

# 44th Annual Report

## April 2016 - March 2017



**INEOS**  
**STYROLUTION**

Driving Success. Together.



# CARE BEYOND BOUNDARIES

The Corporate Social Responsibility (CSR) committee plans and approves sustainable community outreach activities and initiatives based on core themes - education for all, skill development, preventive healthcare and community welfare. This year, the company strengthened its bond with the community through several CSR activities. They include distributing pressure cookers among villagers, improving health and sanitation facilities in rural schools, providing school infrastructure, learning and recreational aids to school children as well as merit scholarship awards to students from financially challenged families, donating skill development machinery at industrial training institutes and financial support to schools for children with special needs.



# SPEARHEADING STYRENICS IN INDIA

INEOS Styrolution India Limited (formerly known as Styrolution ABS (India) Ltd.) is the number one producer of Absolac® (ABS) and Absolan® (SAN) in India. ABS is a plastic resin produced from acrylonitrile, butadiene and styrene, used for manufacturing home appliances, automobiles, consumer durables and machinery. Absolan® (SAN) is a polymerized plastic resin produced from styrene and acrylonitrile. It is mainly used for products such as lighting, stationery, novelties, refrigerators and cosmetic packing. With 40 years of pioneering experience, INEOS Styrolution India Limited has been the most preferred supplier to our customers. We take immense effort in analyzing and understanding our customers' requirements to offer innovative solutions that enhance the quality of their products. Our commitment to offer best-in-class products and customized solutions has put us in the number one position. We are committed to work hand-in-hand with our customers to drive success together.

Effective 31 March 2016, Styrolution India Private Limited has merged to become INEOS Styrolution India Limited.

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 solutions, 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, Packaging and Toys / Sports / Leisure. In 2016, sales were at 4.5 billion euros. INEOS Styrolution employs approximately 3,200 people and operates 16 production sites in nine countries.

## PLANTS IN INDIA

Nandesari



Katol

Moxi



Dahej



# 5 YEARS STATISTICAL INFORMATION

(INR in Lakhs)

YEAR NO. OF MONTHS	2016-17(#) 12	2015-16(#) 12	2014-15(^) 15	2013(^) 12	2012(^) 12
Equity share capital	1,758.6	1,758.6	1,758.6	1,758.6	1,758.6
Other equity	56,946.3	50,909.5	48,622.0	45,966.3	41,744.5
Total equity	58,704.8	52,668.1	50,380.6	47,724.9	43,503.0
Borrowings - long term	-	-	-	-	-
Funds employed	58,704.8	52,668.1	50,380.6	47,724.9	43,503.0
Net worth per equity (Rs.)	333.8	299.5	286.5	271.4	247.4
Current ratio	1.8	1.7	1.6	1.8	2.7
<b>INCOME AND PROFITS</b>					
Sale of goods	1,62,819.5	1,72,925.2	1,46,172.0	1,11,184.0	98,875.0
Profit Before Tax (PBT)	10,029.6	6,024.6	5,173.2	7,742.4	9,309.9
Tax	3,101.6	(358.4)	1,670.9	2,692.1	2,996.9
Profit for the year <sup>(1)</sup>	6,928.0	6,383.0	3,502.3	5,050.3	6,313.0
Earning per share (Rs.)	39.4	36.3	19.9	28.7	35.9
Dividend per share (Rs.)	4.0	4.0	4.0	4.0	4.0
Return on net worth	11.8%	12.1%	7.0%	10.6%	14.5%

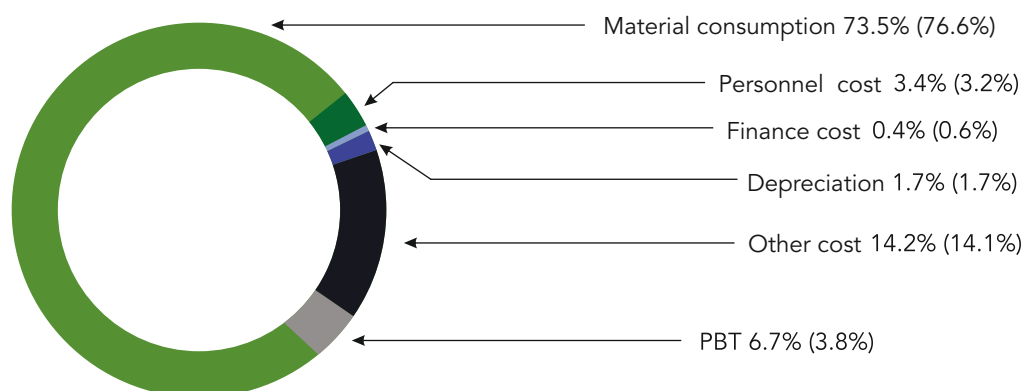
(#) FY 2016-17 results have been prepared based on IND AS.

FY 2015-16 financials and balance sheet as on April 1, 2015 have been reinstated as per IND AS to make them comparable with the reporting period.

(^ ) Numbers are as per previous IGAAP as reported in respective period.

<sup>(1)</sup> Profit for the period 2012, 2013 and 2014-15 is profit after tax as per previous IGAAP, while 2015-16 and 2016-17 profit is before other comprehensive income.

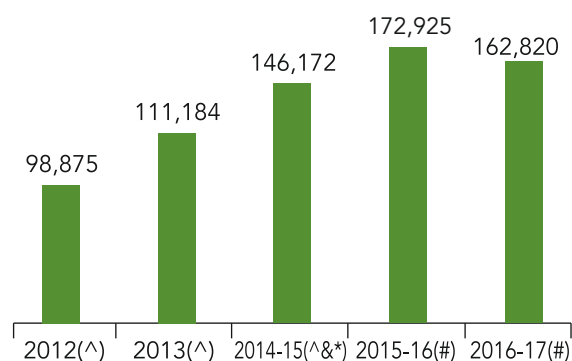
## Distribution of Income



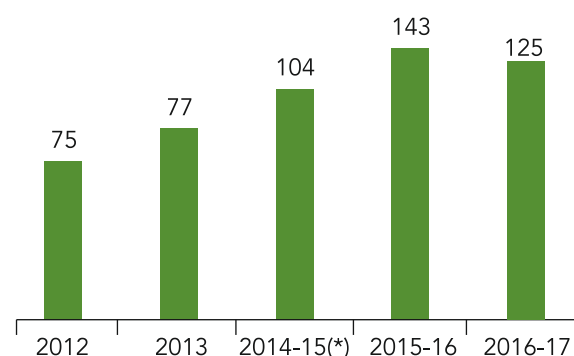
Bracket denotes previous year's figures

(INR in Lakhs)

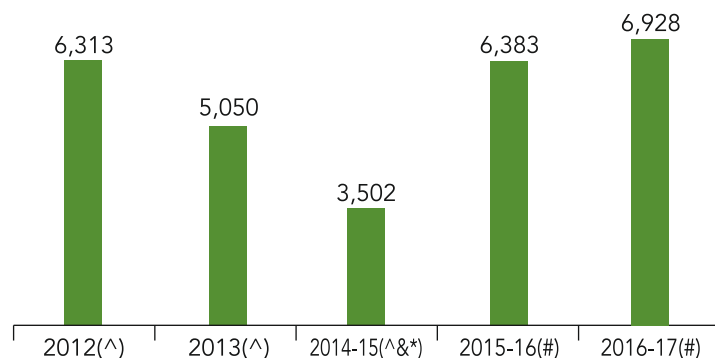
### Sale of goods



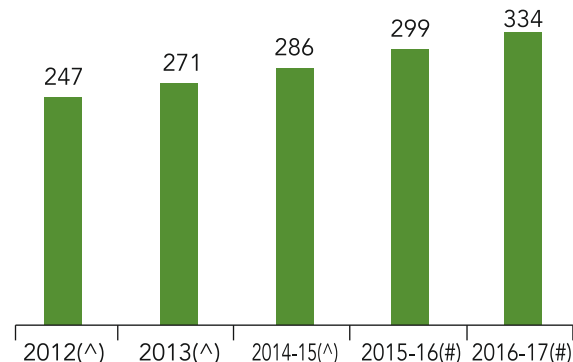
### Sales volume (KT)



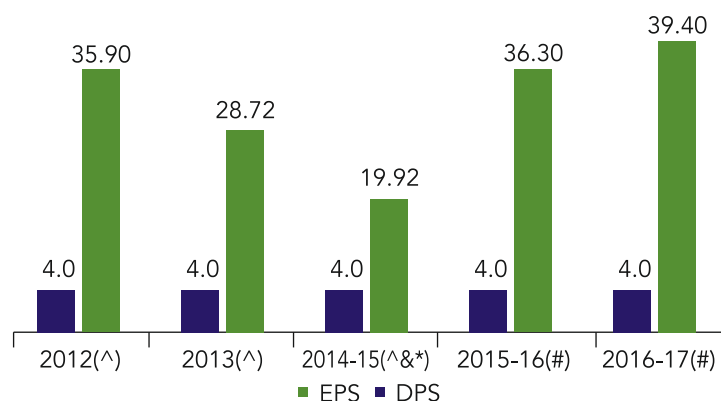
### Profit <sup>(1)</sup>



### Book value per share (INR)



### Earning per share & dividend per share (INR)



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

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# BOARD OF DIRECTORS



**Stephen Mark Harrington**

During his 26-year career, Stephen Mark Harrington has held various commercial roles at INEOS, and previously worked for ICI and Unilever. Since April 2015, he is 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. He holds a degree from Hull University, United Kingdom.



**Sanjiv Vasudeva**

Sanjiv Vasudeva is the Managing Director and Chief Executive Officer of INEOS Styrolution India Limited. He has a proven record of accomplishment in leadership, general management and operations, 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 for G.E. Plastics, Singapore. He is a certified Master Black Belt- Six Sigma having spent ten years in The Netherlands with G.E. Plastics in quality/ Six Sigma, product management and manufacturing. He is a chemical engineering graduate from MS University of Baroda



**Bhupesh P. Porwal**

Bhupesh P. Porwal is the Whole-time Director and CFO of INEOS Styrolution India Limited. He has vast exposure in process, engineering, packaging, petrochemicals and the consultancy sector. He directs the company's financial affairs, drives financial and business strategies, investor relations and raises funds in a cost-effective manner. He enjoys practicing lean management, developing and implementing ideas to accomplish bottom-line results, elevating business growth, maximizing profits through designing, implementing and enhancing SAP/ EVA Systems ensuring zero financial leakage. He has worked in various capacities at leading companies including Piramal Glass Limited, Transformers and Rectifiers India Limited, Blue Star Limited, Time Packaging Limited and M. M. Gupta & Co. He also shares his knowledge as a guest lecturer at various colleges and institutions. He is a certified Chartered Accountant, a gold-medalist in MBA (Finance) and a law graduate from MLS University, Udaipur



**Jal R. Patel**

Jal R. Patel has 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 Limited, a company which he had joined as Chief Accountant and there on went on to be its Managing Director, Vice Chairman and later Chairman. He is an Independent Director in several reputed public companies, including Gujarat Gas Company Limited, ABC Bearings Limited, Elecon Engineering India Limited. He is an Advisor to the Goradia Group of Companies, Vadodara, which is predominantly in the oral consumer care business. He is a Past President and Managing Committee member of the Federation of Gujarat Industries, and has been a Past President and Governing body member of the Gujarat Employers' organization. He is past Chairman and member (Board of governors), United Way of Vadodara. He is a member and trustee in various trusts and social organizations in and around Vadodara. He is a Chartered Accountant and Company Secretary by qualification.



**Ryna Karani**

Ryna Karani specializes in corporate commercial transactions, joint ventures, real estate and advises on general corporate law. This includes advising on mergers and acquisitions, joint ventures, private equity and investment funds across 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 establishment of branch/ liaison offices. She advises clients on infrastructure projects including submission and preparation of RFPs, finalizing tenders, drafting and negotiating concession agreements and related documents. A large 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 loan agreements, security and other related documents. She is also on the board of (amongst other) Reliance Infrastructure Ltd. and Reliance Defence and Engineering Ltd. Karani completed her B.A. L.L.B from Mumbai University. She is a partner at ALMT Law firm in Mumbai.



**Anil Shankar**

Anil Shankar is a qualified Chartered Accountant from the Institute of Chartered Accountants of India (ICAI). He has rich professional experience of over 36 years in various multinationals in the areas of financial management, taxation, commercial management, human resources, Forex management and IT. He has served on the Boards of Motorola and Polaroid India. During his last assignment, he was the member of the Board of Directors and CFO of SIEMENS Healthcare. He has completed his Masters degree in finance and international business from Bowling Green State University, Ohio, USA.



**Jit Teng Tan**

Jit Teng Tan is Regional Vice President, Finance of INEOS Styrolution APAC Pte. Limited, Singapore. He has extensive experience in managing regional financial operations, including statutory and group reporting, tax expertise, compliance and governance initiatives, budgeting, and business controlling and analyses. He has also worked as Director, Regional Audit Asia-Pacific, with BASF South East Asia Pte. Ltd. from 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 the effectiveness and efficiency of internal controls over regional businesses and organization processes. He also headed a 'functional efficiency' regional project strategically improve how regional functions in BASF are organised and aligned to enhance business transparency and profitability. In addition, he was involved with BASF's regional Human Resource Development function from 2005 to 2006. He has held several positions between 1991 and 1997 such as financial analyst at Hewlett Packard, Singapore, internal auditor at 3M Asia-Pacific and internal auditor at Singapore Bus Service. He has completed his Master's degree in Business Administration (MBA), University of Hull, England and Bachelor's degree in Economics, Macquarie University, Australia.



**Haresh Khilnani**

Haresh Khilnani is the Company Secretary, Head - Legal & Compliance of INEOS Styrolution India Limited since September 2013. He has over 16 years of diversified experience in secretarial and legal department of reputed multinational and listed companies. He has worked with companies such as SIEMENS for over seven years in similar functions. He is a Fellow of the Institute of Company Secretaries of India, has an MBA in Finance and a Certificate in contract management from the Indian Institute of Management (IIM), Ahmedabad as well as a postgraduate degree in law.



# PRODUCT PROFILE



## ABSOLAC® (ABS)

Absolac® is a plastic resin produced from acrylonitrile, butadiene and styrene. It is a widely used intermediary product. Its applications range from home appliances to automobile interiors and exteriors, to consumer durables to office equipment.



## ABSOLAN® (SAN)

Absolan® is also a polymerized plastic resin produced from styrene and acrylonitrile. Its main applications are in lighting, stationery and novelties, electrical appliances, and cosmetic packing.



## GPPS

General purpose polystyrene are transparent polymers that are suitable for injection molding or extrusion applications to produce end-products such as toys, CD cases, hangers, plastic cups, IT equipment, jewel boxes, disposable medical products, bath accessories and garden equipment.



## HIPS

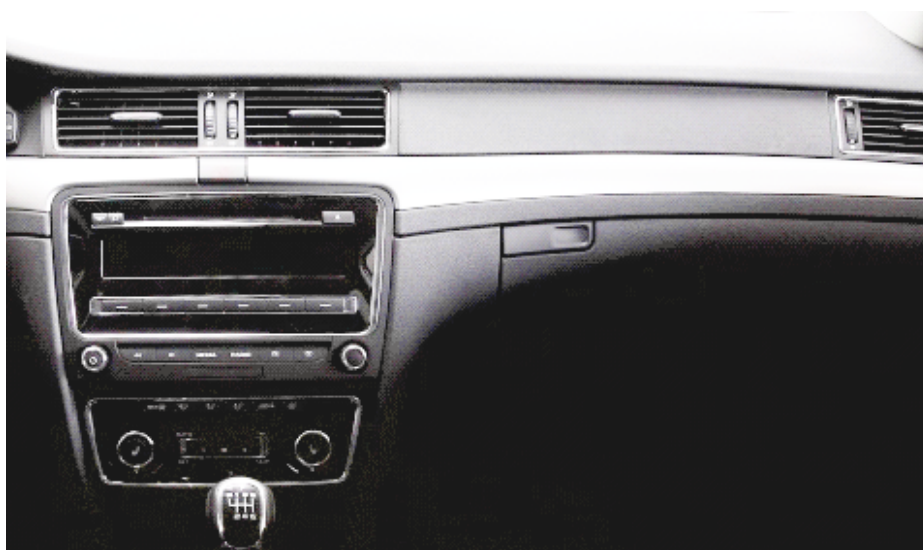
As opposed to general purpose polystyrene, high-impact polystyrene contains rubber and is used in the manufacture of technically challenging applications that require impact resistance, ranging from single-use yogurt cups to durable refrigerator liners.

# THE POWER OF STYRENICS

As the world evolves and embraces new technologies to make lives simpler, processes smoother, machines more efficient, gadgets sleeker and the environment safer, styrenics products are drawing global attention as a preferred product of choice to drive business and functional needs. An array of product options, each with unique capabilities, offers our customers and consumers the desired solution across diverse market segments.

## AUTOMOBILES (four-wheelers)

From functional consoles, light casings, rear-view mirrors, cabin parts, glove boxes, bar covers to aesthetic front grills, mirror housings, door trims and molding covers, our styrenics solutions are eco-friendly and cost-efficient, while at the same time offering a premium look and feel for four-wheelers.



## AUTOMOBILES (two-wheelers)

From the visual appeal of impact-resistant body parts to the functionality of front lamp casings, lightweight moldings, toolboxes, and brake light casings, styrenics solutions provide cutting-edge applications for high-quality design and performance.

