

43rd Annual Report

April 2015 - March 2016



INEOS
STYROLUTION

Driving Success. Together.

SPEARHEADING STYRENICS IN INDIA



INEOS Styrolution India Limited (formerly known as Styrolution ABS (India) Ltd.) is the leader and number one producer of ABSOLAC (ABS) in India. ABS is a plastic resin produced from Acrylonitrile, Butadiene & Styrene, used for manufacturing of home appliances, automobiles, consumer durables and business machines. The company is also a leading manufacturer of ABSOLAN (SAN) which is a polymerized plastic resin produced from Styrene & Acrylonitrile, and mainly used for products such as lightings, stationeries, novelties, refrigerators and cosmetic packing. Effective March 31, 2016, Styrolution India Pvt. Ltd. has merged with INEOS Styrolution India Ltd., bringing the Polystyrene business to the company's product portfolio.

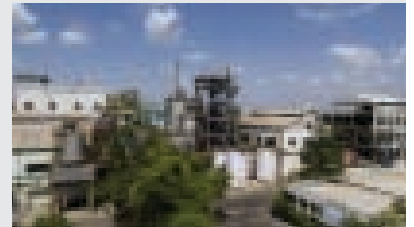
With 40 years of pioneering experience INEOS Styrolution India Limited has been the most preferred supplier to our esteemed customers. We take immense effort in analyzing and understanding our customer's requirements to offer innovative solutions that enhances quality of their products. Our commitment to offer best-in-class products and customized solutions has put us in number one position. We are committed to work hand in hand with our customers to drive success together.

Our parent company, INEOS Styrolution is the leading, global styrenics supplier with a focus on styrene monomer, polystyrene, ABS Standard and styrenic specialties. With world-class production facilities and more than 85 years of experience, INEOS Styrolution helps its customers succeed by offering the best possible solution, designed to give them a competitive

edge in their markets. The company provides styrenic applications for many everyday products across a broad range of industries, including automotive, electronics, household, construction, healthcare, toys/sports/leisure, and packaging. In 2015, sales were at 5 billion euros. INEOS Styrolution operates 15 production sites in nine countries.

PLANTS IN INDIA

Nandesari



Katol



Moxi



Dahej

5 YEARS STATISTICAL INFORMATION

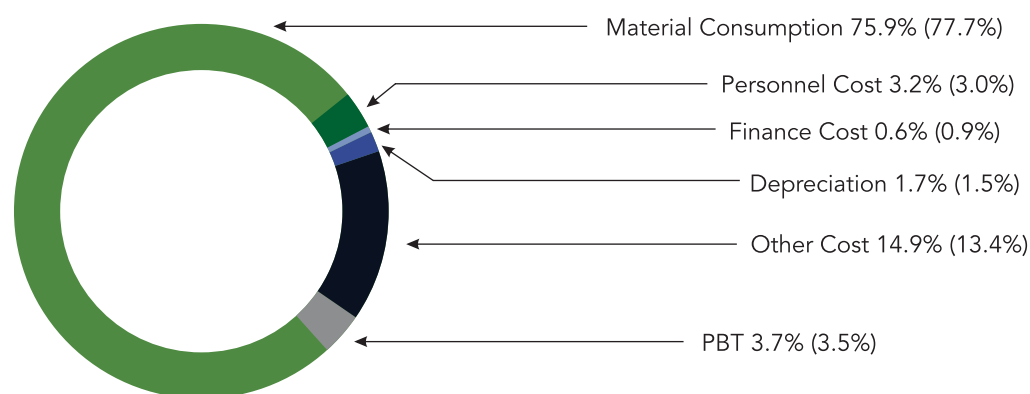
(Rs. in lakhs)

YEAR NO OF MONTHS	2015-16** 12	2014-15* 15	2013 12	2012 12	2011 12
SOURCES OF FUNDS					
Share Capital	1,758.6	1,758.6	1,758.6	1,758.6	1,758.6
Reserves	50,051.6	48,622.0	45,966.3	41,744.5	36,249.0
Net-Worth	51,810.1	50,380.6	47,724.9	43,503.0	38,007.5
Borrowings- Long Term	-	-	-	-	-
Funds Employed	51,810.1	50,380.6	47,724.9	43,503.0	38,007.5
INCOME AND PROFITS					
Net Sales	155,094	146,172	111,184	98,875	82,546
Gross Operating Profit	9,565.2	8,570.5	9,127.8	10,670.8	9,142.2
Profit Before Tax	5,863.4	5,173.2	7,742.4	9,309.9	7,748.3
Tax	-413.4	1,670.9	2,692.1	2,996.9	2,351.7
Profit After Tax	6,276.8	3,502.3	5,050.3	6,313.0	5,396.6
Dividend Per Share (Rs)	4.0	4.0	4.0	4.0	4.0
Retained Earnings	5,240.2	2,655.7	4,221.9	5,495.5	4,581.8
Return on Net worth	12.1%	7.0%	10.6%	14.5%	14.2%
OTHER DATA					
Gross Fixed Assets	62,464.9	44,231.5	40,511.7	35,217.9	33,471.9
Net Worth per equity (Rs)	294.6	286.5	271.4	247.4	216.1
Current Ratio	1.7	1.6	1.8	2.7	2.4

(*) 2014-15 results are for 15 months.

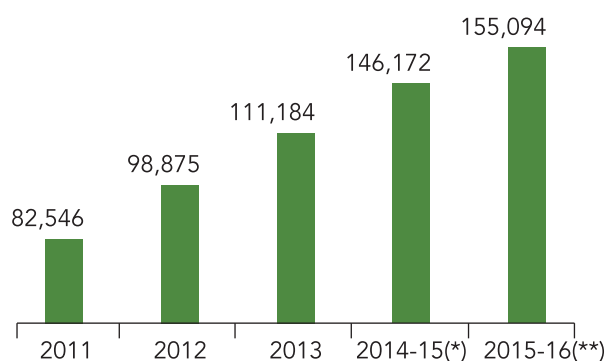
(**) 2015-16 results are for merged entity.

Distribution of Income

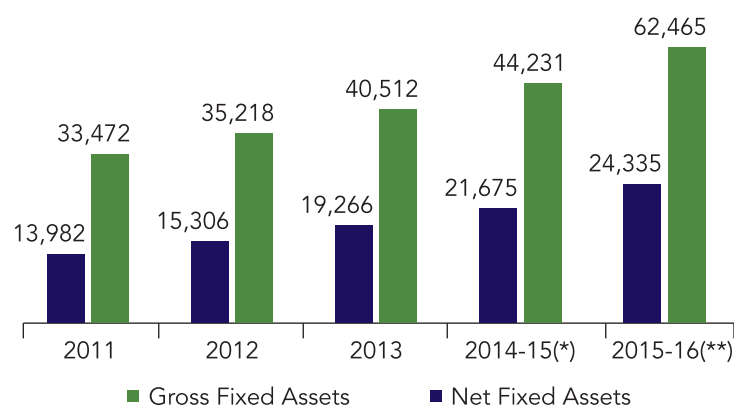


(Rs. in lakhs)

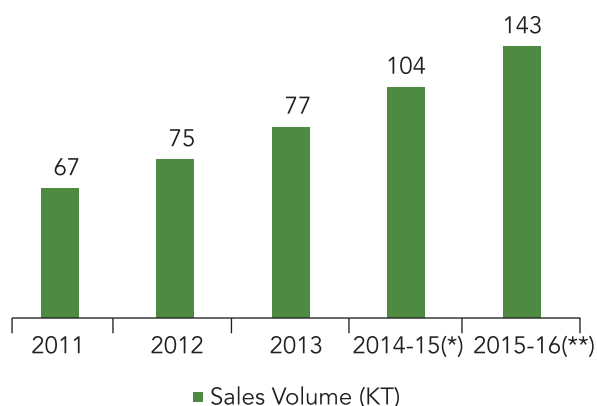
Net Sales



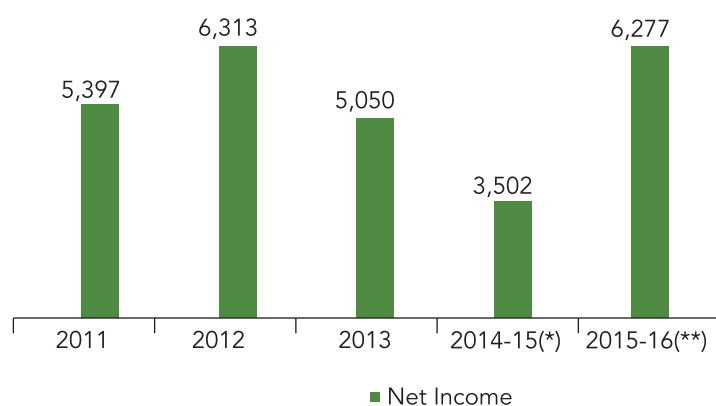
Gross & Net Fixed Assets



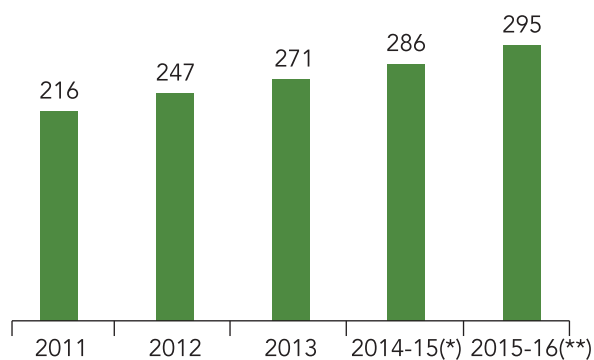
Sales Volume (KT)



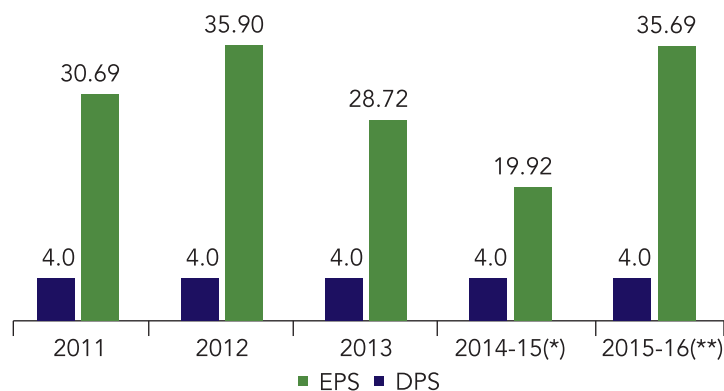
Net Income



Book Value per Share (INR)



Earning per share & Dividend per share (INR)



(*) 2014-15 results are for 15 months.

(**) 2015-16 results are for merged entity.

BOARD OF DIRECTORS



Mr. Stephen Mark Harrington

Mr. Stephen Mark Harrington holds a degree from Hull University, United Kingdom. During his 26-year career, Mr. Harrington has held various commercial roles at INEOS, and previously worked for ICI and Unilever. Since April 2015, he is appointed President of Styrolution's Asia Pacific operations, based in Singapore. He is also concurrently President of Styrolution's Global Styrene business and serves as Chairman of the Styrene Information and Research Center.



Mr. Sanjiv Vasudeva

Mr. Sanjiv Vasudeva is a Chemical Engineering graduate from MS University of Vadodara. Mr. Vasudeva is the Managing Director and CEO, INEOS Styrolution India Ltd. He has a proven track record in leadership, general management and operation having 25 years of broad functional experience in various global leadership positions in multiple geographies with some of the world's largest diversified industrial conglomerates. He has worked as Country Commercial Director and Global Marketing Leader for SABIC Innovative Plastics - India. He has held full P&L responsibility for Asia and has been Country Commercial Director of G.E Plastics, Singapore. He is a certified Master Black Belt- Six Sigma having spent 10 years in The Netherlands with G.E.Plastics in Quality/Six Sigma, Product Management and Manufacturing.



Mr. Bhupesh P. Porwal

Mr. Bhupesh P. Porwal is a certified Chartered Accountant, a gold-medalist in MBA (Finance) & a law graduate from MLS University, Udaipur. In addition to being CFO of INEOS Styrolution India Ltd., he has been appointed as an Additional Director and Whole-time director. Mr. Porwal has vast exposure in process, engineering, packaging, petrochemicals & consultancy sector to direct company's financial affairs, drive financial & business strategies, investor relations, raising funds in cost effective manner, tax optimization & general management areas. He enjoys practicing lean management, develop & implement ideas to accomplish bottom-line results, elevate business growth, maximize profits through designing, implementing and enhancing SAP/ EVA Systems ensuring zero financial leakage. He has worked in various capacities at leading corporates including Piramal Glass Ltd., Transformers and Rectifiers India Ltd., Blue Star Ltd., Time Packaging Ltd. and M. M. Gupta & Co. He also shares his knowledge as a visiting faculty at various colleges and institutions and is a member of professional bodies like ICAI & IIA.



Mr. Jal Patel

Mr. Jal Patel is a Chartered Accountant and Company Secretary by qualification, having varied experience in the field of Finance / Commercial and Corporate Administration. He is a highly respected Industrialist and has retired as the Chairman of FAG Bearings India Ltd, a company which he had joined as Chief Accountant and thereon went on to be its Managing Director, Vice Chairman and then Chairman. He is an Independent Director in several reputed public companies, including Gujarat Gas Company Ltd, ABC Bearings Ltd, Elecon Engineering India Ltd and others. He is an Advisor to Goradia group of Companies, Vadodara, which is predominantly in the oral consumer care business. He is a Past President and Managing Committee member of Federation of Gujarat Industries and has also been a Past President and Governing Body Member of Gujarat Employers' organization. He is past Chairman and Member, Board of Governors, United Way of Vadodara. He holds membership and is a Trustee in various Trusts and Social Organizations in and around Vadodara.



Mr. Sharad Kulkarni

Mr. Sharad M. Kulkarni holds a Degree in Engineering (B.E.) from University of Pune. He is also a Fellow of the Institute of Engineers, India. He was also a Fellow of Institution of Management, UK and Fellow of Institute of Directors, UK. Mr. Kulkarni is a Business Advisor and Management Consultant. He is on the Board of several Indian and International companies and is associated with several NGOs and Educational Trusts. He has held senior positions of CEO and President with major International and Indian Corporate entities during his career span of more than 52 years. His area of expertise covers Business Development, International Alliance Management, Strategic Planning, Management and Technology Institutions of Learning and Corporate Governance



Ms. Ryna Karani

Ms. Ryna Karani has completed her B.A L.L.B From Mumbai University and is a partner at ALMT Law firm in Mumbai. she has rich experience of over 23 years in corporate law matters. Ms. Karani specializes in corporate commercial transactions, joint ventures, real estate and advices on general corporate law. Her practice includes advising on mergers and acquisitions, joint ventures, private equity and investment funds on a full range of corporate transactions including cross border transactions. She has advised and assisted a number of foreign clients in establishing a presence in India through incorporations of companies and/or establishment of branch/liaison offices. She advises clients on infrastructure projects including submission and preparation of RFPs, finalising tenders, drafting and/or negotiating concession agreements and related documents. A big part of her practice also includes banking and finance (including project finance). She regularly advises clients on loan transactions (both Rupee and external commercial borrowings), including drafting and negotiating the loan agreements, security and other related documents. She is also on the board of Reliance Infrastructure Ltd. and Reliance Defence and Engineering Ltd.



Mr. Jit Teng Tan

Mr. Jit Teng Tan has done his Masters of Business Administration (MBA), University of Hull, Singapore and Bachelor of Economics, Macquarie University, Sydney, Australia. Mr. Tan is Vice President, Finance of INEOS Styrolution APAC Pte. Ltd, Singapore. He has extensive experience in the area of direct control and coordination of regional activities in daily operation, best practices in process and functions, governance, budgeting, reporting and analytical aspects of the Styrenics business in Asia Pacific. He has also worked as Director, Regional Audit Asia Pacific, Singapore, during August 1997 to May, 2004. As a Regional Internal Auditor, he managed the regional internal audit function, formulating and implementing audits to review and enhance on the effectiveness and efficiency of internal controls in regional businesses and organizations. He also headed a "Functional Efficiency" regional project to assess the effectiveness of all regional functions. He has held several positions during 1991 – 1997 such as a Financial Analyst to Hewlett Packard, Singapore, Internal Auditor in 3M Asia Pacific and an Internal Auditor in Singapore Bus Service.



Mr. Haresh Khilnani

Mr. Haresh Khilnani is a qualified Company Secretary of INEOS Styrolution India Limited. He has over 16 years enriching and diversified experience in Secretarial / Legal department of reputed multinational and listed companies. He has worked with companies like SIEMENS for over 7 years in the past in similar functions. He is Fellow member of Institute of Company Secretaries of India, MBA (Finance), Certificate in Contract Management from IIM – Ahmedabad, Post graduate in Law. He also heads Legal and Compliance matters of the Company since 2013.

PRODUCT PROFILE



ABSOLAC (ABS)

Absolac is plastic resin produced from Acrylonitrile, Butadiene & Styrene. It is a widely used intermediary product. Its applications ranges from home appliances to Automobile and consumer durables to business machines



ABSOLAN (SAN)

Absolan is also a polymerized plastic resin which is produced from Styrene & Acrylonitrile. It has its main applications in the Lightings, Stationeries and novelties, Refrigerators and cosmetic packing



GPPS

General Purpose Polystyrene is made from a styrene monomer polymer through a process of suspension. It is perfect for usage in moulds with end products such as toys, CD cases, hangers, and plastic cups, IT equipment, jewel boxes, disposable medical products, bath accessories and garden equipment



HIPS

As opposed to General Purpose Polystyrene, the High Impact Polystyrene contains rubber and is used in the making of products that must be impact resistant and the transparency is less than with GPPS. The material has a standard flow, is glossy but less than GPPS, is crack resistant and is used in injection moulding. Applications include that of sheets for freezers.

THE POWER OF STYRENICS

As the world evolves and embraces new technologies towards making lives simpler, processes smoother, machines more efficient, gadgets and gizmos sleeker and the environment safer, styrenic products are drawing global attention as a preferred product of choice to drive the business and utility needs. An array of product variants; each with its unique capability offers the desired solution across diverse market segments.

AUTOMOBILES (4-wheeler)

From functional consoles, light-casings, rear-view mirrors, cabin parts, glove boxes, bar covers to the aesthetic front grills, mirror housings, door trims and molding covers... styrenic solutions provide the look-and-feel factor to fall in love with a 4-wheeler in first glance.



AUTOMOBILES (2-wheeler)

From dynamism of impact resistant body parts to utility of front lamp casing, light weight moldings, toolbox, break light casings and more... styrenic solutions are rewriting the laws of motorcycling design and performance.

