) w.e.f. 1st June, 1998 till 31st May, 1999 and to the payment of remuneration as set out hereunder.

- i) **Salary**
Rs. 30,000/- (Rupees Thirty Thousand only) per month.
- ii) **Commission**
One percent of the net profits of the Company determined in accordance with Section 198 and Section 309 of the Companies Act, 1956.

Perquisites**PART A**

- iii) **Housing**
House Rent Allowance @ 60% of the Basic Salary. He shall further be entitled to reimbursement of House maintenance expenditure subject to a limit of Rs.10,000/- per annum.
- iv) **Allowances for Professional Pursuits**
An allowance of Rs. 10,000/- per month towards professional pursuits is payable.
- v) **Medical Reimbursement**
Reimbursement of actual expenses incurred for self and family, the total cost of which shall not exceed one month's salary.
- vi) **Leave Travel Concession**
Reimbursement for self and family for travel anywhere in India, subject to a ceiling of one month's salary.
- vii) **Attire Expenses**
Reimbursement of expenses incurred towards Attire subject to a limit of Rs. 15,000/- per annum.

**viii) Club Fees**

Fees of one club, provided that no life membership or Admission fee is paid.

ix) Personal Accident Insurance

Of an amount, the annual premium of which shall not exceed Rs. 4,000/-.

x) Hard Furnishing

Hard furnishing as per Company's scheme in force from time to time.

PART B**xi) Contribution**

Contribution to Provident Fund, Superannuation Fund or other Annuity Fund to be in accordance with rules and regulations in force from time to time.

Contribution to Provident Fund, Superannuation Fund or Annuity Fund shall not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income-tax Act.

xii) Gratuity

As per rules of the Company.

PART C**xiii) Car and Telephone**

Free use of car for the Company's business and free telephone facility at residence. Personal long distance calls on telephone and use of car for private purposes shall be billed by the Company.

- 2) "RESOLVED FURTHER THAT the aforesaid remuneration and perquisites except commission be paid to Mr. K. Sriram as minimum remuneration in the absence or inadequacy of profits in any year.

- 3) "RESOLVED FURTHER THAT the aforesaid terms and conditions of the said appointment and/or contract may be varied from time to time by the Board of Directors of the Company as it may in its absolute discretion deem fit, subject to the provisions of Schedule XIII and other relevant sections of the Companies Act, 1956 as amended from time to time."

- 4) "RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as may be deemed necessary or desirable or to settle any question or difficulty that may arise in such manner as it may deem fit."

- 5) "RESOLVED FURTHER THAT so long as Mr. K. Sriram functions as Whole-time Director, he will not be liable for retirement by rotation."

7. To consider and if thought fit, to pass, with or without modification, the following Resolutions as Ordinary Resolutions:

- 1) "RESOLVED THAT in accordance with the provisions of Sections 269, 109, 309, 311, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, approval be and is hereby accorded to the appointment of Mr. Narayan Sethuramon as Whole-time Director (Director - Corporate Affairs) w.e.f. 1st July, 1998 till 30th June, 2000 and to the payment of remuneration as set out hereunder.

HYDRO S&S INDUSTRIES LIMITED

- i) **Salary**
Rs. 22,320/- (Rupees Twenty Two Thousand Three Hundred and Twenty only) per month.
- ii) **Commission**
One percent of the net profits of the Company determined in accordance with Section 198 and Section 309 of the Companies Act, 1956.
- iii) **Perquisites**
Part A - NIL
Part B
Contribution
Contribution to Provident Fund in accordance with rules and regulations in force from time to time.
Part C
Car and Telephone
Free use of car for the Company's business and free telephone facility at residence. Personal long distance calls on telephone and use of car for private purposes shall be billed by the Company.
- 2) "RESOLVED FURTHER THAT the aforesaid remuneration and perquisites except commission be paid to Mr. Narayan Sethuramon as minimum remuneration in the absence or inadequacy of profits in any year.
- 3) "RESOLVED FURTHER THAT the aforesaid terms and conditions of the said appointment and/or contract may be varied from time to time by the Board of Directors of the Company as it may in its absolute discretion deem fit, subject to the provisions of Schedule XIII and other relevant sections of the Companies Act, 1956 as amended from time to time."
- 4) "RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as may be deemed necessary or desirable or to settle any question or difficulty that may arise in such manner as it may deem fit."
- 5) "RESOLVED FURTHER THAT so long as Mr. Narayan Sethuramon functions as Whole-time Director, he will not be liable for retirement by rotation."

By Order of the Board
for HYDRO S&S INDUSTRIES LIMITED

S.K. SUBRAMANYAN
*General Manager (Finance) &
Company Secretary*

Chennai
27th June, 1998



NOTES

1. The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Businesses, is annexed.
2. A Member entitled to attend and vote at this Annual General Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and such proxy need not be a Member.
3. The proxy forms should be deposited with the Registered Office of the Company not later than 48 hours before commencement of the Meeting.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, the 8th August, 1998 to Friday, the 28th August, 1998 (both days inclusive).
5. Members are requested to kindly notify the Company immediately of any change in the address.
6. Members who are holding shares in identical order of names in more than one account are requested to intimate to the Company, the ledger folio of such accounts together with the Share Certificate(s) number(s) to enable the Company to consolidate all the holdings into one account. The Share

Certificate(s) will be returned to the members after endorsements/consolidation, in due course.

7. Members/Bodies Corporate/Proxies should bring the attendance slip duly filled-in for attending the Meeting.
8. Members are requested to bring their copies of the Annual Report to the Meeting.
9. **Unpaid/Unclaimed Dividend:**

As required under the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) (Amendment) Rules 1988, the Unpaid/Unclaimed Dividend for the financial year ended 31st March, 1994 has been transferred to General Revenue Account of the Central Government within the prescribed time as per details given below:

Dividend	1993-94
No. of Equity Shares	52060
No. of Holders	68
Amount	Rs. 62,860/-
Date of Transfer	31.12.1997