



**42<sup>nd</sup> Annual Report**  
**January 2014 - March 2015**

**Styrolution ABS (India) Limited**



**Board of Directors**

Mr. Stephen Mark Harrington	Chairman of the Board
Mr. Myung Suk Chi	Managing Director and Chief Executive Officer
Dr. Anke Frankenberger	Additional Director
Mr. Sharad M. Kulkarni	Independent Director
Mr. Jal R. Patel	Independent Director
Mr. Ravindra Kulkarni	Independent Director
Mr. Jit Teng Tan	Alternate to Mr. Harrington
Mr. Vijay Kamat	Alternate to Dr. Frankenberger

**Key Managerial Personnel**

Mr. Myung Suk Chi	Managing Director and Chief Executive Officer
Mr. Bhupesh P. Porwal	Chief Financial Officer
Mr. Haresh Khilnani	Company Secretary and Head - Legal

**Board Committees**

<b>Audit Committee</b>	<b>Corporate Social Responsibility Committee</b>	<b>Nomination and Remuneration Committee</b>	<b>Stakeholders Relationship and Grievance Committee</b>
Mr. Sharad M. Kulkarni <i>Chairman</i>	Mr. Jal R. Patel <i>Chairman</i>	Mr. Jal R. Patel <i>Chairman</i>	Mr. Jal R. Patel <i>Chairman</i>
Mr. Jal R. Patel	Mr. Myung Suk Chi	Mr. Sharad M. Kulkarni	Mr. Myung Suk Chi
Mr. Ravindra Kulkarni	Dr. Anke Frankenberger	Mr. Ravindra Kulkarni Mr. Stephen Mark Harrington Dr. Anke Frankenberger	

**Board of Directors – Subsidiary Company  
Styrolution India Private Limited**

Mr. Edmond Tam	Chairman of the Board
Mr. Myung Suk Chi	Managing Director
Dr. Anke Frankenberger	Director
Mr. Sharad M. Kulkarni	Independent Director
Mr. Anil Shankar	Independent Director
Mr. Jit Teng Tan	Alternate to Mr. Tam
Mr. Vijay Kamat	Alternate to Dr. Frankenberger

## Styrolution ABS (India) Limited

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### Registered Office

6<sup>th</sup> Floor, ABS Towers, Old Padra Road, Vadodara – 390 007, Gujarat  
Phone: 91 265 2303201/02 Fax: 91 265 2303203  
Website: [www.styrolutionabsindia.com](http://www.styrolutionabsindia.com) E-mail: [secshare@styrolutionabsindia.com](mailto:secshare@styrolutionabsindia.com)

### Nandesari Plant

51, GIDC Industrial Estate, Nandesari –391340, Dist. Vadodara, Gujarat  
Phone 91 265-2840319, 2840285, 2840559, 2841010 Fax: 91 265 2840827

### Katol Plant

Halol-Kalol Road, Katol -389 330, District Panchmahal, Gujarat  
Phone: 91 2676 235980, 235891, 235802, 235803 Fax : 91 2676 235518

### Moxi Plant and R & D Centre

Sankarda-Bhadarva Road, Post : Poicha - 391 780, Taluka Savli, Vadodara, Gujarat  
Phone: 91 2667 244350, 244370, 244380 Fax: 91 2667 244340

### Registrar and Share Transfer Agent

Link Intime India Private Limited  
B -102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank,  
Near Radhakrishna Char Rasta, Akota, Vadodara - 390 020, Gujarat  
Phone: 91 265 2356573 Fax: 91 265 2356791 E-Mail: [vadodara@linkintime.co.in](mailto:vadodara@linkintime.co.in)

### Statutory Auditors

Messrs B S R & Co. LLP, Mumbai

### Bankers

The Hongkong and Shanghai Banking Corporation Limited (HSBC)  
Citibank N.A.  
ICICI Bank Limited  
State Bank of India

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## Styrolution ABS (India) Limited

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### Notice

To,  
The Member(s),  
**Styrolution ABS (India) Limited**

**Notice** is hereby given that the 42nd Annual General Meeting (AGM) of the Members of **Styrolution ABS (India) Limited** will be held on **Tuesday, 4th August 2015 at 11.30 a.m. at Ground Floor, ABS Towers, Old Padra Road, Vadodara – 390 007, India** to transact the following business:

#### Ordinary business:

1. To receive, consider and adopt the financial statements of the Company for the period ended 31 March 2015, including the audited Balance Sheet as at 31 March 2015, the Statement of Profit and Loss for the period ended on that date and the reports of the Board of Directors ('the Board') and of Auditors thereon.
2. To declare a dividend of ₹ 4.00 per equity share for the period ended on 31 March 2015.
3. To appoint a Director in place of Mr. Myung Suk Chi (DIN: 05225708), who retires by rotation and, being eligible, seeks re-appointment.
4. To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"Resolved that pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force), Messrs B S R & Co. LLP, Chartered Accountants (Firm's Registration number: 101248W/W-100022), be and are hereby re-appointed as Statutory Auditors of the Company to hold office for a term of One (1) year from the conclusion of this 42nd Annual General Meeting till the conclusion of the 43rd Annual General Meeting of the Company, on such remuneration as may be decided by the Board of Directors of the Company from time to time;

Resolved further that the Board of Directors of the Company (including its Committee thereof), be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

#### Special business:

5. To consider and, if thought fit, to pass, the following resolution as a **Special Resolution**:

"Resolved that pursuant to the provisions of Sections 196, 197 & 203 read with Schedule V and other applicable provision(s), if any, of the Companies Act, 2013 (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force) and subject to the approval of Central Government, and such other approvals / permissions, if any, the Company hereby accords its approval to the re-appointment of Mr. Myung Suk Chi as the Managing Director and Chief Executive Officer of the Company (MD and CEO) with effect from 1 August 2015 to 31 July 2016 (both days inclusive), on the terms and conditions including those relating to remuneration as set out under Item No. 5 of the Statement setting out the material facts annexed to this Notice, with liberty to the Board of Directors (including any Committee thereof) to alter and vary any terms and conditions including remuneration in such manner as may be agreed to between Mr. Myung Suk Chi and the Board from time to time;

Resolved further that the Board of Directors of the Company (including any Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

6. To consider and, if thought fit, to pass, the following as an **Ordinary Resolution**:

"Resolved that Dr. Anke Frankenberger (DIN: 06871064), who was appointed as an Additional Director of the Company pursuant to Section 161(1) of the Companies Act, 2013 to hold office up to the ensuing Annual General Meeting and in respect of whom the Company has received a requisite notice under Section 160 of the Companies Act, 2013, in writing, proposing her candidature for the office of Director, be and is, hereby appointed as a Director of the Company liable to retire by rotation;

Resolved further that the Board of Directors of the Company, be and is, hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

7. To consider and, if thought fit, to pass, the following as an **Ordinary Resolution**:

"Resolved that Mr. Stephen Mark Harrington (DIN: 07131679), who was appointed as an Additional Director of the Company pursuant to Section 161(1) of the Companies Act, 2013 to hold office up to the ensuing Annual General Meeting and in respect

of whom the Company has received a requisite notice under Section 160 of the Companies Act, 2013, in writing, proposing his candidature for the office of Director, be and is, hereby appointed as a Director of the Company liable to retire by rotation;

Resolved further that the Board of Directors of the Company, be and is, hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

8. To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

“Resolved that pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made thereunder and in terms of the applicable provisions of Listing Agreement executed with the Stock Exchanges (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force), consent of the Members of the Company, be and is, hereby accorded to following Related Party Transactions during the period 1 January 2014 to 31 December 2015:

For the period	Name of the Related Party/ purpose	Relationship	Maximum Value of transactions (In KT or Mio USD)
1 January 2014 to 31 March 2015	Styrolution South East Asia Pte Ltd. [Purchase of Styrene Monomer (Binding)]	Promoter Group	44 KT
	Styrolution South East Asia Pte Ltd. [Regional Head Office Services : IT, Automotive, Management, etc.]	Promoter Group	2.56 Mio USD
1 April 2015 to 31 December 2015	Styrolution South East Asia Pte Ltd. [Purchase of Styrene Monomer (Binding)]	Promoter Group	32 KT
	Styrolution South East Asia Pte Ltd. [Regional Head Office Services : IT, Automotive, Management, etc.]	Promoter Group	1.32 Mio USD

Resolved further that the Board of Directors of the Company, be and is, hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

9. To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

“Resolved that pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force), Messrs Kiran J Mehta and Co., Cost Accountants (Firm’s Registration No. 000025), appointed as Cost Auditors by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31 March 2016, be paid a remuneration of ₹ 220,000 (Rupees Two lakh twenty thousand only) per annum plus applicable service tax and out of pocket expenses that may be incurred during the course of audit;

Resolved further that the Board of Directors of the Company (including its Committee thereof), be and is, hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**Registered Office :**  
 6<sup>th</sup> Floor, ABS Towers,  
 Old Padra Road,  
 Vadodara-390007  
 Gujarat, India

By Order of the Board of Directors  
 For **Styrolution ABS (India) Limited**

**Haresh Khilnani**  
 Company Secretary and Head - Legal

24 June 2015  
 Vadodara

### Notes:

1. The Statement pursuant to Section 102 of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**  
**A person can act as a proxy on behalf of not exceeding fifty (50) Members and holding in aggregate not more than ten (10) percent of the total share capital of the Company.**
3. In Compliance with the applicable provisions of the Companies Act, 2013, your directors have changed the financial year from 'January-December' to 'April-March'. Accordingly, the year under review is of 15 months i.e. January 2014 to March 2015. Subsequent financial years will be of 12 months from April 1 to March 31.
4. Corporate Members intending to send their authorised representatives to attend the Annual General Meeting are requested to send a duly certified copy of their Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
5. The instrument appointing the proxy, duly completed, must be deposited at the Company's Registered office not less than 48 hours before the commencement of the meeting. A proxy form for the AGM is enclosed.
6. Members / proxies / authorised representatives should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
7. The Register of Members and Share Transfer Books of the Company will remain closed on 31 July 2015.
8. Members are requested to notify immediately any change in their address, to their respective Depository Participants (DPs) in respect of their shares in electronic form quoting Client ID No. and to M/s. Link Intime India Pvt. Ltd., the Company's Registrar and Share Transfer Agent in respect of their physical shares, quoting Folio No.
9. Subject to provisions of the Companies Act, 2013, dividend as recommended by the Board of Directors, if declared at the meeting, will be paid within a period of 30 days from the date of declaration, to those Members whose names appear on the Register of Members as on 31 July 2015.
10. The Annual Report 2014-15 is being sent through electronic mode only to the Members whose email addresses are registered with the Company / Depository Participant(s), unless any Member has requested for a physical copy of the report. For Members who have not registered their email address, physical copies of the Annual Report 2014-15 are being sent by the permitted mode.
11. With a view of using natural resources responsibly, we request shareholders to update their email address with their Depository Participant(s) to enable the Company to send communications electronically.
12. Members may note that the Notice of the 42nd AGM and the Styrolution Annual Report 2014-15 will be available on the Company's website, [www.styrolutionabsindia.com](http://www.styrolutionabsindia.com). The physical copies of the documents will also be available at the Company's Registered Office for inspection during 9.00 a.m. to 5.00 p.m. on working days (i.e. excluding Saturdays and Sundays) upto the date of AGM. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at [secshare@styrolutionabsindia.com](mailto:secshare@styrolutionabsindia.com).
13. Payment of Dividend will be made through National Electronic Clearing Service (NECS) at the RBI Centers by crediting the dividend amount to the Bank Account of the shareholders wherever relevant information is made available to the Company. Members holding shares in physical form and covered under RBI centers, and who have not furnished requisite information and who wish to avail of the NECS facility to receive dividend from the Company, may furnish the information to M/s Link Intime India Pvt. Ltd., the Registrar and Share Transfer Agent. The Members holding shares in electronic form may furnish the information to their respective Depository Participant(s) in order to receive dividend through NECS mechanism.
14. Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013, the dividend which remains unpaid / unclaimed from the date of transfer to the unpaid / unclaimed dividend account of the Company is required to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government.



The unclaimed dividend for the financial year 2008 and all subsequent years must be claimed as early as possible failing which it would be transferred to IEPF as per the (tentative) dates mentioned herein below. In terms of Section 124 of the Companies Act, 2013, no claim shall lie against the Company after the said transfer.

<b>Financial Year Ended</b>	<b>Date of Declaration of Dividend</b>	<b>Tentative date for transfer to IEPF</b>
2008	20-Apr-09	24-Jun-16
2009	27-Apr-10	1-Jul-17
2010	5-May-11	9-Jul-18
2011	24-Apr-12	29-Jun-19
2012	26-Apr-13	30-Jun-20
2013	29-Apr-14	3-Jul-21

Further, Members are requested to note that unpaid / unclaimed dividend for the year 2007 has been transferred to IEPF as on 16 June 2015.

15. Members desirous of getting any information about the Accounts of the Company are requested to write to the Company at least seven working days prior to the date of AGM so that the information can be kept ready at the meeting.
16. Members / proxies / authorized representatives attending the meeting are requested to bring their copy of Annual Report with them at the Meeting and deliver the enclosed attendance slip at the entrance of the meeting hall.
17. Profile of the Directors being appointed / re-appointed as required under Clause 49 of the Listing Agreement with Stock Exchanges:

<b>Name of Directors</b>	<b>Mr. Myung Suk Chi</b>	<b>Dr. Anke Frankengerger</b>	<b>Mr. Stephen Mark Harrington</b>
Nationality	Republic of Korea	German	British
Date of Birth	10/1/1957	5/8/1966	29/7/1968
Date of Appointment	1/3/2012	29/4/2014	18/5/2015
Experience (Yrs.)	32 years	18 years	25 years
Expertise in specific functional areas	Strategic business management, operations, sales and marketing.	Functional areas like Mergers & Acquisitions, Arbitration and Litigation, Contract Management, all general corporate & commercial legal, insurance and compliance matters in producing Companies of electrical, machinery and chemical industry site build up and site management.	Strategic business management, sales & marketing.

Qualification	Bachelor of Science (Polymer Chemistry) from Inha University.  Master of Business Administration from Seogang University of Korea.	Doctorate degree in Law from Heidelberg University of School of Law  L.L.M. from University of British Columbia, Vancouver, Canada  First and Second Legal States Exam, Germany  Studies of Law, Chinese and Philosophy at Bonn University, Germany, Cambridge University, England and Heidelberg University between 1985 to 1991	BSc (Hons) in Chemistry, University of Hull, United Kingdom
Directorship held in other public companies in India	Styrolution India Private Ltd.	Styrolution India Private Ltd.	NIL
Membership of Committees held in other public companies in India	N.A.	N.A.	N.A.
No. of Equity shares held in the Company	NIL	NIL	NIL

**18. E-voting :**

In compliance with Section 108 of the Companies Act, 2013 read with prevailing Rule 20 of the Companies (Management and Administration) Rules, 2014, and clause 35B of the Listing Agreement, the Company has provided a facility to the Members to exercise their votes electronically through the electronic voting service facility arranged by National Securities Depository Limited(NSDL). The facility for voting, through ballot paper, will also be made available at the AGM and the Members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The instructions for e-voting are as under:

**PROCESS FOR MEMBERS OPTING FOR E-VOTING**

**a) In case of Members receiving E-mail from NSDL**

- (i) Open internet browser by typing the URL: <http://www.evoting.nsdl.com>.
- (ii) For Members whose e-mail addresses have been registered: open the attached PDF file “styrolutionABS.e-voting.pdf” giving your DP ID / Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as default password which contains your “User ID” and “Password for e-voting”.
- (iii) Click on “Shareholder - Login”.
- (iv) Insert your User ID and password as initial password as mentioned in step (ii) above and Login. In case you are already registered with NSDL, you can use your existing User ID and password for casting your vote.
- (v) “Password Change” menu appears. Change the password with the new password of your choice with minimum 8 digits / characters or combination thereof. Please note your new password. We strongly recommend that you do not share your new password 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” (E-Voting Event Number) of Styrolution ABS (India) Limited for casting your votes in favour of or against the resolution. For an EVEN, you can login any number of times on e-voting platform of NSDL till you have voted on the resolution or till the end of voting period i.e. upto **5 P.M. on 3 August 2015**, whichever is earlier.
- (viii) Now you are ready for “e-voting” as “Cast Vote” page opens.

- (ix) Cast your vote by selecting appropriate option and click “Submit” and also “Confirm” when prompted. Upon confirmation, the message, “Vote cast successfully” will be displayed. Once you have voted on the resolution, you will not be allowed to modify your vote.
- (x) Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned copy (PDF/JPG format) of the relevant Board Resolution / Authority Letter, etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorized to vote, to the Scrutinizer through email at '[maildeveshpathak@rediffmail.com](mailto:maildeveshpathak@rediffmail.com)' with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

**b) In case of Members receiving physical copy**

- (i) User ID and initial password is provided on the Form.
- (ii) Please follow all steps from Sl. No. a (ii) to (ix) above, to cast vote.

**c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting**

User Manual for Shareholders available at the “Downloads” section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call NSDL on +91 22 2499 4600.

**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).**

**d) Other Instructions:**

- i. The e-voting period commences on 1 August 2015 (9.00 a.m. IST) and ends on 3 August 2015 (5.00 p.m. IST). During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date, i.e. 29 July 2015 may cast their vote electronically. The e-voting module shall be disabled by NSDL or voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently or cast the vote again.
- ii. Any person, who acquires shares of the Company and becomes a shareholder of the Company after dispatch of the Notice of AGM and holds shares as of the cut-off date i.e. 29 July 2015, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset the password by using ‘Forgot User Details / Password’ option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- iii. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on 29 July 2015.
- iv. CS Devesh A. Pathak, Practising Company Secretary (Membership No. FCS 4559), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- v. At the AGM, at the end of the discussion on the resolutions on which voting is to be held, the Chairman shall, with the assistance of the Scrutinizer, order voting through ballot paper for all those Members who are present but have not cast their votes electronically using the remote e-voting facility.
- vi. The scrutinizer will, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting and thereafter will unblock the votes cast through remote e-voting in the presence of at least two witnesses, not in the employment of the Company, and will make, not later than three days of conclusion of the meeting, a consolidated Scrutinizer’s report of the total Votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
- vii. The results declared along with the Scrutinizer’s Report will be communicated to the BSE Ltd. and National Stock Exchange of India Ltd. as also will be placed on the Company’s website [www.styrolutionabsindia.com](http://www.styrolutionabsindia.com) and on the website of NSDL immediately after the result is declared by the Chairman or any other person authorised by the Chairman.

**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

**Item No. 5**

Mr. Myung Suk Chi is Managing Director of the Company and having over 32 years of industry experience. He also holds a degree in Polymer Chemistry from Inha University. His current term of appointment as a Managing Director of the Company will expire on 31 July 2015.

Considering his knowledge of various aspects relating to the Company's affairs and long business experience, the Board of Directors is of the opinion that for smooth and efficient running of the business, the services of Mr. Chi should be available to the Company for a further period of One (1) year with effect from 1 August 2015.

In terms of the provisions of the Companies Act, 2013 and the Articles of Association of the Company, the nomination and remuneration committee of the Board and the Board of Directors have, at their respective meeting held on 18 May 2015, re-appointed him as Managing Director of the Company for a further period of One (1) year with effect from 1 August 2015 to 31 July 2016 (both the days inclusive) on the terms and conditions set out below subject to the approval of the Shareholders:

- **BASIC SALARY**

Re-appointment of Mr. Myung Suk Chi as a Managing Director, for a period of One (1) year from 1 August 2015 to 31 July 2016 (both the days inclusive) on a salary not exceeding of ₹ 22.01 Mio per annum.

- **PERQUISITES & ALLOWANCES**

In addition to the salary, Mr. Myung Suk Chi, as Managing Director, shall also be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof; reimbursement of expenses or allowances for utilities like gas, electricity, water, furnishings and repairs, medical reimbursement, leave travel concession for himself and his family, tax adjustments, provision of a Company car and such other perquisites and allowances in accordance with the Rules of the Company or as may be agreed to by the Board of Directors and Mr. Myung Suk Chi, such perquisites and allowances subject of maximum of ₹ 14.03 Mio per annum.

Perquisites and allowances shall be evaluated as per the Income Tax Rules, wherever applicable. In absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

- **PROVIDENT FUND, SUPERANNUATION / ANNUITY FUND**

Company's contribution to Provident Fund and Superannuation or Annuity Fund and other Retirals to the extent these either singly or together are not taxable under the Income-tax Act. Gratuity as per the rules of the Company and encashment of leave at the end of his tenure.

- **PERFORMANCE INCENTIVES**

In addition to the salary and perquisites, the appointee would be entitled to such performance incentives in any financial year as may be determined by the Board of Directors of the Company on the recommendations of nomination and remuneration committee having regard to the performance of the Company not exceeding ₹ 16.55 Mio per annum.

Aforesaid remuneration payable to the appointee (including the salary, commission, perquisites, benefits and amenities) shall not exceed the overall limits laid down in section 196 and 197 of the Companies Act, 2013, including any statutory modification(s) or enactment(s) thereof i.e. not exceeding 10% of the Net Profits as computed under section 198 of the Companies Act, 2013. However, if the aforesaid remuneration exceeds the limits, the Company shall pay remuneration in line with limits mentioned in section 196 and 197 of the Companies Act, 2013 / Schedule V of the Companies Act, 2013 till the approval of Central Government is obtained.

- **MINIMUM REMUNERATION**

In any financial year during the currency of the tenure of the appointee, the Company has no profit or its profits are inadequate the Company may pay to the appointee, remuneration by way of salary and perquisites as specified above subject to the minimum of ₹ 36 Mio. If aforesaid remuneration exceeds the limit under Section 197 and / or Schedule V of the Act, aforesaid remuneration can be paid as minimum remuneration with the approval of Central Government.

The Board of Directors may, subject to the approval of Shareholders at the General Meeting and other requisites authorities, if any, increase, augment, vary and modify the remuneration payable and the benefits and amenities provided to Mr. Myung Suk Chi including the monetary value thereof, upto the limits, prescribed in that behalf under or pursuant to the Companies Act, 2013 or any statutory amendment(s), modification(s) or re-enactment(s) thereof from time to time in force and/ or the guidelines

in case of managerial remuneration issued by the Government of India, the Ministry of Corporate Affairs, from time to time, from the date the statutory amendment(s), modification(s) or re-enactment(s) and/ or the guidelines come into force.

The Company shall enter into an agreement with Mr. Myung Suk Chi inter alia detailing the terms and conditions of appointment, powers, duties and the remuneration payable to him as detailed in the notice.

In the event that during the tenure of the subsisting agreement with Mr. Myung Suk Chi, the statutory restrictions contained in the Company Law / Corporate Laws are removed or amended by the Regulatory Authorities, the Board of Directors will be at liberty to decide such variation in the terms as may be deemed necessary.

The above may be treated as an abstract of the terms of agreement between the Company and Mr. Myung Suk Chi pursuant to Section 190 of the Companies Act, 2013.

The Board of Directors accordingly recommends the resolution set out at the Item no. 5 of the accompanying Notice for the approval of the Shareholders of the Company.

Information pursuant to Part II Section II (iv) of Schedule V of the Companies Act, 2013 is set out as below:

#### I. General Information

Nature of Industry	Styrolution ABS (India) Limited (SAI) is the market leader for ABS (ABSOLAC) 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.
Date or expected date of commencement of commercial production	7 December 1973
In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospects	Not Applicable.
Financial performance based on given indicators	Please refer Balance Sheet, Statement of Profit and Loss, Cash Flow Statement and Notes to Accounts given in Annual Report 2014-2015.
Foreign investments or collaborations, if any	Please refer notes to accounts given in Annual Report 2014-2015.

#### II. Information about the appointee

Background details, Past Remunerations, Recognition or awards, Job profile and his suitability, Remuneration proposed	Please refer Item no. 5 Statement pursuant to Section 102(1) of the Companies Act, 2013 of this Notice and Report on Corporate Governance given in this Annual Report 2014-2015.
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Increased complexities & intricacies involved in today's business strategies, more particularly its survival, in today's Thermoplastics industry, companies have had started recognizing its social responsibility towards rewarding its managerial personnel who have not only contributed significantly but also have adhered to the compliance of various laws of land and comprehensive global policies of its group. The basis of such remuneration to Mr. M. S. Chi is to recognize his contributions, achievements and benefits that Company had derived so far. The remuneration offered to Mr. M. S. Chi is the most suitable in today's market scenario. Further details with regard to the size of the Company can be referred in the financials and Directors' Report of this Annual Report 2014-2015.

Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any

NIL

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**III. Other information**

Reasons of loss or inadequate profits, Steps taken or proposed to be taken for improvement & Expected increase in productivity and profits in measurable terms

Please refer Management Discussion and Analysis Report given in this Annual Report 2014-2015

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**IV. Disclosures**

All elements of remuneration package such as salary, benefits, bonuses, stock options, pension etc., of all the directors, details of fixed component and performance linked incentives along with the performance criteria and service contracts, notice period, severance fees.

Please refer Item No. 5 of Statement pursuant to Section 102(1) of the Companies Act, 2013 of this Notice and Report on Corporate Governance given in this Annual Report 2014-2015.

Stock option details, if any, and whether the same has been issued at a discount as well as the period over such accrued and over which exercisable.

Not applicable.

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Your approval is sought to the resolution as appearing in item no. 5 of the accompanying Notice by way of Special Resolution.

The draft Agreement relating to the re-appointment of Mr. Myung Suk Chi as Managing Director is open for inspection on any working day between 11.00 a.m. to 1.00 p.m. except Saturdays - Sundays, at the Registered office of the Company till the date of AGM.

None of the Directors / Key Managerial Personnel and their relatives except Mr. Myung Suk Chi who shall be deemed to be interested or concerned financially or otherwise in the said resolution.

**Item No. 6**

Your Directors at its meeting held on 29 April 2014 have appointed Dr. Anke Frankenberger as an Additional Director to hold office upto ensuing Annual General Meeting.

Your Directors recommend appointment of Dr. Frankenberger as Director liable to retire by rotation for whom requisite notice pursuant to Section 160 of the Companies Act, 2013 has been received. Your approval is sought to the resolution as appearing in item no. 6 of the accompanying Notice by way of an Ordinary Resolution.

None of the Directors / Key Managerial Personnel and their relatives except Dr. Frankenberger shall be deemed to be interested or concerned financially or otherwise in the said resolution.

**Item No. 7**

Your Directors at its meeting held on 18 May 2015 have appointed Mr. Stephen Mark Harrington as an Additional Director to hold office upto ensuing Annual General Meeting.

Your Directors recommend appointment of Mr. Harrington as Director liable to retire by rotation for whom requisite notice pursuant to Section 160 of the Companies Act, 2013 has been received. Your approval is sought to the resolution as appearing in item no. 7 of the accompanying Notice by way of an Ordinary Resolution.

None of the Directors / Key Managerial Personnel and their relatives except Mr. Harrington shall be deemed to be interested or concerned financially or otherwise in the said resolution.

**Item No. 8**

Transactions carried out by the Company with its related parties as specified in the resolutions appearing in item no. 8 of the accompanying Notice are in the ordinary course of business and at arm's length basis. In order to sustain global quality standards of Styrolution group, quantitative benefits, global representation and in the best interest of the Company and its shareholders, major transactions of the Company pertaining to purchase of Styrene Monomer, IT and Management Services have been since long with Styrolution Group Company i.e. Styrolution South East Asia Pte Ltd.

Pursuant to Clause 49 (VII) (E) of the Listing Agreement, (refer table annexed in draft resolution item no. 8) material related party transactions require the approval of the unrelated shareholders of the Company by way of special resolution. As per Clause 49(VII) (E) of the Listing Agreement, all entities / persons that are directly / indirectly related parties of the Company shall abstain from voting on resolution(s) wherein approval of material Related Party Transactions is sought from the shareholders.

The subjected contracts / arrangements / transactions were approved by the Audit Committee and recommended by the Board of Directors to the unrelated shareholders of the Company for their approval.

None of the Directors / Key Managerial Personnel of the Company and their relatives, except Mr. Stephen Mark Harrington and Dr. Anke Frankenberger, is in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 8 of the Notice.

Your approval is sought to the resolution as appearing in item no. 8 of the accompanying Notice by way of Special Resolution.

#### **Item No. 9**

The Board of Directors of the Company, on the recommendation of the Audit Committee, has approved the appointment of Messrs Kiran J Mehta and Co., Cost Accountants (Firm's Registration No. 000025), as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31 March 2016. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company. Accordingly, consent of the Members is sought by way of an Ordinary Resolution as set out at item no. 9 of the Notice for ratification of the remuneration amounting to ₹ 220,000/- per annum plus applicable service tax and out of pocket expenses payable to the Cost Auditors for the financial year 2015-16.

The Board accordingly recommends the resolution at item no. 9 of this Notice for the approval of the Members. None of the Directors / Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise, in the resolution at item no. 9 of this Notice.

#### **Registered Office:**

6<sup>th</sup> floor, ABS Towers,  
Old Padra Road,  
Vadodara-390007  
Gujarat, India

By Order of the Board of Directors  
For **Styrolution ABS (India) Limited**

**Haresh Khilnani**  
Company Secretary and Head – Legal

24 June 2015  
Vadodara

## Styrolution ABS (India) Limited

### Directors' Report

Dear Shareholders,

Your Directors take pleasure in presenting herewith their 42nd Annual Report together with Audited Accounts and Auditors' Report for the period ended 31 March 2015.

### Financial Performance

The financial performance of your Company for the period ended 31 March 2015 is highlighted below:

Particulars Period ended	(₹ in '000)		
	2014-2015 (15 months Consolidated)	2014-2015 (15 months Standalone)	2013 (12 months Standalone)
Sales in MTs	155,493	101,574	76,964
Sales and other operating Income	22,934,335	16,454,098	12,574,119
Other Income	55,687	47,002	107,855
Total Income	22,990,022	16,501,100	12,681,974
<b>Gross Profit before Interest, Depreciation &amp; Tax</b>	<b>889,513</b>	<b>857,048</b>	912,776
Less : Interest	215,898	126,499	4,571
Less: Depreciation	317,254	213,228	133,961
<b>Profit Before Tax</b>	<b>356,361</b>	<b>517,321</b>	774,244
Less: Provision for Tax	21,168	21,168	373,345
Less: Reversal of earlier years tax expense	(26,057)	(26,057)	0
Less: Provision for Deferred Tax	166,579	166,579	(104,131)
<b>Net Profit After Tax</b>	<b>189,271</b>	<b>350,231</b>	505,030
Add: Balance of Profit Brought Forward	3,351,474	3,351,474	2,979,786
<b>Amount Available for Appropriation</b>	<b>3,540,745</b>	<b>3,701,705</b>	<b>3,484,816</b>

Appropriations:	(₹ in '000)		
	2014-2015 (15 months Consolidated)	2014-2015 (15 months Standalone)	2013 (12 months Standalone)
<b>Proposed Dividend</b>	<b>70,343</b>	<b>70,343</b>	70,343
Tax on Proposed Dividend	14,320	14,320	12,499
Depreciation adjustment as per schedule II of Companies Act, 2013	8,013	-	-
Transfer to General Reserve	35,023	35,023	50,500
Balance of Profit Carried Forward	3,413,046	3,582,019	3,351,474
EPS (Basic)	10.76	19.92	28.72
(Diluted)	10.76	19.92	28.72

### Change in Financial Year:

In compliance with the applicable provisions of the Companies Act 2013, your Directors have changed the financial year from "January – December" to "**April – March**". Accordingly, the year under review was of 15 months i.e. January 2014 to March 2015. Subsequent financial years will be of 12 months from April 1 to March 31. **Accordingly, current period financial statements are of 15 months and hence not comparable to previous year.**

### Review of Operations

#### Revenues

The overall Sales turnover of your Company on standalone basis increased to ₹ 1,645 crores from ₹ 1,257 crore in the previous year, at a growth rate of 32%. This was mainly due to increase in sales volume. The overall Sales turnover of your Company on consolidated basis was ₹ 2,293 crores.



## Profits

Your Company's Profit before Tax (PBT) on standalone basis decreased by 33% to ₹ 52 crores compared to previous year's PBT of ₹ 77 crores; whilst Profit after Tax (PAT) decreased by 31% to ₹ 35 crores compared to the previous year's PAT of ₹ 51 crores. Your Company's Profit before Tax (PBT) on consolidated basis was ₹ 36 crores whilst Profit after Tax (PAT) was ₹ 19 crores.

The decline in the PBT and PAT was mainly due to expense incurred by the Company towards implementation of various strategic initiatives to further strengthen the Company's competitive position in the market. These initiatives will ensure that the Company will grow profitably as a strong market leader even in uncertain economic conditions. Additionally, the sharp fall in international crude prices in 4th quarter resulted in inventory loss, which created pressure on market demand. Your Company continues to be a market leader in ABS sales.

## Dividend

Considering the performance, and to appropriately reward the Members while conserving resources to meet future financial requirements, the Board of Directors recommends a dividend of ₹ 4/- per Equity Share of ₹ 10 each (40%). This dividend is subject to the approval of the Members at the forthcoming Annual General Meeting.

The register of Members and share transfer books shall remain closed on 31 July 2015.

## Acquisition of 100 % equity stake in Styrolution India Private Limited (SIN)

The Board of Directors of your Company at its meeting held on 20 November 2013 had approved the proposal of making SIN as its Wholly-owned subsidiary by acquiring 100% of SIN's equity shares, subject to any mandatory approvals, to create better generation of synergies and further strengthen Styrolution's presence in the Indian market. Both companies are part of Styrolution Group, the world's leading producer in Styrenics.

This acquisition proposal is expected to bring manifold advantages to the Company, including the ability to develop its customer markets, especially in the household appliances and electrical and electronics segments, as well as the synergies resulting from streamlined business operations of the two entities, including administration, raw materials sourcing, shore tanks utilization, supply chain management, talent development and sharing of technology know-hows.

Furthermore, this acquisition will also enable Styrolution to evaluate options for future expansion of ABS capacity on the land available at the Dahej site in Gujarat to meet the growing demands of the Indian market. Effective 1 March 2014, SIN became the Wholly-owned subsidiary of your Company.

## Change in Holding Company within Styrolution Group

Subsequent to the previous year end, on 28 January 2014, Styrolution (Jersey) Limited had transferred its entire holding of 13,189,218 (75%) equity shares to Styrolution South East Asia Pte Ltd, Singapore. Accordingly, the holding company of your Company is Styrolution South East Asia Pte Ltd, Singapore with effect from 28 January 2014.

## INEOS acquisition of Styrolution Group

On 30 June 2014, INEOS signed an agreement with BASF to buy out the BASF's 50% stake in Styrolution, subject to regulatory approvals. This resulted into an indirect acquisition of control in your Company and triggered the open offer under Securities and Exchange Board of India (SEBI) Takeover Rules in India. A public announcement pursuant to Takeover Rules was given to stock exchanges in India on 4 July 2014 regarding the proposed acquisition and open offer.

A detailed public statement to the shareholders of the Company was published on 17 November 2014. With effect of 17 November 2014, INEOS successfully completed the purchase of BASF's 50% share in Styrolution, so that the Styrolution group of companies is since then Wholly-owned by INEOS.

Letter of Offer to the shareholders of the Company was sent and closure of tendering period was 3 March 2015 pursuant to which Company received 2 valid applications for a total of 300 shares which was accepted by the Acquirer (as defined in the Letter of Offer) and payment was made through approved banking channels. Consequently, the shareholding of the Acquirer post Open Offer increased by 300 shares to 13,189,518 representing 75.002% of the paid up capital of the Company.

As per SEBI Takeover Code, Acquirer has to bring down its holding to 75% on or before 12 March 2016 and in compliance thereof, Company had applied to SEBI for allowing the Acquirer to directly sell the excess shares i.e. 300 shares through normal trading window at the stock exchanges, which was approved by SEBI vide its letter dated 20 April 2015. In further compliance thereof, Acquirer on 9 June 2015 had sold the excess 300 shares through normal trading window thereby bringing its holding to 75%.

### Changes in Directorate

- At the forthcoming Annual General Meeting (AGM), following appointments / re-appointments are being proposed:
  1. During the year under review, Mr. Jal R. Patel, Mr. Ravindra Kulkarni and Mr. Sharad M. Kulkarni were appointed as independent directors for the period of 3 years from 1 January 2015 to 31 December 2017 in compliance with the applicable provisions of the Companies Act, 2013. We thank the Shareholders for their support in confirming these appointments through postal ballot on 26 March 2015. Section 149 (13) states that the provisions of retirement by rotation of the Companies Act, 2013 shall not apply to such independent directors. Hence, none of the independent directors will retire at the ensuing AGM.
  2. Mr. H. T. Chang has resigned from his office as Director cum Chairman of the Board effective 18 May 2015. The Board places on record its appreciation for the services rendered by Mr. Chang during his tenure with the Company.
  3. On the recommendations of nomination and remuneration committee, the Board appointed Mr. Stephen Mark Harrington, Non-executive and Non-Independent Director, as an Additional Director and Chairman of Board of the Company with effect from 18 May 2015. A brief resume of Mr. Harrington is given separately in the Notice convening AGM. Your Directors recommend his appointment subject to approval of shareholders at the forthcoming AGM of the Company.
  4. Mr. Myung Suk Chi will retire by rotation and being eligible, has offered himself for re-appointment in terms of the Articles of Association of the Company. A brief resume of Mr. Chi is given separately in the Notice convening AGM. Your Directors recommend his re-appointment at the forthcoming AGM.
  5. Mr. Myung Suk Chi, Executive and Non-Independent Director, has been proposed to be re-appointed as Managing Director of the Company for a period of one(1) year w.e.f 1 August 2015 to 31 July 2016. Nomination and remuneration committee has recommended to the Board for his re-appointment. Your Directors recommend his re-appointment as Managing Director at the forthcoming AGM.
  6. Dr. Anke Frankenberger, Non-executive and Non-Independent Director (Woman Director), has been appointed as an Additional Director with effect from 29 April 2014. A brief resume of Dr. Frankenberger is given separately in the Notice convening AGM. Your Directors recommend her appointment subject to approval of shareholders at the forthcoming AGM of the Company.
  7. Mr. Jit Teng Tan, Non-executive and Non-independent Director, Mr. Ravishankar Kompalli, alternate to Dr. Anke Frankenberger and Mr. Sushil Roy Ernest Fonseca, alternate to Mr. H. T. Chang, have resigned from their directorship with effect from 29 April 2014, 12 November 2014 and 18 May 2015 respectively. The Board of Directors wishes to place on record its appreciation of services rendered by them during their tenure as Directors of the Company.
  8. Mr. Vijay Kamat and Mr. Jit Teng Tan have been appointed as alternate to Dr. Anke Frankenberger and to Mr. Stephen Mark Harrington with effect from 12 November 2015 and 18 May 2015 respectively.

### Key Managerial Personnel

Mr. Myung Suk Chi, Managing Director & Chief Executive Officer, Mr. Haresh Khilnani, Company Secretary and Head - Legal and Mr. Bhupesh P. Porwal, Chief Financial Officer of the Company are Key Managerial Personnel of the Company as on 31 March 2015.

### Board Diversity

Your Company recognizes and embraces the importance of a diverse board in its success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, regional and industry experience, age, ethnicity, race and gender, which will help us, retain our competitive advantage. The Board of Directors has adopted the 'Board Diversity Policy' which sets out the approach to diversity of the Board. The Board Diversity Policy is available on our website [www.styrolutionabsindia.com](http://www.styrolutionabsindia.com).

### Declaration by Independent Directors

The Company has received necessary declaration from each independent director that he meets the criteria of independence laid down in the Companies Act 2013 and clause 49 of the Listing Agreement.

### Deposits

The Company has not accepted any Deposit, within the meaning of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposit) Rules, 1975 from the public during the year under review.

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### **Transfer to the Investor Education and Protection Fund**

Pursuant to provisions of Section 205A of the Companies Act, 1956 the unpaid & unclaimed dividend pertaining to the year ended on 31 December 2007 amounting to ₹ 216,255 which was lying in the Company's separate unpaid dividend account and remaining unclaimed for a period of seven years, was transferred to the Investor Education and Protection Fund on 16 June 2015.

### **Internal Control Systems and their adequacy**

The Company has an adequate system of internal controls in place. It has documented procedures covering all financial and operating functions. These controls have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls, monitoring of operations, protecting assets from unauthorized use or losses, compliances with regulations and for ensuring reliability of financial reporting. The Company has continued its efforts to align all its processes and controls with global best practices in these areas as well.

Audit Committee of the Board of Directors, comprising independent directors, regularly reviews the audit plans, significant audit findings, adequacy of internal controls, compliance with Accounting Standards as well as reasons for changes in accounting policies and practices, if any.

### **Safety, Health and Environment (SHE)**

Your Company gives highest importance to Safety, Health and Environment (SHE), and encourages and promotes safety awareness in true letter and spirit as an integral part of its work culture.

Process Safety Management (PSM) is an integral part of all changes taking place in the process. Onsite emergency plans have been reviewed and updated by all divisions. Periodic mock drills are conducted at various divisions and reports indicate improved preparedness of employees.

To further strengthen the safety of overall operations and to promote a positive safety culture and transparency, your Company has introduced site specific behavioral based safety (BBS) process at all its manufacturing locations and substantially invested for the improvement of process safety.

Apart from employees, the contractors and workmen are also given exhaustive training on safety, first-aid and fire fighting. The Company has appointed and trained safety stewards to promote safety in all divisions. A green belt in and around all factory premises has been maintained to enhance eco-friendliness.

### **Insurance**

Your Company's assets are adequately insured against risk from fire, riot, earthquake, terrorism, loss of profits and other risks which are considered necessary by the management.

As an additional coverage, a Public Liability Insurance Policy is also in place and it has been taken to cover public liability/ties, if any, arising out of any industrial accidents. Styrolution ABS group has covered also the Directors' and Officers' liability under the Companies Act to meet with any eventuality.

### **Statutory Auditors**

The Board of Directors, on recommendation of the Audit Committee, recommends the re-appointment of Messrs B S R & Co. LLP, Chartered Accountants, (Firm Registration Number: 101248W/W100022), as the Statutory Auditors of the Company from the conclusion of 42<sup>nd</sup> Annual General Meeting until the conclusion of 43<sup>rd</sup> Annual General Meeting of the Company. A certificate from them has been received to the effect that their appointment as Statutory Auditors of the Company, if made, would be according to the terms and conditions prescribed under Sections 139 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder.

### **Auditors' Report**

The observations made by the Auditors in their Report read with the relevant notes as given in the Notes to the Financial Statement for the period ended 31 March 2015 are self-explanatory and are devoid of any reservation, qualification or adverse remarks.

### **Secretarial Auditor**

CS. Devesh A Pathak of Messrs Devesh Vimal & Co., Practising Company Secretaries was appointed to conduct the Secretarial Audit of the Company for the financial year 2014-15, required under Section 204 of the Companies Act, 2013 and Rules framed thereunder.

### Cost Auditors

As per the requirement of the Central Government and pursuant to Section 233B of the Companies Act, 1956 the audit of the cost accounts for Company's products is carried out every year. Pursuant to the approval of Ministry of Corporate Affairs, Messrs Kiran J Mehta & Associates, Cost Auditors were appointed as the Cost Auditors for auditing the Company's cost accounts relating to the Company's products from the financial year ended on 31 December 2013.

### Consumption of energy, technology absorption and foreign exchange earnings and outgo

A statement highlighting details of the conservation of energy, technology absorption, and foreign exchange earnings and outgo, in accordance with Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors' Rules, 1988) is annexed hereto and forms part of this report.

### Quality Systems and ISO certification

During the year, Company continued to observe all pre-requisites in maintaining the quality systems and standards and ISO audit methods as required under the guidelines of Quality and Environmental Management Systems for ISO certified by UL-DQS. During the year, System Assessments for ISO 9001:2008 & ISO 14001:2004 were also successfully completed.

### Corporate Governance

Your Company observes high standards of corporate governance in all areas of its functioning with strong emphasis on transparency, integrity and accountability. As required by Clause 49 VI of the Listing Agreement, a detailed report on Corporate Governance alongwith the Auditors' Certificate thereon forms part of this Report. A detailed review of the operations, performance and future outlook of the Company and its businesses is given in the Management's Discussion and Analysis, which forms part of this Report

### Code of Conduct

The Company has suitably laid down the Code of Conduct for all Board Members and Senior Management personnel of the company. The declaration by CEO of the Company relating to the compliance of aforesaid Code of Conduct forms an integral part of this Annual Report.

### Human Resource and Industrial Relations

Our employees are the most valuable assets of the Company. We encourage innovation, meritocracy and the pursuit of excellence. The human resource development function of the Company is guided by a spirit of corporate team building and dedication towards strengthening the Company's systems thereby improving efficiencies and registering growth. All personnel continue to have a healthy, cordial and harmonious approach in problem solving and enhancing Company value at all levels. Despite uncertain economic conditions, the enthusiasm and unstinting efforts of the employees has enabled the Company to maintain leadership in its business areas. The Industrial relations during year remained cordial.

The Company has drawn up a comprehensive human resource strategy (the "Human Resource" strategy) which addresses key aspects of human resource development such as:

- Code of conduct and fair business practices.
- A fair and objective performance management system linked to the performance of the businesses.
- Creation of a common pool of talented managers across the Organization with a view to increasing their mobility through inter-company job rotation.
- Evolution of performance based compensation packages to attract and retain talent within the Organization.
- Development of comprehensive training programs to impart and continuously upgrade the industry/function specific skills, etc.

### Employee benefit measures undertaken during the year

In order to achieve a highly streamlined and productive organization, a transparent and uniform HR policy with a well-defined reporting structure and clear roles and responsibilities will be put in place. An employee survey together with a top leadership workshop was also conducted to assess the current cultures of Styrolution group Companies in India and to identify an ideal common culture across the two entities for better implementation of the respective strategic initiatives.

Necessary trainings based on identified needs are being set-up across all functions by the respective Heads of Departments to enhance the knowledge and competencies of our employees. Other initiatives including an improvement of the working environment, the automation of HR processes including the outsourcing of the payroll process and the installation of a new attendance system, are in progress.

### **Particulars of Employees**

Particulars of employees, as required under Sec 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, forms part of this report. However, pursuant to the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, this report is being sent to all shareholders of the Company excluding the aforesaid information and the said particulars will be made available at the Registered Office of the Company. The Members interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

### **Directors' Responsibility Statement Pursuant to Section 217(2AA)**

Pursuant to Section 217(2AA) of the Companies Act, 1956, your Directors confirm that:

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31 March, 2015 and of the profit of the Company for the period ended on that date;
- iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) they have prepared the annual accounts on a going concern basis.

### **Acknowledgements**

We thank our customers, vendors, dealers, investors, business partners and bankers for their continued support during the year which made the Company grow successfully. We also place on record our appreciation of the contribution made by our employees at all levels. Our consistent growth was made possible by their hard work, solidarity, cooperation and support.

For and on behalf of the Board

24 June 2015  
Vadodara

**Stephen Mark Harrington**  
Chairman

*Note: Since the financial year of the Company has commenced from 1 January 2014 i.e. prior to the effective date of new Companies Act, 2013, the contents of this report are as per the provisions of the Companies Act, 1956 as mandated by the general circular no. 08/2014 dated 4 April 2014 issued by Ministry of Corporate Affairs.*

**Annexure I to the Directors' Report**

Information as per Section 217(e) read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the period ended 31 March 2015.

**1. Conservation of Energy**

**a) Energy conservation measures taken:**

- (i) Efforts have been initiated to improve Overall Equipment Efficiency of Rubber & compounding plants.
- (ii) Power factor has been maintained high throughout the year by proper monitoring of the capacitor banks at Nandesari, Moxi and Katol plant.
- (ii) Continued use of steam condensate recovered from dryer section has resulted in the reduction of fuel and boiler feed water.
- (iv) Recycling of mother liquor in CWD section has reduced the water consumption and waste water at Nandesari plant.
- (v) Installation of Ultra Filtration Plant prior to R. O. Plant reducing the chemical consumption and water consumption in the process of generation of DM Water at Nandesari.
- (vi) Installation of Screw Air Compressor with variable frequency drive has reduced the power consumption at Katol plant.
- (vii) Fuel switch over from furnace oil to Natural gas has been initiated as a part of energy conservation and cost saving measures at Katol Plant.

**b) Additional investments if any, being implemented for reduction of consumption of energy:**

Commissioning of a new Single Dryer Line as part of Project Vishwas at Nandesari Plant.

**c) Impact of measures at (a) & (b) above for reduction of energy consumption and consequent impact on the production of goods.**

Reduction in Specific Energy utilisation Co<sub>2</sub> Emission Levels and water consumption.

**2. Total energy consumption and consumption per unit of production as per Form A**

Particulars	Period Ended		
	2014-2015 (15 months- Consolidated)	2014-2015 (15 months- Standalone)	2013 (12 months - Standalone)
<b>Power and Fuel Consumption</b>			
<b>2.1 Electricity</b>			
a) Purchased			
Units Nos.	61,719,370	51,779,070	33,698,034
Total Amount (₹ Lakhs)	4,540	3,804	2,401
Rate/Unit (₹)	7.36	7.35	7.13
b) Own Generation			
i) Through Diesel Generator			
Units	199,208	165,688	263,139
Units per 100 Ltrs. Of Diesel Oil	214	203	282
Cost/Unit (₹)	28.71	29.84	18.59
ii) Through Steam Turbine/ Generator Units	NIL	NIL	NIL
Units per Ltrs. Of Fuel Oil/Gas	NIL	NIL	NIL
Cost/Unit (₹)	NIL	NIL	NIL
iii) Through Wind Turbine/ Generator Units	7,271,391	7,271,391	6,433,076
Total Amount (₹ Lakhs)	486	486	427
Rate per unit (₹)	6.69	6.69	6.64
<b>2.2 Coal (specify Quality and where used)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

<b>2.3 Furnace Oil</b>			
Quantity (Ltrs.)	2,012,680	1,991,374	1,275,297
Total Amount (₹ Lakhs)	746	737	547.33
<b>Average. Rate</b>	37.04	36.99	42.92
<b>2.4 Other / Internal generation</b>			
<b>Natural Gas</b>			
Quantity (M <sup>3</sup> )	4,356,801	2,190,619	1,794,497
Total Amount (₹ Lakhs)	1,940	1,013	736
Rate/Unit - (₹)	44.54	46.26	41.01
<b>2.5 Consumption per Ton</b>			
Electricity units	328	376	331
Furnace Oil (Ltrs.)	10	13	10
Natural Gas (M <sup>3</sup> )	32	26	27

### 3. Particulars as per Form B

#### 3.1 Activities carried out at the Research and Development Center during the period January 2014 - March 2015.

- Eight new grades are developed or modified according to the Customer requirement- liner grade, Blow moulding grade, Low gloss, high surface energy, reflective ABS, Metallic ABS, ABS/PC blend and ASA.
- Many Customer related issues like Over Packing, Flow lines and Weld lines are addressed.
- Completely supported the rubber exchange program between Nandesari and the Styrolution plant in Thailand in Map Ta Phut by carrying out several trials in R&D.
- Cost conservation by renovating HDT machine and UTM. Capability stretch for measuring High temperature and Youngs modulus.

#### 3.2 Expenditure on Research and Development

		(₹ In Lakhs)
a)	Capital	1,300.34
b)	Recurring	150.82
c)	Total	1,451.16
d)	Total R & D expenditure as a percentage of : Gross Turnover	0.88%
	: Net Turnover	0.89%

### 4. Technology absorption, adoption and innovation

In the area of new technologies like reflective ABS, low gloss ABS, liner grade and blow moulding grades, highly valuable new products are developed and added into Company's product portfolio by innovation in R&D.

### 5. Foreign exchange earnings and outgo

5.1 The Company is growing its market base. Consistent efforts are being made to find new avenues for exports.

5.2 Total foreign exchange earned and outgo:-

		(₹ In Lakhs)
a)	FOB value of exports made	Nil
b)	Exchange earned	158.72
c)	Exchange outgo	3,166.11
d)	CIF value of imports	100,053.00

For and on behalf of the Board

24 June 2015  
Vadodara

**Stephen Mark Harrington**  
Chairman

## Styrolution ABS (India) Limited

### Report on Corporate Governance

(Pursuant to Clause 49 of the Listing Agreement entered into with the Stock Exchanges)

**The Directors present the Company's Report on Corporate Governance for the period ended 31 March 2015.**

#### 1. Company's philosophy on Code of Governance

The Company's Corporate Governance philosophy is founded upon transparency, accountability, values and ethics and is an integral part of the management in its pursuit for growth and value creation. The Company firmly believes and has consistently practiced good corporate governance. The Company constantly strives towards betterment of these aspects and thereby perpetuate it into generating long term economic value for its shareholders, customers, employees, other associated persons and the society as a whole.

The Company has complied with the provisions of Clause 49 of the Listing Agreement of the Stock Exchange, which deals with the compliance of Corporate Governance requirements as detailed below for the period ending 31 March 2015.

#### 2. Board of Directors

##### Composition and size of the Board

Your Board of Directors has a primary role of trusteeship to protect and enhance shareholder value through strategic supervision of the Company by providing direction and exercising the appropriate control. Your Board includes eminent professionals who have excelled in their respective areas of specialization and comprises professionals drawn from management, financial, legal and other fields.

The Board of Directors comprises Executive, Non-Executive as well as Independent Directors. More than two third of the Board of Directors comprises of Non-Executive Directors, with half of the Board comprising of Independent Directors. Thus, the Board consists of 6 members, 1 of which is executive or full-time director, 5 are non-executive out of which 3 are independent directors.

The Board believes that the current size is appropriate, based on the present circumstances. Apart from drawing sitting fees and commission, none of the Independent Directors have any other material pecuniary relationship or transactions with the Company, its Promoters, its Management or its subsidiaries, which in the judgement of the Board would affect the independence or judgement of Directors.

The Company has not entered into any materially significant transactions with its promoters, directors or the management or their relatives that may have potential conflict with the interests of the Company at large. There is no relationship between the Directors inter-se.

##### Composition of the Board, and directorships held as on 18 May 2015

Name of Directors	Status	Other Directorships in India *	DIN	No. of other Board Committees in India**	
				Member	Chairperson
Mr. Hyung Tae Chang, Chairman <i>(Resigned w.e.f 18 May 2015)</i>	Non-Executive & Non-Independent	--	02425162	--	--
Mr. Stephen Mark Harrington <i>(Additional Director &amp; Chairman w.e.f 18 May 2015)</i>	Non-Executive & Non-Independent	--	07131679	--	--
Mr. Myung Suk Chi, Managing Director	Executive & Non-Independent	1	05225708	1	--
Dr. Anke Frankenberger, <i>(Additional Director w.e.f. 29 April 2014)</i>	Non-Executive & Non-Independent	1	06871064	--	--
Mr. Sharad M Kulkarni	Non-Executive & Independent	6	00003640	7	3
Mr. Jal R Patel	Non-Executive & Independent	5	00065021	1	4
Mr. Ravindra Kulkarni	Non-Executive & Independent	7	00059367	6	3



Name of Directors	Status	Other Directorships in India *	DIN	No. of other Board Committees in India**	
				Member	Chairperson
Mr. Jit Teng Tan (Resigned w.e.f 29 April 2014)	Non-Executive & Non-Independent	--	06466969	--	--
Mr. Jit Teng Tan, Alternate to Mr. Harrington (Appointed w.e.f 18 May 2015)	Non-Executive & Non-Independent	--	06466969	--	--
Mr. Sushil Roy Ernest Fonseca, Alternate to Mr. Chang (Resigned w.e.f 18 May 2015)	Non-Executive & Non Independent	3	02583710	--	--
Mr. Vijay Kamat, Alternate to Dr. Anke Frankenberger (Appointed w.e.f. 12 November 2014)	Non-Executive & Non Independent	1	07016257	--	--
Mr. Ravishankar Kompalli, Alternate to Dr. Anke Frankenberger (Resigned w.e.f. 12 November 2014)	Non-Executive & Non Independent	--	06458292	--	--

Note: None of the directors are related to each other.

\* No. of other directorships include directorship held in other Indian public limited companies as on 31 March 2015.

\*\* Includes only Audit Committee and Stakeholders' Relationship and Grievance Committee of public limited companies as on 31 March 2015.

#### **Responsibilities of the Chairman, the Chief Executive Officer and Managing Director:**

Our practice is to have a non-executive Chairman of the Board – Mr. Stephen Mark Harrington and a Chief Executive Officer (CEO) and Managing Director (MD) – Mr. Myung Suk Chi.

The non-executive Chairman of the Board ('the Chairman') is leader of the Board. As Chairman, he will be responsible for promoting the integrity of the Board while nurturing a culture where the Board works harmoniously for the long-term benefit of the Company and all its stakeholders. The Chairman is primarily responsible for ensuring that the Board provides effective governance for the Company. The Chairman will take a lead role in managing the Board and facilitating effective communication among directors. The Chairman will actively work with the nomination and remuneration committee to plan the Board and Board committees' composition, induction of directors to the Board, plan for director succession, participate in the Board effectiveness evaluation process and meet with individual directors to provide constructive feedback and advice.

The CEO and MD is responsible for the overall management of the Company. He is also responsible for achieving the annual business targets. At each board meeting, he periodically makes presentations, gives explanations and appraises the board about the performance of the Company.

#### **Board membership criteria**

The nomination and remuneration committee works with the entire Board to determine the appropriate characteristics, skills and experience required for the Board as a whole and for individual members. Board members are expected to possess the required qualifications, integrity, expertise and experience for the position. Board members are expected to prepare for, attend and participate in all Board and applicable committee meetings. Each member is expected to ensure that their other current and planned future commitments do not materially interfere with their responsibilities with us. The Board is responsible for the selection of new directors. The Board delegates the screening and selection process involved in selecting new directors to the nomination and remuneration committee, which consists of majority of independent directors. The nomination and remuneration committee in turn makes recommendations to the Board on the induction of any new directors.

#### **Training of Board members**

All new non-executive directors inducted to the Board are introduced to our Company culture through appropriate orientation sessions. Presentations are made by managing director and senior management to provide an overview of our operations, and to familiarize the new non-executive directors with our operations. They are also introduced to our organisation structure, our services, group structure and subsidiaries, constitution, board procedures, matters reserved for the Board, and our major risks and risk management policy. A familiarisation program for directors is available on [www.styrolutionabsindia.com](http://www.styrolutionabsindia.com) under the head Investor info / Corporate Governance.

### Mechanism for evaluating Board members

The Board works with the nomination and remuneration committee to lay down the evaluation criteria for the performance of executive / non-executive / independent directors excluding the director being evaluated. The questionnaire of the survey is a key part of the process of reviewing the functioning and effectiveness of the Board and for identifying possible paths for improvement. Each Board member is requested to evaluate the effectiveness of the Board dynamics and relationships, information flow, decision-making of the directors, relationship to stakeholders, company performance, company strategy, and the effectiveness of the whole Board and its various committees.

### Independent directors are evaluated on the following performance indicators:

- Ability to contribute to and monitor our corporate governance practices;
- Ability to contribute by best practices to address top-management issues;
- Commitment to the fulfillment of a director's obligations and fiduciary responsibilities, these include participation in Board and committee meetings.

### Board meetings and attendance

The annual calendar of meetings is agreed upon at the beginning of each year. Board Meetings are held once in every quarter. In addition to this, Board Meetings are convened to transact special businesses, as and when necessary. The meetings are governed by a detailed agenda. All major issues included in the agenda are backed up by comprehensive background information to enable the Board to take informed decisions.

The agenda papers, containing detailed notes on various agenda items and other information, which would enable the Board to discharge its responsibility effectively, are circulated in advance to the Directors. The Managing Director and the CFO briefs the Board at every meeting on the overall performance of the Company. The Board is briefed on all the relevant matters of the Company at its meeting. The important matters discussed at the meeting of the Audit Committee are also highlighted to the Board.

### Number of Board meetings and the attendance of directors during the period January 2014 to March 2015

There were five Board meetings held during the period January 2014 to March 2015. These were on 17 February 2014, 29 April 2014, 9 August 2014, 12 November 2014 and 9 February 2015. Attendance record of the directors was as under:

Name of Directors	Number of Board Meetings held	Number of Board Meetings attended	Attendance at last AGM
Mr. Hyung Tae Chang	5	5	Yes
Mr. Myung Suk Chi	5	5	Yes
Dr. Anke Frankenberger (appointed w.e.f. 29 April 2014)	5	3	N.A.
Mr. Sharad M Kulkarni	5	4	No
Mr. Jal R. Patel	5	5	Yes
Mr. Ravindra Kulkarni	5	5	Yes
Mr. Jit Teng Tan (resigned w.e.f. 29 April 2014)	5	2	Yes

### Directors with materially significant related party transactions, pecuniary or business relationship with the Company

There have been no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Directors that may have potential conflict with the interests of the Company at large.

### • Details of Directors being appointed / re-appointed.

- In compliance with second proviso to Section 149 of the Companies Act, 2013 (relating to appointment of a **woman director**), Dr. Anke Frankenberger has been appointed as an Additional Director of the Company w.e.f 29 April 2014.

- As per the provisions of the Companies Act, 1956, two third of the Directors should be retiring Directors. One third of these retiring Directors are required to retire every year and upon being eligible they qualify for re-appointment. Mr. Myung Suk Chi retires at the ensuing AGM and being eligible has offered himself for re-appointment.
- The resolutions for their re-appointment / appointment have been appropriately included in the notice of AGM forming part of this Annual Report.

The brief profile of Directors seeking appointment / re-appointment is mentioned below:

**Mr. Myung Suk Chi (DIN: 05225708)**

Mr. Myung Suk Chi is a Bachelor of Science (Polymer Chemistry) from Inha University, Korea, as well as Master of Business Administration from Seogang University of Korea.

He has been a part of the Quality Control team for Tirecord, Tong Yang Nylon, Ulsan, Korea. In 1994, he was the Senior Manager of BASF SEA Pte. Limited., Singapore. In the year 2011, he was the President & Representative Director of Styrolution Korea Limited, Seoul, Korea. He has a rich experience of 32 years to his credit.

**Dr. Anke Frankenberger (DIN:06871064)**

Dr. Anke Frankenberger holds a Doctorate degree in Law from Heidelberg University of School of Law. She also holds a Master degree in law from University of British Columbia, Vancouver, Canada. She has also studied Law, Chinese and Philosophy at Bonn University, Germany, Cambridge University, England and Heidelberg University between 1985 to 1991.

She has been associated as a General Counsel in various Companies like Felten& Guillaume AG, Degussa AG, Nordex SE, etc. during last 18 years.

She holds expertise in functional areas like Mergers & Acquisitions, Arbitration and Litigation, Contract Management, all general corporate & commercial legal, insurance and compliance matters, etc. She is familiar with German, English, French and Chinese languages.

**Mr. Stephen Mark Harrington (DIN: 07131679)**

The Board of Directors of the Company at its meeting held on 18 May 2015 appointed Mr. Stephen Mark Harrington as an Additional Director and Chairman of the Board w.e.f from 18 May 2015.

Mr. Harrington holds a degree in Chemistry from Hull University, United Kingdom. During his 25-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 for Styrolution's Global Styrene business and serves as Chairman of the Styrene Information and Research Center.

### 3. Audit Committee Meetings

- **Composition**

The Audit Committee comprises of Independent Directors having expertise in accounting / financial management. During the period January 2014 - March 2015, Audit Committee met five times. These were on 17 February 2014, 29 April 2014, 9 August 2014, 12 November 2014 and 9 February 2015.

Name	Designation	Category of Directorship	Attendance
Mr. Sharad M. Kulkarni	Chairman	Non-executive & Independent	4
Mr. Jal R. Patel	Member	Non-executive & Independent	5
Mr. Ravindra Kulkarni	Member	Non-executive & Independent	5

The Managing Director, Chief Financial Officer, Statutory Auditors and Internal Auditors are permanent invitees to the meetings. CS. Hareesh Khilnani, Company Secretary and Head – Legal is a Secretary to the Committee.

- **Terms of Reference**

The terms of reference of this Committee are wide enough to cover the matters specified for Audit Committees under Clause 49 of the Listing Agreements, as well as in Section 177 of the Companies Act, 2013, and are as follows:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, their placement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions;
  - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
8. Approval or any subsequent modification of transactions of the Company with related parties.
9. Scrutiny of inter-corporate loans and investments.
10. To review proposal for mergers, demergers, acquisitions, carve-outs, sale, transfer of business / real estate and its valuation report and fairness opinion, if any, thereof.
11. Valuation of undertakings or assets of the Company, wherever it is necessary.
12. Evaluation of internal financial controls and risk management systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors any significant findings and follow up there on.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower mechanism.

19. Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
20. Carrying out any other function as may be delegated by the Board from time to time.
21. Review the following information:-
  - a. Management discussion and analysis of financial condition and results of operations;
  - b. Statement of significant related party transactions, (as defined by the Audit Committee), submitted by management;
  - c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - d. Internal audit reports relating to internal control weaknesses;
  - e. The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the Audit Committee; and
  - f. The financial statements, in particular, the investments made by unlisted subsidiary companies.

Mr. Jal R. Patel was appointed as Chairman of the Audit Committee at meeting held on 29 April 2014 and continued as Chairman until 9 August 2014. Mr. Jal R. Patel, then Chairman of the Committee was present at the last Annual General Meeting of the Company held on 29 April 2014.

W.e.f. 9 August 2014, Mr. Sharad M. Kulkarni is appointed as Chairman of the Committee and he is continuing as Chairman till date.

The Company has adopted the Whistleblower mechanism for directors and employees to report concerns about unethical behaviour, actual or suspected fraud, or violation of the Company's Code of Conduct and Ethics.

In accordance with the requirements of the listing agreement, the Company has formulated policies on related party transactions and material subsidiaries. The policies, including the Whistleblower policy, are available on our website [www.styrolutionabsindia.com](http://www.styrolutionabsindia.com).

#### 4. Stakeholders Relationship and Grievance Committee

##### Composition

To meet with the requirements of Companies Act, 2013 and listing agreement, w.e.f. 9 August, 2014, the then Investor Grievance Committee of the Company was renamed as Stakeholders Relationship and Grievance Committee.

The Board has constituted Stakeholders Relationship and Grievance Committee to attend and redress the Stakeholders' grievances and to maintain harmonious relations with all stakeholders of the Company. During the period under review, the Committee met five times on 17 February 2014, 29 April 2014, 9 August 2014, 12 November 2014 and 9 February 2015.

The composition of the Stakeholders Relationship and Grievance Committee is as follows:

Name of the Member	Designation	Category of Directorship	Attendance
Mr. Jal R. Patel	Chairman	Non-Executive & Independent	5
Mr. Myung Suk Chi	Member	Executive	5

CS. Haresh Khilnani, Company Secretary and Head–Legal is the Compliance Officer pursuant to the requirements of the Securities and Exchange Board of India (SEBI) and Listing Agreement.

Share transfers are processed weekly. During the period January 2014 - March 2015, two complaints were received via SEBI Complaints Redress System (SCORES). The Company has resolved the same within statutory time frame. There were no investor complaints which remained unresolved at the end of the said period.

M/s. Link Intime India Private Limited, Registrar and Share Transfer Agent of the Company attend to all the grievances of the Stakeholders. The details of complaints received, cleared and pending during the period January 2014 – March 2015 is given as under:

<b>Nature of Complaints</b>	<b>Received</b>	<b>Cleared</b>	<b>Pending</b>
Non-receipt of Share Certificates duly transferred	–	–	–
Letters from SEBI / SCORES Site	2	2	–
Letters from Depositories	–	–	–
Letters from Ministry of Corporate Affairs	–	–	–
Letters from Stock Exchanges	–	–	–

There are no grievances of stakeholders’ remaining unattended / unresolved as every effort is made at all levels to immediately redress stakeholders’ grievances without delay.

**5. Corporate Social Responsibility Committee**

Pursuant to the provisions of Section 135 of the Companies Act, 2013, ‘Corporate Social Responsibility Committee’ of the Board was constituted effective 31 July 2014. During the period under review, the Committee met two times on 12 November 2014 and 9 February 2015. The present composition of the corporate social responsibility committee is as follows:

<b>Name of the Member</b>	<b>Designation</b>	<b>Category of Directorship</b>	<b>Attendance</b>
Mr. Jal R. Patel	Chairman	Non-Executive & Independent	2
Dr. Anke Frankenberger	Member	Non- Executive and Non-Independent	2
Mr. Myung Suk Chi	Member	Managing Director	2

The Committee is primarily responsible for formulating and recommending to the Board of Directors a Corporate Social Responsibility (CSR) Policy and monitoring the same from time to time, amount of expenditure to be incurred on the activities pertaining to CSR and monitoring CSR Projects.

CS. Haresh Khilnani, Company Secretary and Head-Legal, acts as the Secretary to the Committee.

**6. Nomination and Remuneration Committee**

To meet with requirements of Companies Act, 2013, w.e.f. 9 August 2014, the then Remuneration Committee of the Company was renamed as Nomination and Remuneration Committee. The Nomination and Remuneration Committee has been constituted by the Board which meets on specific need basis.

The present composition of the Nomination and Remuneration Committee is as follows:

<b>Name of the Member</b>	<b>Designation</b>	<b>Category of Directorship</b>
Mr. Jal R. Patel	Chairman	Non-Executive & Independent
Mr. Sharad M Kulkarni	Member	Non-Executive & Independent
Mr. Ravindra Kulkarni	Member	Non-Executive & Independent
Mr. H. T. Chang <i>(appointed w.e.f 24 April 2015 and resigned w.e.f 18 May 2015)</i>	Member	Non-Executive & Non Independent
Mr. Stephen Mark Harrington <i>(appointed w.e.f 18 May 2015)</i>	Member	Non-Executive & Non Independent
Dr. Anke Frankenberger <i>(appointed w.e.f 24 April 2015)</i>	Member	Non-Executive & Non Independent

Besides having access to all required information within the Company, the Committee may investigate any activity within its terms of reference, seek information from any employee, secure attendance of outsiders with relevant expertise, or obtain legal or other professional advice from external sources, whenever required.

The Committee acts as a link amongst the Management and the Board of Directors. The Committee shall act in accordance with the terms of reference which shall, *inter alia*, include;

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, key managerial personnel and other employees;
- ii. Formulation of criteria for evaluation of Independent Directors and the Board;
- iii. Devising a policy on Board diversity;
- iv. Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- v. Evaluation of every Director's performance.

#### Remuneration Policy:

The Nomination and Remuneration Committee determines and recommends to the Board the remuneration payable to directors. All Board-level remuneration is approved by the shareholders and disclosed separately in the financial statements. Remuneration for the executive directors consists of a fixed component and a variable component. The annual remuneration of the executive director is approved by the nomination and remuneration committee and placed before the shareholders at the shareholders' meeting.

The Chief Executive Officer and Managing Director of the Company is entitled to an annual variable pay each fiscal year, which is subject to achievement of certain fiscal year milestones by the Company, as determined by the Board. The remuneration payable to the independent directors is limited to a fixed amount per year as determined and approved by the Board, the sum of which does not exceed 1% of our net profits for the year, calculated as per the provisions of the Companies Act, 2013. The performance of the independent directors is reviewed by the Board on an annual basis.

#### a) Remuneration to Executive Director (Managing Director - Mr. Myung Suk Chi):

The Board of Directors on the recommendations of Nomination and Remuneration Committee of Directors is authorised to decide the remuneration of the Whole-time Directors, subject to the approval of the Members and Central Government, if required. The remuneration structure comprises of Salary, Perquisites, Retirement benefits as per the law / rules, Performance Linked Incentive (PLI) and Commission. Annual increments are decided by the Nomination and Remuneration Committee within the salary grade approved by the Members.

Details of remuneration paid / payable to Mr. Myung Suk Chi (Executive- Managing Director) for FY 2014-15 is as under:

(Amount in ₹)

Name & Designation	Mr. Myung Suk Chi, Managing Director
Salary	23,155,272
Perquisites	5,939,641
Retiral benefits	9,495,370
Commission, Bonus and Performance linked incentives	7,718,233
Stock Options	N.A.
Tax Adjustments (2013 & 2014)	12,244,695
Salary Adjustments (2013)	1,037,655
<b>Total</b>	<b>59,590,866</b>
<b>Tenure</b>	<b>3 Years</b>
From	1 August 2012
To	31 July 2015
Notice Period	6 months
Equity shares of ₹10 held as on 31.03.2015	Nil

#### b) Remuneration to Non-Executive Director:

The Non-executive Directors are paid remuneration by way of Sitting Fees and Commission. None of existing directors hold any shares in the Company. The compensation payable to the independent directors is limited to fixed amount per year as determined and approved by the Board, the sum of which does not exceed 1% of our net profits for the year, calculated as per the provisions of the Companies Act, 2013. The performance of the independent directors is reviewed by the Board on an annual basis.

Details of remuneration paid / payable to Non-executive and Independent Directors for FY 2014-15 is as under:

(Amount in ₹)

Name of Directors	Commission*	Sitting fees for Board / Committee Meetings attended **	Total	No. of Equity shares of ₹ 10 held as on 31 March 2015.
Mr. Sharad M. Kulkarni	600,000	160,000	760,000	--
Mr. Jal R. Patel	600,000	245,000	845,000	--
Mr. Ravindra Kulkarni	600,000	200,000	800,000	--

\*As approved by the Shareholders in their meeting held on 29 April 2014.

\*\*Exclusive of TDS.

None of the Non-executive Directors have any other pecuniary interest in the Company, as disclosed to us.

The Board believes that the above compensation structure is commensurate with best practices in terms of remunerating non-executive and independent directors of a company of similar size, adequately compensates for the time and contribution made by our non-executive and independent directors.

**7. Risk Management Committee (mandatory under the revised clause 49 w.e.f. 1 October 2014)**

Our Risk Management Committee ('the committee') comprised three members:

Name of the Member	Designation
Mr. Myung Suk Chi, Managing Director	Chirman
Mr. Vijay Kamat, Alternate to Dr. Frankenberger	Member
Mr. Bhupesh P. Porwal, Chief Financial Officer	Member

The purpose of the committee is to assist the Board in fulfilling its corporate duties by overseeing the responsibilities with regard to the identification, evaluation and mitigation of operational, strategic and environmental risks. The Committee has the overall responsibility of monitoring and approving the risk policies and associated practices of the Company.

CS. Haresh Khilnani, Company Secretary and Head- Legal, acts as the Secretary to the Committee.

**8 (a) General Body Meetings**

Details of the locations of the last three Annual General Meetings (AGM) and details of the resolutions passed or to be passed by Postal Ballot:

Financial Year	Meeting and Venue	Day, Date and Time	Special Resolutions passed
2011	39th Annual General Meeting ABS Towers, Old Padra Road, Vadodara 390007.	Tuesday, 24 April 2012 11.00 a.m.	Change of name of the Company from Ineos ABS (India) Ltd. to Styrolution ABS (India) Ltd.
2012	40th Annual General Meeting ABS Towers, Old Padra Road, Vadodara 390007.	Friday, 26 April 2013 11.30 a.m.	No special resolution was passed
2013	41st Annual General Meeting ABS Towers, Old Padra Road, Vadodara 390007	Tuesday, 29 April 2014 11.30 a.m.	Commission to Independent Directors



(b) (i) **Special Resolution passed by the Members by way of Postal Ballot pursuant to Section 192A of the Companies Act, 1956 and Companies (passing of resolution by postal ballot) Rules, 2011.**

Appointment of Mr. Myung Suk Chi as an Executive Director of the Company

<b>Name of Scrutinizer</b>	<b>Mr. B. V. Dholakia</b>
Date of Report of Scrutinizer	19 June 2012
Date of declaration of Results / Date of approval of Members	19 June 2012

	Number of Postal Ballots	Number of Votes
Valid Ballots/ Votes	180	15,483,914
In favour	171	15,480,244
Percentage (%)	99.98	99.98
Against	9	3,670
Percentage (%)	0.02	0.02
Invalid Ballots / Votes	32	29,364

(ii) **Special Resolution passed by the Members by way of Postal Ballot pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014**

Resolution 1: Appointment of Mr. Jal R. Patel as an Independent Director

Resolution 2: Appointment of Mr. Ravindra Kulkarni as an Independent Director

Resolution 3: Appointment of Mr. Sharad M. Kulkarni as an Independent Director

<b>Name of Scrutinizer</b>	<b>CS. Devesh A Pathak</b>
Date of Report of Scrutinizer	26 March 2015
Date of declaration of Results / Date of approval of Members	26 March 2015

Particulars	No. of Shares (through Postal Ballot)	No. of Shares (through E-Voting)	Total No. of shares	% of Total Net Valid Votes (in percentage)
<b>Total No. of Votes received</b>				
Resolution 1	1,32,15,078	10,67,737	1,42,82,815	Not Applicable
Resolution 2	1,32,15,078	10,67,737	1,42,82,815	
Resolution 3	1,32,15,078	10,67,737	1,42,82,815	
<b>Total No. of Invalid Votes</b>				
Resolution 1	750	1	751	Not Applicable
Resolution 2	1,430	1	1,431	
Resolution 3	1,430	Nil	1,430	
<b>Net valid number of votes cast</b>				
Resolution 1	1,32,14,328	10,67,736	1,42,82,064	100%
Resolution 2	1,32,13,648	10,67,736	1,42,81,384	100%
Resolution 3	1,32,13,648	10,67,737	1,42,81,385	100%
<b>Total No. of Votes cast "In Favour"</b>				
Resolution 1	1,32,14,208	10,67,604	1,42,81,812	99.998%
Resolution 2	1,32,13,428	10,67,561	1,42,80,989	99.997%
Resolution 3	1,32,13,578	10,67,557	1,42,81,135	99.998%
<b>Total No. of Votes cast "Against"</b>				
Resolution 1	120	132	252	0.002%
Resolution 2	220	175	395	0.003%
Resolution 3	70	180	250	0.002%

### Procedure adopted for Postal Ballot:

In terms of Section 110 of the Companies Act, 2013 read with the Rules, Shareholders' consent was sought for the aforesaid by way of Postal Ballot CS. Devesh A Pathak, Practising Company Secretary was appointed as a Scrutinizer for carrying out the Postal Ballot Process. Report of the Scrutinizer was uploaded on the website of the Company as well as timely submitted to the Stock Exchanges.

### 9. Disclosures:

- a. There are no materially significant related party transactions entered into by the Company with its Promoters, Directors or Management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large. The Register of Contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval.
- b. Transactions with related parties are disclosed under notes to accounts.
- c. During the last three years, there were no strictures or penalties imposed by either the Securities and Exchange Board of India or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets.
- d. The Company complies with all the mandatory requirements of corporate governance as mandated under Clause 49 of the Listing Agreement.
- e. Pursuant to the provisions of sub – clause V of Clause 49 of the Listing Agreement with the Stock Exchanges, the Managing Director has issued a certificate to the Board, for the period ended 31 March 2015.

### Non-mandatory Requirements of Clause 49 (Annexure XIII to the Listing Agreement)

- a. **The Board:** The Company does not maintain a separate office for the Non-Executive Chairperson.
- b. **Audit Qualification:** There has been no Audit Qualification in the Audit Report by the Auditor in the period January 2014 – March 2015.
- c. **Separate Posts of Chairman and CEO:** The Chairman and Managing Director are two separate individuals with vast experience and expertise.
- d. **Reporting of Internal Auditor:** M/s Aneja & Associates, the Internal Auditors of the Company, submits report to the Audit Committee regularly.

### 10. Subsidiary Companies

The Company has one Wholly-owned subsidiary 'Styrolution India Private Limited' w.e.f 1 March 2014. The Company has already appointed an Independent Director on the Board of the said Subsidiary in compliance of Clause 49 of the Listing Agreement. The Board reviews the financial statements of the Company's unlisted subsidiary Company. The Minutes of the subsidiary Company along with a report on significant developments are periodically placed before and reviewed by the Board of Directors of the Company.

### 11. Risk Management Framework

The Board takes responsibility for the overall process of risk management in the organization. Your Company has integrated its risk monitoring procedures with the global Styrolution policies. Through a detailed Risk Management programme, each functional head addresses opportunities and the attendant risks through a systematic approach aligned to the Company's objectives. This is also facilitated by internal audit. The results of the risk assessment and residual risks are presented to the senior management. The Audit Committee also reviews reports covering operational, financial and other business risk areas.

### 12. Code of Conduct

The Company has in place the subject code framed specifically in compliance with the provisions of Clause 49 of the Listing Agreement with Stock Exchanges. The matters covered in this code are of utmost importance to the Company, our shareholders, clients and business partners. The purpose of this code is to articulate highest standards of honesty, integrity, ethical and law abiding behavior. It also aims to encourage the observance of these standards to protect and promote the interest of shareholders, employees, customers, suppliers and creditors. It sets out the responsibility and accountability and to report and investigate any reported violations of the code or unethical or unlawful behavior.

The Code of Conduct applicable to Board Members and key employees of the Company has been posted on the Company's website. For the period under review, all Board Members and senior management personnel of the Company have confirmed their adherence to the provisions of the said Code.

**13. The Management Discussion and Analysis Report forms part of this Annual Report.**

**14. CEO / CFO Certificate(s)**

The Managing Director and the Chief Financial Officer have submitted to the Board of Directors annual certification relating to financial reporting and internal controls for the period ended 31 March 2015 as required in terms of Clause 49 of the Corporate Governance Code.

**15. Means of Communication:**

Quarterly, half-yearly and annual results of the Company were published in leading English and vernacular newspapers viz. Business Standard and Loksatta. Additionally, the results, other important information and official news releases are also periodically updated on the Company's website viz. [www.styrolutionabsindia.com](http://www.styrolutionabsindia.com).

Further, the related information is uploaded / submitted to Stock Exchanges (BSE Limited and National Stock Exchange of India Limited) on time to time basis.

**Extensive Business Reporting Language (XBRL)**

XBRL is a language for electronic communication of business and financial data. It offers major benefits to all those who have to create, transmit, use or analyze such information which aids better analysis and decision making. Ministry of Corporate Affairs (MCA) had mandated certain companies to file their Annual Accounts vide this mode. The Company has filed its Annual Accounts on MCA through XBRL.

**Ministry of Corporate Affairs (MCA)**

The Company has periodically filed all the necessary documents with the MCA.

**SEBI Complaints Redress System (SCORES)**

A centralized web based complaints redress system which serves as a centralized database of all complaints received, enables uploading of Action Taken Reports (ATRs) by the concerned companies and online viewing by the investors of actions taken on the complaint and its current status.

**Annual Report**

The Annual Report containing *inter alia* the Audited Financial Statements, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is sent to the investors. Management Discussion and Analysis forms part of the Annual Report. Pursuant to the Green Initiative launched by the MCA, the Company also sends e-copies of the Annual Report to Members who have registered for the same.

The Annual Reports are also available on the Company's website.

**16. General Shareholder Information:**

- **42nd AGM:**
  - Date, Time and Venue** 4 August 2015 (Tuesday) at 11.30 a.m. at Ground Floor, ABS Towers, Old Padra Road, Vadodara – 390007.
- **Financial year** 1 April to 31 March
  - The financial results will be adopted as per the following tentative schedule :
  - First Quarter: First week of August 2015
  - Second Quarter: First week of November 2015
  - Third Quarter: First week of February 2016
  - Fourth Quarter: First week of May 2016
- **Dividend for the period** The Board of Directors of the Company has recommended a final dividend of ₹ 4 (@40%) per equity share for the period ended 31 March 2015. Dividend when declared at the Annual General Meeting will be paid to the Members, whose names appear on the Register of Members as on 31 July 2015.

## Styrolution ABS (India) Limited

- Date of book closure 31 July 2015
- Dividend Payment date 6 August 2015
- Corporate Identity Number (CIN) L25200GJ1973PLC002436
- Listing on Stock Exchanges
  - BSE Limited (BSE)  
Scrip Code:506222
  - National Stock Exchange of India Limited (NSE)  
Scrip Symbol : STYABS

Listing fees for the year 2014-15 have been paid to both the Stock Exchanges within stipulated time.

- **Distribution of shareholding as on 31 March 2015**

No. of shares ranging From – To	No. of Shareholders	% to Total	No. of Shares	% to Total
1 - 500	11,023	92.220	1,080,827	6.146
501 - 1000	497	4.158	396,466	2.255
1001 - 2000	217	1.815	320,489	1.822
2001 - 3000	76	0.636	192,903	1.097
3001 - 4000	36	0.301	129,508	0.736
4001 - 5000	34	0.284	159,470	0.907
5001 - 10000	42	0.352	303,321	1.725
10001 & above	28	0.234	15,002,641	85.312
<b>Total:</b>	<b>11,953</b>	<b>100.000</b>	<b>17,585,625</b>	<b>100.000</b>

- **Dematerialization of shares as on 31 March 2015:**

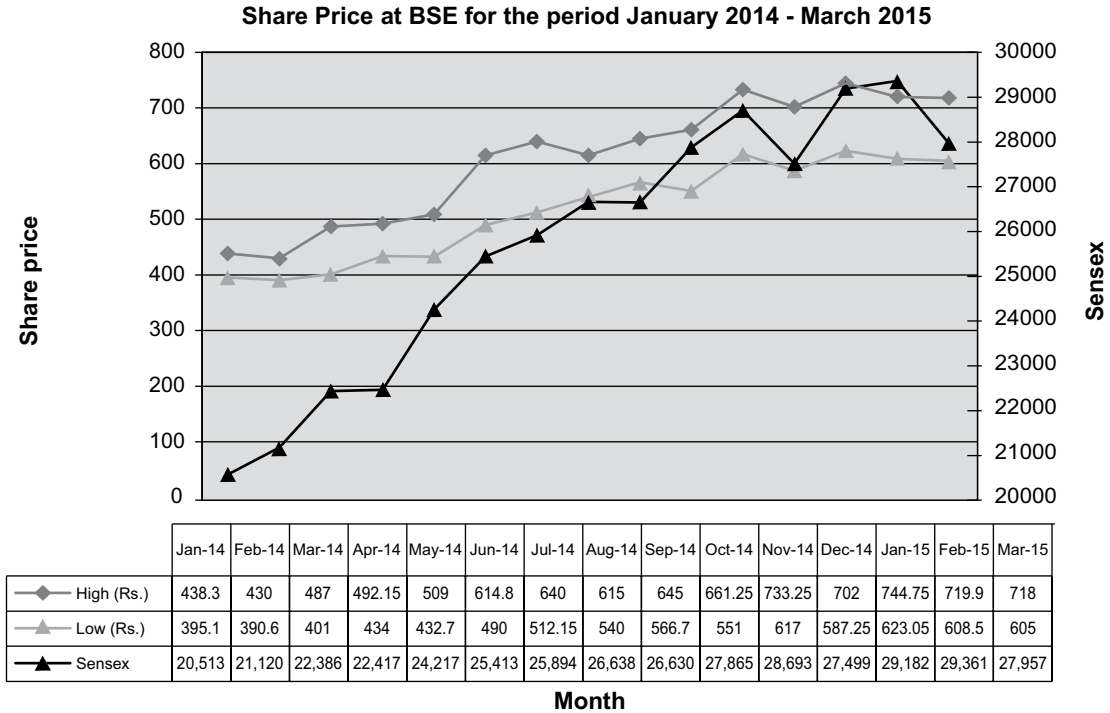
Particulars	31 March 2015		31 December 2013	
	No. of Shares	%	No. of Shares	%
No. of Demat Shares				
- NSDL	16,508,559	93.88	16,441,476	93.49
- CDSL	819,719	4.66	873,727	4.97
No. of Physical Shares	257,347	1.46	270,422	1.54
<b>Total</b>	<b>17,585,625</b>	<b>100.00</b>	<b>17,585,625</b>	<b>100.00</b>

ISIN for NSDL & CDSL	INE189B01011
Reconciliation of Share Capital Audit	Pursuant to Clause 47(c) of the Listing Agreement with the Stock Exchanges, certificates, on half-yearly basis, have been issued by a Company Secretary-in-Practice for due compliance of share transfer formalities by the Company. A Company Secretary-in-Practice carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

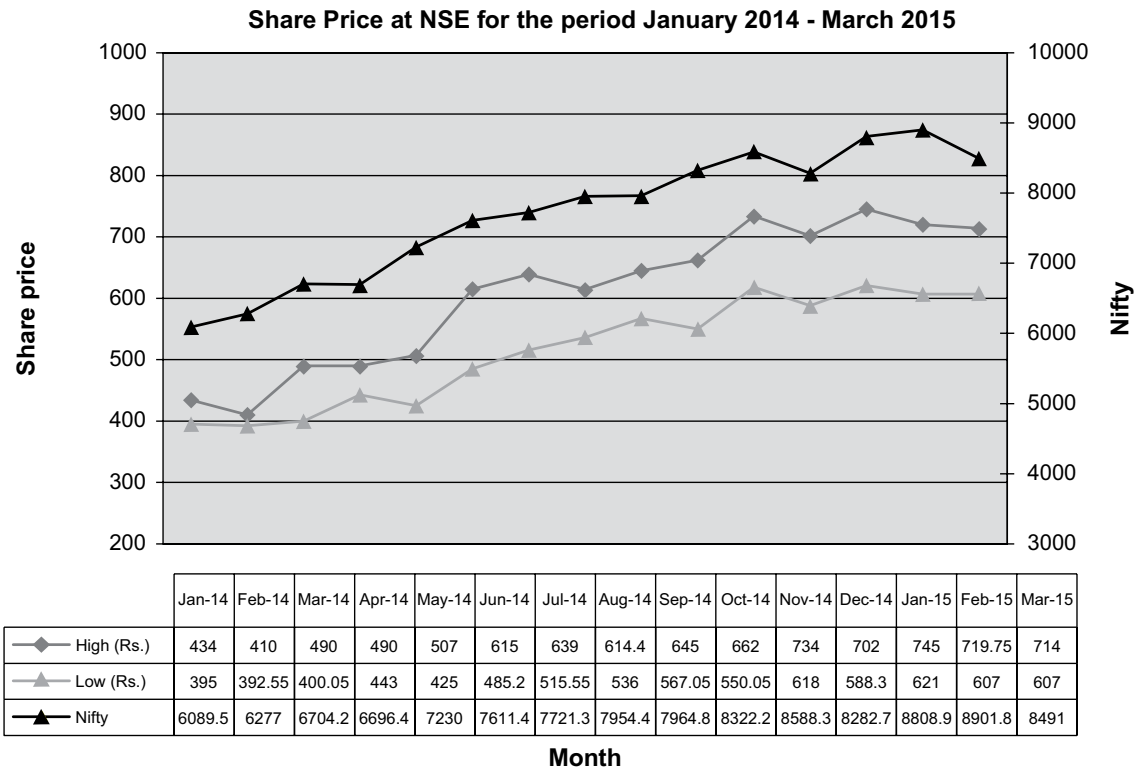
- High/low of market price of the Company's shares traded along with the volumes at BSE and NSE during the period January 2014 – March 2015 is furnished below:

Month	BSE (SENSEX)				NSE (NIFTY)			
	High Price (₹)	Low Price (₹)	No. of Shares	SENSEX	High Price (₹)	Low Price (₹)	No. of Shares Traded	NIFTY
January – 14	438.30	395.10	13,230,548	20,513.85	434.00	395.00	84,458	6089.50
February – 14	430.00	390.60	13,172	21,120.12	410.00	392.55	99,930	6276.95
March – 14	487.00	401.00	538,895	22,386.27	490.00	400.05	323,731	6704.20
April – 14	492.15	434.00	60,939	22,417.80	490.00	443.00	138,543	6696.40
May – 14	509.00	432.70	111,946	24,217.34	507.00	425.00	163,876	7229.95
June – 14	614.80	490.00	126,172	25,413.78	615.00	485.20	207,592	7611.35
July – 14	640.00	512.15	63,962	25,894.97	639.00	515.55	138,055	7721.30
August – 14	615.00	540.00	60,277	26,638.11	614.40	536.00	138,347	7954.35
September – 14	645.00	566.70	148,991	26,630.51	645.00	567.05	373,816	7964.80
October – 14	661.25	551.00	246,019	27,865.83	662.00	550.05	655,139	8322.20
November – 14	733.25	617.00	269,812	28,693.99	734.00	618.00	730,757	8588.25
December – 14	702.00	587.25	196,930	27,499.42	702.00	588.30	453,326	8282.70
January – 15	744.75	623.05	227,874	29,182.95	745.00	621.00	546,611	8808.90
February – 15	719.90	608.50	180,234	29,361.50	719.75	607.00	267,661	8901.85
March – 15	718.00	605.00	158,867	27,957.49	714.00	607.00	292,009	8491.00
Total Shares Traded			15,634,638		4,613,851			
Average Shares Traded			1,042,309		307,590			

Share Performance of the Company in graphical comparison at BSE (Sensex):



Share Performance of the Company in graphical comparison at NSE (Nifty):



▪ **Category wise shareholding as on 31 March 2015:**

Category	No. of shares	% of Shareholding
<b>Promoters</b>		
- Indian Promoters	-	-
- Foreign Promoters:		
Styrolution South East Asia Pte Ltd.	13,189,518	75.002
<b>Institutional Investors</b>		
- Mutual Funds / UTI	1,229,423	6.99
- Banks, Financial Institutions, Insurance Companies	8,495	0.05
- FIIs	68,274	0.39
- Trusts	0	0.00
<b>Others</b>		
- Corporate Bodies	287,320	1.63
- Indian Public	2,617,995	14.888
- NRIs / OCBs	71,192	0.41
- Any Others (Clearing Members)	113,408	0.64
<b>Grand Total</b>	<b>17,585,625</b>	<b>100.00</b>

- **Registrar and Share Transfer Agent** M/s. Link Intime India Private Limited  
 B -102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara - 390 020.  
  
 Phone : 91 265 2356573, 2356794 Fax : 91 2356791.  
 E-mail : vadodara@linkintime.co.in
- **Share transfer system** All the transfers received are processed by the Registrar and Share Transfer Agent and are processed twice in a month or more depending on the volume of transfers. Share transfers are registered and returned within maximum of 15 days from the date of lodgment if documents are complete in all respect.
- **Exchange of Share Certificates** The Shareholders holding share certificates of INEOS ABS (India) Limited, LANXESS ABS Limited, Bayer ABS Limited and/or ABS Industries Limited are requested to surrender the same at the Company's registered office at 6<sup>th</sup> Floor, ABS Towers, Old Padra Road, Vadodara – 390007 to get their share certificates with changed name of the Company i.e. Styrolution ABS (India) Limited.

- **Unclaimed dividend** Dividend declared for the year 2007 has been transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government and accordingly no claim shall lie in respect thereof.
- **Bank details for the purpose of dividend** Payment of Dividend will be made through National Electronic Clearing Service (NECS) at the RBI Centers by crediting the dividend amount to the Bank of the shareholders wherever relevant information is made available to the Company. Members holding shares in physical form and covered under RBI centers, who have not furnished requisite information and who wish to avail of the NECS facility to receive dividend from the Company, may furnish the information to the Company or M/s Link Intime India Private Limited, the Registrar and Share Transfer Agent. The members holding shares in electronic form may furnish the information to their Depository Participants, for receiving dividend through NECS mechanism.
- **Trading Window** In accordance with the Code of Conduct for prevention of insider trading adopted by the Company, Company closes trading window for designated employees from time to time. As per policy, trading window is closed from the third day of the close of the quarter for which financial results are prepared and opened after 3 days of conclusion of Board meeting in which the financial results are approved. The trading window is also closed during and after occurrence of price sensitive events as per the code for prevention of insider trading.
- **Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, likely to impact on equity as on 31 March 2015:** Not Issued.
- **Report on Corporate governance** The Company regularly submits to the Stock Exchanges, within the prescribed period, quarterly reports on Corporate Governance in hard copy and additionally electronically to the BSE & NSE.
- **Office of the Chairperson** The Company has a Non-Executive Chairperson.
- **Plant locations** The Company's plants are located at Nandesari, Katol and Poicha (Moxi) in Gujarat. Please refer front page of this Annual Report for the addresses of Plant Locations.



▪ **Address for correspondence**

Shareholders' correspondence should be addressed to the Company's Registrar and Share Transfer Agent at the address mentioned above.

Shareholders may also contact CS. Haresh Khilnani, Company Secretary and Head - Legal, at the Registered Office of the Company for any assistance.

Email ID : [secshare@styrolutionabsindia.com](mailto:secshare@styrolutionabsindia.com)

Tel. No. +91 265 2303201-02 Fax. +91 265 2303203

Website : [www.styrolutionabsindia.com](http://www.styrolutionabsindia.com)

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants.

For and on behalf of the Board

**Stephen Mark Harrington**  
Chairman

24 June 2015  
Vadodara

**CEO and CFO Certification**

To  
The Board of Directors  
Styrolution ABS (India) Limited

**We, Myung Suk Chi, Managing Director & Chief Executive Officer and Bhupesh P. Porwal, Chief Financial Officer of Styrolution ABS (India) Limited, to the best of our knowledge and belief, certify that:**

1. We have reviewed the financial statements, cash flow statement and all the notes on accounts for the period ended 31 March 2015.
2. Based on our knowledge and information, these statements do not contain any materially untrue statement or omit to state a material fact necessary to make statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
3. Based on our knowledge and information, these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
4. To the best of our knowledge and belief, there are no transactions entered into by the Company during the period that are fraudulent, illegal or violative of the Company's Code of Conduct.
5. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps have been taken or proposed to take to rectify these deficiencies.
6. We have indicated to the auditors and the audit committee:
  - (i) Significant changes in internal control during the period;
  - (ii) Significant changes in accounting policies during the period and that the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

24 June 2015  
Vadodara

**Myung Suk Chi**  
**Managing Director / CEO**

**Bhupesh P. Porwal**  
**Chief Financial Officer**

**Declaration by the Managing Director under Clause 49(II)(E)(2) of the Listing Agreement regarding compliance with Code of Conduct**

In accordance with Clause 49(II)(E)(2) of the Listing Agreement with the Stock Exchanges, I hereby confirm that all the Directors and the Senior Management Personnel of the Company have affirmed compliance with the Code of conduct, as applicable to them, for the period ended on 31 March 2015.

24 June 2015  
Vadodara

**Myung Suk Chi**  
Managing Director

**Certification of compliance with the Corporate Governance requirements under Clause 49 of the Listing Agreement**

**To**  
**The Members of**  
**Styrolution ABS (India) Limited**

We have examined the compliance of conditions of Corporate Governance by Styrolution ABS (India) Limited, ('the Company') for the 15 months period ended on 31 March 2015, as stipulated in Clause 49 of the Listing Agreement entered into by the Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

24 June 2015  
Vadodara

For **B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration number 101248W/W-100022

**Bhavesh Dhupelia**  
Partner  
Membership No.042070

### Management Discussion and Analysis Report

Styrolution is the leading, global styrenics supplier with a focus on styrene monomer, polystyrene, ABS Standard and styrenics specialties. With world-class production facilities Styrolution helps its customers succeed by offering the best possible solution, designed to give them a competitive edge in the markets.

Styrolution ABS (India) Ltd. is an Indian company within Styrolution Global Group.

### Industry Structure and Developments

Styrolution serves various industries focusing especially on automotive, home appliance, electrical and electronics, construction, and the healthcare industry. Changing economic and business conditions, evolving consumer preferences, rapid technological innovation and adoption and globalisation are creating an increasingly competitive market environment. In this environment, our customers are strongly focusing on cost-saving and innovative solutions. Styrolution is determined to support the success of its customers in their markets to give them a competitive edge. Styrolution strives to always provide its customers with the best solutions. Styrolution understands customer needs, makes products affordable and enhance the quality of life for a lot of people by making things more convenient, nicer and safer.

### Opportunities and Threats

With INEOS acquiring complete ownership of Styrolution effective 17 November 2014, your Directors are confident that the Company shall immensely benefit in stable raw material supplies, resulting also in strengthening Customer relations and market position. The Company has successfully implemented its organizational changes from Product oriented to an Industry focused organisation which has further strengthened the Company's market position in our focused industries. Your Directors strongly feel that with these new changes, the Company can further augment its presence in the Automotive, Construction, Healthcare, Household and Electrical industries.

Your Company will strengthen R&D capabilities which will lead to creating more value and innovative solutions. Supported by falling crude oil prices and rate cuts by the Central Bank, the Indian economy showed early signs of recovery in terms of rising manufacturing index and increase in consumer spending.

However, the unseasonal rains impacting Rabi crop has given setback to the rural economy. Moreso, the delay in passing of two important legislations i.e. GST Bill and Land Acquisition Bill in the Parliament are impacting the overall sentiment towards revival of Indian economy.

Inflation is expected to be pulled down in short term but to start rising thereafter to about 6.0 per cent by January 2016, which is slightly higher than the Central Bank's comfort zone and could be a cause of concern for the Central Bank to limit further rate cuts. Additionally, IMD has downgraded this year's monsoon forecast to 88 per cent of the long term average, raising fears of a drought in the country where nearly half of farmland lack irrigation facilities.

Risks are identified on periodical basis and corrective measures are taken, mitigating steps planned out wherever necessary and an active focused approach helps us in ensuring minimal impact to the Company, if any.

### Products

Your Company products viz. ABSOLAN and ABSOLAC continue to have a preferred market status amongst user industries such as Automotive, Construction, Healthcare, Household and Electronics. The successful launch of new products Novodur® HH and Luran® S has strengthened the market leadership of your Company especially in the Automotive industry. Further, your Company continues to launch new products with innovative solutions creating more value for its Customers.

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. With best-in-class production technology, advanced R&D skills, Company is perfectly equipped to ensure the highest level of quality, efficiency and innovation.

### Economic Outlook

India's gross domestic product at constant market prices (GDP) grew by 7.3 per cent in 2014-15. The growth is 40 basis points higher than the 6.9 per cent growth clocked by the economy in 2013-14.

With the National Elections having resulted in a resounding majority to a single political party in May 2014, public sentiment has since substantially improved and there is considerable hope that the new Government will start creating an environment conducive

to investment. Initial steps taken by the Government have been positive; however it will take some time before pending projects are cleared and will start contributing to the economy.

The Government's 'Make in India' program aimed at facilitating investment, foster innovation, enhance skill development and protect intellectual property is expected to generate new opportunities.

### **Risk Management Report**

Your Directors wish to state that Risk management and control practices have been deployed across all the functions and functional evaluation of rating probability and impact is being constantly monitored under the guidance of the Managing Director. Very high ranking risks are deliberated at the Board level and mitigating steps and measures applied or to be applied are discussed.

Your Company has integrated its risk monitoring procedures with the global Styrolution policies. The objectives of the Company's risk management framework comprise the following:

- To identify, assess, prioritize and manage existing as well as new risks in a planned and coordinated manner;
- To increase the effectiveness of internal and external reporting structure; &
- To develop a risk culture that encourages employees to identify risks and associated opportunities and respond to them with appropriate actions.

The Senior management team forming part of the risk managing organization conducts an exercise every quarter internally for an ongoing risk assessment and takes measures and effective steps to mitigate / reduce impact and control the same from time to time. The Managing Director gives overall directions in controlling / mitigating risks generally and is in complete know of the organizational risks potential. The Company has a proper system to ensure compliance of legal / regulatory requirements that are applicable to the Company.

### **Internal Control Systems and their adequacy**

The Company has an adequate system of internal controls in place. It has documented procedures covering all financial and operating functions. These controls have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls, monitoring of operations, protecting assets from unauthorized use or losses, compliances with regulations and for ensuring reliability of financial reporting. The Company has continued its efforts to align all its processes and controls with global best practices in these areas as well.

Some significant features of the internal control systems are:

- Corporate policies on accounting and major processes;
- Preparation and monitoring of annual budgets for all operating and service functions;&
- An on-going program for strengthening of the Code of Conduct. All employees of the Company are being regularly communicated on the subject.

Audit Committee of the Board of Directors, comprising entirely of independent directors, regularly reviews the audit plans, significant audit findings, adequacy of internal controls, compliance with Accounting Standards as well as reasons for changes in accounting policies and practices, etc.

### **Financial performance with respect to operational performance**

Financial Performance and Review of Operations forms part of the Directors' Report which details the Company's financial and operational performance.

### **Material developments in Human Resources / Industrial Relations front, including number of people employed**

Our employees are our most important assets. We believe that the quality and level of service that our employees deliver is satisfactory.

As at 31 March 2015, the Company employed approximately 775 employees, consisting of both permanent and employees on contract basis. Our culture and reputation as a leader in the ABS industry enables us to recruit and retain some of the best available talent in India. Our Human Resource (HR) division acts both as a service provider and as a governance unit in the various employee-related fields of work. The scope of activity include attraction, selection, talent development and rewarding of employees, while also

## Styrolution ABS (India) Limited

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overseeing organizational leadership and culture and ensuring compliance with employment and various applicable labour laws. Company's HR fosters a **trusting and open culture** by promoting **mutual respect and fairness** throughout the entire organization.

The Management has a strong belief that the industrial relations will remain cordial and harmonious and continues to be so in the year ahead. Your Directors believe that continuous HR interaction has and would lead to a healthy environment and a strong relationship of mutual trust.

### **Safety, Health and Environment (SHE)**

Styrolution is deeply committed to combining economic success with environmental and social responsibility. Guided by corporate value of "Responsibility" and Company's SHE policy, Company is continually working to meet the highest standards of corporate citizenship by protecting the health and safety of individuals, by safeguarding the environment, and by creating positive impact on the community it does business with.

For and on behalf of the Board

24 June 2015  
Vadodara

**Stephen Mark Harrington**  
Chairman

The above mentioned statements are to be viewed with caution and judicious understanding, as the Company's operations involves inbuilt risk due to uncertain economic conditions and unforeseen events beyond the Company's control. Shareholders' / Investors' ought to give due allowance to the statements accordingly.

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## Independent Auditors' Report on Standalone Financial Statements

### To The Members of Styrolution ABS (India) Limited

#### Report on the Financial Statements

We have audited the accompanying financial statements of Styrolution ABS (India) Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss and Cash Flow Statement for the period from 1 January 2014 to 31 March 2015, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ('the Act') read with General Circular 15/2013 dated 13 September 2013 issued by the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the said financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- i. in case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2015;
- ii. in case of the Statement of Profit and Loss, of the profit of the Company for the period from 1 January 2014 to 31 March 2015; and
- iii. in case of the Cash Flow Statement, of the cash flows of the Company for the period from 1 January 2014 to 31 March 2015.

#### Report on Other Legal and Regulatory Requirements

1. The MCA had on 01 April 2014, vide its General Circular number 07/2014, 'Dissemination of information with regards to the provisions of the Companies Act, 2013 as Notified till date vis a vis corresponding provisions of the Companies Act, 1956' identified such sections of the Companies Act, 1956 that would cease/ continue to have effect from 01 April 2014.

Accordingly, in terms of the aforesaid Circular, our reporting in respect of sections 227(3)(f) of the Companies Act, 1956, and clauses (iii), (v)(a) and (b), (vi), (viii), (xiv), (xviii) of the Companies (Auditor's Report) Order, 2003 ('the Order')(dealing with sections 49, 58A, 58AA, 209(1)(d) and 301 of the Companies Act, 1956) is only for the period beginning from 1 January 2014 till 31 March 2014 since as per the aforementioned MCA Circular these sections have ceased to have effect from 01 April 2014.

2. As required by the Companies (Auditor's Report) Order, 2003 ('the Order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
3. As required by Section 227 (3) of the Act, we report that:
  - a. we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with

- the Accounting Standards notified under the Act read with General Circular 15/2013 dated 13 September 2013 issued by the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013; and
- e. on the basis of written representation received from the directors of the Company, as on 31 March 2015, and taken on record by the Board of Directors, we report that none of the directors of the Company are disqualified during 1 January 2014 till 31 March 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.

For **BSR & Co. LLP**  
Chartered Accountants  
Firm's Registration No: 101248W/W-100022

**Bhavesh Dhupelia**  
Partner  
Membership No:042070

Mumbai  
18 May 2015

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**Annexure to the Independent Auditors' Report– 31 March 2015**

(Referred to in our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which the fixed assets are physically verified in a phased manner over a period of two years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme the Company has physically verified certain fixed assets during the year. No material discrepancies were noticed upon such verification.
- (c) Fixed assets disposed off during the period were not substantial, and therefore, do not affect the going concern assumption.
- (ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at the year-end, written confirmations have been obtained.
- (b) The procedures for physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) The Company has neither granted nor taken any loans, secured or unsecured, to or from companies, firms or other parties covered in the register maintained till 31 March 2014 under Section 301 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, and having regard to the explanation that purchases of certain items of inventories and services are for the Company specialised requirements and similarly certain goods sold and services rendered are for the specialised requirement of the buyers and suitable alternative sources are not available to obtain comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventories and fixed assets and with regard to the sale of goods and services. We have not observed any major weakness in the internal control system during the course of the audit.
- (v) In our opinion, and according to the information and explanations given to us, there are no contracts and arrangements the particulars of which need to be entered into the register maintained till 31 March 2014 under Section 301 of the Act. Accordingly, paragraph 4(v)(a) and (b) of the Order is not applicable.
- (vi) The Company has not accepted any deposits from the public.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 209(1)(d) of the Act till 31 March 2014 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Value added tax, Wealth tax, Service tax, Customs duty, Excise duty, Investor Education and Protection Fund and other material statutory dues have been generally regularly deposited during the period by the Company with the appropriate authorities.



According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, Sales tax, Value added tax, Wealth tax, Service tax, Customs duty, Excise duty, Investor Education and Protection Fund and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of Income tax, Sales tax/Value added tax, Wealth tax, Service tax, Customs duty and Excise duty which have not been deposited with the appropriate authorities on account of any dispute other than those mentioned in the Appendix 1 to this report.
- (x) The Company does not have any accumulated losses as at end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to its bankers. The Company did not have any outstanding debentures or dues to financial institutions during the period.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi/ mutual benefit fund/ society.
- (xiv) According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) The Company did not have any term loans outstanding during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that funds raised on short-term basis have not been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to companies/firms/parties covered in the register maintained under Section 301 of the Act till 31 March 2014.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) The Company has not raised any money by public issues during the year.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For **BSR & Co. LLP**  
 Chartered Accountants  
 Firm's Registration No: 101248W/W-100022

**Bhavesh Dhupelia**  
 Partner  
 Membership No:042070

Mumbai  
 18 May 2015

#### Appendix - 1

Name of the statute	Nature of dues	Demand (₹ In lakhs)	Amount paid under protest (₹ in lakhs)	Period to which the amount relates	Forum where the dispute is pending
The Central Sales Tax Act, 1956	Sales Tax including interest and penalty as applicable.	57.39	-	January 2001 to December 2001	Commissioner of Sales Tax (Appeals)
The Central Sales Tax Act, 1956	Sales Tax including interest and penalty as applicable.	15.23	15.23	2007-08	Deputy Commissioner of Tax
The Central Excise Act, 1944	Excise Duty including interest and penalty as applicable.	19.50	-	2009-11	Assistant Commissioner - Vadodara
		55.17	-	2007 to 2010	Additional Commissioner Vadodara
		5.88	-	October 2005 to September 2009	Deputy Commissioner Appeals – Vadodara
The Income Tax Act, 1961	Income Tax including interest and penalty as applicable	180.74	180.74	2008-09, 2009-10 and 2010-11	Income Tax Appellate
		112.20	112.20	1994-1995	Honourable High Court of Gujarat

## Styrolution ABS (India) Limited

### Balance Sheet as at March 31, 2015

	Note No.	March 31, 2015	December 31, 2013
(₹ in Lakhs)			
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholders' funds</b>			
Share capital	3	1,758.56	1,758.56
Reserves and surplus	4	48,622.01	45,966.33
		<b>50,380.57</b>	<b>47,724.89</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities (net)	5	2,288.73	622.94
Other long-term liabilities	6	-	6.91
Long-term provisions	7	179.62	1,501.94
		<b>2,468.35</b>	<b>2,131.79</b>
<b>Current liabilities</b>			
Short-term borrowings	8	10,957.97	8,928.64
Trade payables	9	15,001.65	20,437.89
Other current liabilities	10	3,113.68	4,644.62
Short-term provisions	11	908.47	843.72
		<b>29,981.77</b>	<b>34,854.87</b>
<b>Total</b>		<b>82,830.69</b>	<b>84,711.55</b>
<b><u>ASSETS</u></b>			
<b>Non-Current assets</b>			
Fixed assets	12		
Tangible assets		21,654.91	13,629.30
Capital work-in-progress		19.83	5,636.72
Non-current investments	13	10,103.98	4.50
Long-term loans and advances	14	2,593.59	2,042.40
Other non-current assets	15	18.83	13.44
		<b>34,391.14</b>	<b>21,326.36</b>
<b>Current assets</b>			
Current investments	16	-	3,320.49
Inventories	17	16,241.28	17,303.38
Trade receivables	18	20,228.28	22,089.16
Cash and bank balances	19	500.90	3,681.76
Short-term loans and advances	20	11,317.83	16,768.66
Other current assets	21	151.26	221.74
		<b>48,439.55</b>	<b>63,385.19</b>
<b>Total</b>		<b>82,830.69</b>	<b>84,711.55</b>

Significant accounting policies 2  
The accompanying notes are an integral part of the financial statements.

As per our report of even date attached  
For B S R & Co. LLP  
Chartered Accountants  
Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of  
Styrolution ABS (India) Limited  
CIN: L25200GJ1973PLC002436

Bhavesh Dhupelia  
Partner  
Membership No: 042070

H T Chang                      Ravindra Kulkarni      S. M. Kulkarni  
Chairman                      Director                      Director  
DIN 02425162                  DIN 00059367              DIN 00003640

Myung Suk Chi                      J. R. Patel  
Managing Director                  Director  
DIN 05225708                      DIN 00065021

Bhupesh P. Porwal                      Haresh Khilnani  
Chief Financial Officer                  Company Secretary

Mumbai, Dated : May 18, 2015

Vadodara, Dated : May 18, 2015

**Statement of Profit and Loss for the period ended March 31, 2015**

(₹ in Lakhs)

	Note No.	January 1, 2014 to March 31, 2015	January 1, 2013 to December 31, 2013
<b>Revenue from operations</b>	22		
Sale of products (gross)		164,384.00	125,475.56
Less: Excise duty		18,212.05	14,291.29
Sale of products (net)		<b>146,171.95</b>	<b>111,184.27</b>
Other operating revenue		156.98	265.63
<b>Other income</b>	23	470.02	1,078.55
<b>Total revenue</b>		<b>146,798.95</b>	<b>112,528.45</b>
<b>Expenses</b>			
Cost of raw and packing materials consumed	24	115,490.21	84,806.11
Changes in inventories of finished goods and work-in-progress	25	(1,354.98)	(54.86)
Employee benefits expense	26	4,378.66	2,885.54
Finance costs	27	1,264.99	45.71
Depreciation / Amortisation	12	2,132.28	1,339.61
Other expenses	28	19,714.58	15,763.90
<b>Total expenses</b>		<b>141,625.74</b>	<b>104,786.01</b>
<b>Profit before tax</b>		<b>5,173.21</b>	<b>7,742.44</b>
<b>Tax expenses</b>			
Current tax		211.68	3,733.45
Reversal of earlier years tax expense		(206.57)	-
Deferred tax charge/(credit)		1,665.79	(1,041.31)
		<b>1,670.90</b>	<b>2,692.14</b>
<b>Profit for the period / year</b>		<b>3,502.31</b>	<b>5,050.30</b>
Earnings per share (Basic and diluted) (₹)	46	19.92	28.72
(Face value per share of ₹ 10 each)			
Significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached  
 For B S R & Co. LLP  
*Chartered Accountants*  
 Firm's Registration No: 101248W/W-100022

Bhavesh Dhupelia  
 Partner  
 Membership No: 042070

For and on behalf of the Board of Directors of  
 Styrolution ABS (India) Limited  
 CIN: L25200GJ1973PLC002436

H T Chang                      Ravindra Kulkarni              S. M. Kulkarni  
 Chairman                      Director                      Director  
 DIN 02425162                  DIN 00059367                  DIN 00003640

Myung Suk Chi                      J. R. Patel  
 Managing Director                  Director  
 DIN 05225708                      DIN 00065021

Bhupesh P. Porwal                      Haresh Khilnani  
 Chief Financial Officer                  Company Secretary

Mumbai, Dated : May 18, 2015

Vadodara, Dated : May 18, 2015

Cash Flow Statement for the period ended March 31, 2015

	(₹ in Lakhs)	
	Period Ended March 31, 2015	Period Ended December 31, 2013
<b>A. Cash flow from Operating Activities</b>		
Profit before Tax	5,173.21	7,742.44
Adjustments for :		
Depreciation	2,132.28	1,339.61
Loss/(gain) on fixed assets sold/discarded (net)	(19.60)	2.24
Provisions for doubtful debts/advances written back (net)	-	(48.74)
Interest income on deposits	(100.48)	(730.89)
Interest income-others	(77.94)	(5.39)
Finance costs	1,264.99	45.71
Dividend on long term quoted Investment	(1.08)	(1.08)
Dividend on current unquoted investment	(33.41)	(171.27)
Provision for contingencies	281.18	47.72
	<b>3,445.94</b>	<b>477.91</b>
<b>Operating profit before Working Capital changes</b>	<b>8,619.15</b>	<b>8,220.35</b>
Changes in Working Capital:		
Increase/(Decrease) in Other long-term liabilities	(6.91)	0.04
(Decrease) in Long-term provisions	(1,603.50)	(43.62)
Increase/(Decrease) in Trade payables	(5,436.24)	14,722.38
Increase/(Decrease) in Other current liabilities	(1,529.37)	821.61
Increase/(Decrease) in Short-term provisions	41.10	(6.42)
(Increase)/Decrease in Long-term loans and advances	891.63	1,053.18
(Increase) in Other non-current assets	(5.39)	(1.82)
(Increase)/Decrease in Inventories	1,062.10	(7,783.96)
(Increase)/Decrease in Trade receivables	1,860.88	(4,575.30)
(Increase) in Short-term loans and advances	(549.17)	(3,115.05)
(Increase)/Decrease in Other current assets	65.69	(191.95)
	<b>(5,209.18)</b>	<b>879.09</b>
Cash generated from operations	<b>3,409.97</b>	<b>9,099.44</b>
Taxes paid (net)	(1,442.49)	(4,052.80)
<b>Net cash generated from Operating Activities</b>	<b>1,967.48</b>	<b>5,046.64</b>
<b>B. Cash flow from Investing Activities</b>		
Purchase of Tangible assets	(4,616.83)	(5,303.62)
Sale of Tangible assets	95.43	1.36
Decrease in Short term deposits	-	300.00
Intercompany deposit (given)/received back	6,000.00	-
Purchase of Current investments	(11,858.38)	(47,871.23)
Investment in Subsidiary Company	(10,099.48)	-
Sale of Current investments	15,178.87	46,255.88
Interest received	181.40	787.32
Dividend received	34.49	172.35
<b>Net cash (used in) Investing Activities</b>	<b>(5,084.50)</b>	<b>(5,657.94)</b>

**Cash Flow Statement for the period ended March 31, 2015 (Continued)**

	<b>Period Ended March 31, 2015</b>	<b>Period Ended December 31, 2013</b>
<b>(₹ in Lakhs)</b>		
<b>C. Cash flow from/(used in) Financing Activities</b>		
Dividends paid	(701.62)	(701.47)
Dividend distribution tax	(124.99)	(119.55)
Finance costs	(1,268.37)	(46.01)
Increase in short term loans	2,029.33	2,204.41
<b>Net cash generated from/(used in) Financing Activities</b>	<b>(65.65)</b>	<b>1,337.38</b>
<b>A+B+C Net increase/(decrease) in Cash and Cash equivalents</b>	<b>(3,182.67)</b>	<b>726.08</b>
<b>Cash and Cash equivalents at the beginning of the year</b>	<b>3,658.74</b>	<b>2,932.66</b>
<b>Cash and Cash equivalents at the end of the year</b>	<b>476.07</b>	<b>3,658.74</b>
Cash and cash equivalents comprise:		
Cash on hand	1.46	0.51
Balances with banks	474.61	3,658.23
<b>Total</b>	<b>476.07</b>	<b>3,658.74</b>

**Notes:**

- 1) The above Cash Flow Statement has been prepared under the "Indirect method" set out in Accounting Standard 3 "Cash Flow Statement".
- 2) Figures for the Previous Year have been regrouped and reclassified wherever necessary, to conform to the current period's classification (Refer Note 48).
- 3) Figures in bracket indicate cash outflow.

As per our report of even date attached

For B S R &amp; Co. LLP

*Chartered Accountants*

Firm's Registration No: 101248W/W-100022

Bhavesh Dhupelia

Partner

Membership No: 042070

For and on behalf of the Board of Directors of

Styrolution ABS (India) Limited

CIN: L25200GJ1973PLC002436

H T Chang

Chairman

DIN 02425162

Ravindra Kulkarni

Director

DIN 00059367

S. M. Kulkarni

Director

DIN 00003640

Myung Suk Chi

Managing Director

DIN 05225708

J. R. Patel

Director

DIN 00065021

Bhupesh P. Porwal

Chief Financial Officer

Haresh Khilnani

Company Secretary

Mumbai, Dated : May 18, 2015

Vadodara, Dated : May 18, 2015

**Notes to the financial statements for the period ended March 31, 2015**

**1. Company information**

STYROLUTION ABS (INDIA) LIMITED (the 'Company') is a public limited Company domiciled in India and is listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The Company is engaged in the "Engineering Thermoplastics". The Company has manufacturing facilities at Nandesari, Moxi and Katol and Research and Development centre at Moxi .

**2. Summary of significant accounting policies:**

**A. Basis of preparation**

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on an accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended], read with General Circular 15/2013 dated 13 September, 2013 issued by the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 1956 'the Act'. The financial statements are presented in Indian Rupees rounded off to the nearest lakhs.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the revised Schedule VI.

**Use of estimates**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

**B. Fixed assets and depreciation / amortisation:**

**Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation / impairment. Cost comprises of cost of acquisition, cost of improvements and any attributable cost of bringing the asset to the condition for its intended use. Interest on loans taken for procurement of specific qualifying assets accrued up to the date of acquisition/installation of the said assets is capitalised. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Depreciation for the year has been provided on all the tangible fixed assets (except in the case of leasehold land which is being amortised over the period of the lease) on the Straight Line Method at the rates specified as per Schedule XIV to the Companies Act, 1956.

Leasehold land is amortised on straight line basis over the period of lease.

Tangible fixed assets under construction are disclosed as capital work-in-progress.

**C. Investments:**

- i) Long term Investments are stated at cost, less other than temporary diminution in value, if any.
- ii) Current Investments are stated at cost or market value, whichever is lower.
- iii) Income on investment:  
Dividend income is accounted when the right to receive is established.

**D. Inventories:**

Inventories are valued at the lower of cost and net realisable value, which are determined as follows:

- i) Raw Materials (including stock lying at terminals), Packing Materials and Stores and Spares are valued at moving weighted average cost after taking credit for CENVAT, wherever applicable and Goods-in-transit at cost.
- ii) The cost of Work-in-progress and Finished Goods comprises of raw materials, direct labour, other direct costs and related production overheads based on normal capacity and Excise duty as applicable. Net realizable value is the estimate of the selling price less estimated cost of completion and estimated cost necessary to make the sale in the ordinary course of business as applicable.
- iii) Customs Duty as applicable is included in the cost of Raw Materials lying in stock.

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**Notes to the financial statements for the period ended March 31, 2015 (Continued)****2. Summary of significant accounting policies (Continued)****E. Revenue recognition:**

The Company recognises sales at the point of transfer of significant risks and rewards of ownership to the customers. Sales are net of Sales Tax and returns.

Revenue in respect of Duty Draw back, Insurance and other claims is recognised on accrual basis to the extent the ultimate realisation is reasonably certain. Interest income is recognised in the time proportion basis taking into account the amount invested and rate of interest. Indent Commission income is recognised on accrual basis.

**F. Research and development:**

Capital expenditure on Research and Development is treated in the same manner as Fixed Assets. The revenue expenditure on Research and Development is charged off as an expense in the year in which it is incurred.

**G. Foreign currency transactions:**

The transactions in foreign currencies are accounted at the exchange rate prevailing on the date of transactions. Gain or loss resulting from the settlement of such transaction and from the year end translation at the exchange rate prevailing on the balance sheet date of monetary assets and liabilities denominated in foreign currency are recognised in the Statement of Profit and Loss.

Premium or discount in respect of forward contracts obtained for underlying transaction is accounted over the period of contracts. The exchange difference measured by the change in rate between date of inception of forward contract and date of balance sheet is applied on foreign currency amount of the forward contract and is recognised in the Statement of Profit and Loss.

Forward contracts to which Accounting Standard (AS) 11 - 'The Effect of Change in Foreign Exchange Rates' is applicable, the accounting policy as stated above is followed. In respect of other derivative contracts including forward foreign exchange contracts to which the aforesaid accounting standard is not applicable are marked to market at the rate on the Balance Sheet date. The resultant exchange differences are recognised in the Statement of Profit and Loss.

**H. Current and deferred tax:**

Income tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the Income Tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

Current tax amount is measured at the amount expected to be paid to (recovered from) the taxation authorities, using applicable tax rates and tax laws.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised, however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company reassesses unrecognised deferred tax assets, if any.

**I. Employee benefits:****Short Term Employee Benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and are recognized in the Statement of Profit and Loss as an expense at the undiscounted amount on an accrual basis.

**Post Employment Employee Benefits****Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund and employee state insurance contribution to Government administered fund scheme which are

**Notes to the financial statements for the period ended March 31, 2015 (Continued)**

**2. Summary of significant accounting policies (Continued)**

defined contribution plans. The Company makes specified annual contribution towards superannuation fund to Life Insurance Corporation of India. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

**Defined benefit plans**

**Gratuity:** The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) by an independent actuary at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

**Compensated Absences:** Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences.

Accumulated compensated absences, which are expected to be availed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) by an independent actuary at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

**J. Provision and Contingent Liabilities**

The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation for which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect current best estimates. Contingent asset, are neither disclosed or recognised in the financial statements.

**K. Impairment of assets**

The carrying amounts of assets are reviewed at each balance sheet date for any indication of impairment based on internal/ external factors. Where the carrying value exceeds the estimated recoverable amount, provision for impairment is made to adjust the carrying value to the recoverable amount. The recoverable amount is the greater of the assets estimated net realizable value and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using an appropriate discounting rate. If at the Balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

**L. Operating lease**

Lease rentals in respect of assets acquired under operating lease are recognised as an expense in the statement of profit and loss on a straight line basis.

**M. Earnings per share**

The basic earnings per share are computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted EPS is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

**N. Borrowing costs**

Borrowing costs that are attributable to the acquisition, construction of qualifying assets are capitalised. Other borrowing costs are recognised as an expense in the period in which they are incurred.



**Notes to the financial statements for the period ended March 31, 2015 (Continued)**

(₹ in Lakhs)

March 31, 2015      December 31, 2013

**3. Share capital**
**Authorised**

 50,000,000 (previous year: 50,000,000) equity shares of ₹ 10 each 5,000.00      5,000.00
**Issued, subscribed and paid up**

 17,585,625 (previous year: 17,585,625) equity shares of ₹ 10 each fully paid-up 1,758.56      1,758.56
1,758.56      1,758.56
**a. Equity shares held by holding company**

Name of shareholder	Relationship	March 31, 2015	December 31, 2013
Styrolution (Jersey) Limited	Holding Company	-	13,189,218
Styrolution South East Asia Pte Ltd (Refer Note 3(f))	Holding Company	13,189,518	-

On 28<sup>th</sup> January, 2014, Styrolution (Jersey) Limited has transferred its entire holding of 13,189,218 (75%) equity shares to Styrolution South East Asia Pte Ltd, Singapore. Accordingly, the holding company of the Company is Styrolution South East Asia Pte. Ltd., Singapore with effect from 28<sup>th</sup> January, 2014.

**b. Rights, preferences and restrictions attached to the shares**

The Company has one class of equity share having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**c. Particulars of shareholders holding more than 5% equity shares in the company**

Name of shareholder	March 31, 2015		December 31, 2013	
	Number	Percentage	Number	Percentage
Styrolution (Jersey) Limited (Refer Note 3(a) above)	0	0.00%	13,189,218	75.00%
Styrolution South East Asia Pte Ltd	13,189,518	75.002%	0	0.00%

**d. Reconciliation of number of equity shares outstanding as at the beginning and at the end of reporting period**

Particulars	March 31, 2015		December 31, 2013	
	Number	₹ in Lakhs	Number	₹ in Lakhs
Shares outstanding at the beginning and at the end of the year	17,585,625	1,758.56	17,585,625	1,758.56

**e. Information on equity shares allotted without receipt of cash or allotted as bonus shares or shares bought back during five years immediately preceding March 31, 2015.**

No shares are allotted as bonus or allotted without receipt of cash during past five years and there has been no buy back of shares.

**f. Pursuant to the Open Offer of Styrolution South East Asia Pte Ltd, Singapore ('SSE') which closed on 3 March 2015, SSE received 300 shares from the public. As a result thereof, the total shareholding of SSE as on 31 March 2015 was increased to 13,189,518 equity shares (75.002%). SSE needs to divest 0.002% (300 shares only) of the Company's equity share capital by 12 March 2016 through various methods allowed by SEBI. In order to raise the public shareholding to 25%, Company had applied to SEBI for granting approval for sale of 300 shares by the SSE, through one or multiple transactions on the floor of the stock exchanges in the normal window to meet minimum public shareholding norms which was approved by SEBI vide its letter dated 20 April 2015.**

Notes to the financial statements for the period ended March 31, 2015 (Continued)

	(₹ in Lakhs)	
	March 31, 2015	December 31, 2013
<b>4. Reserves and surplus</b>		
<b>a) Capital reserves</b>		
Balance at the commencement and at the end of the year	0.14	0.14
<b>b) Securities premium account</b>		
Balance at the commencement and at the end of the year	4,328.39	4,328.39
<b>c) General reserve</b>		
Balance at the commencement of the year	8,123.06	7,618.06
Add: Amount transferred from Surplus	350.23	505.00
Balance at the end of the year	<u>8,473.29</u>	<u>8,123.06</u>
<b>d) Surplus in statement of profit and loss</b>		
Balance at the commencement of the year	33,514.74	29,797.86
Add: Profit for the year	3,502.31	5,050.30
Less: Proposed dividend	703.43	703.43
Less: Tax on proposed dividend	143.20	124.99
Less: Amount transferred to general reserve	350.23	505.00
Balance at the end of the year	<u>35,820.19</u>	<u>33,514.74</u>
<b>Total</b>	<u><u>48,622.01</u></u>	<u><u>45,966.33</u></u>
<b>5. Deferred tax liabilities (net)</b>		
(Refer Note 2(H))		
Deferred tax liabilities		
Arising on account of timing difference in Depreciation / amortisation of fixed assets	2,975.02	2,180.00
Deferred tax assets		
Arising on account of timing differences in:		
Provision for doubtful debts	25.16	24.71
Provision for compensated absences and employee payables	61.09	37.76
Provision for corporate cost	-	1,022.90
Disallowances under section 43B	4.47	-
Provision for contingencies	595.57	471.69
	<u>686.29</u>	<u>1,557.06</u>
<b>Total</b>	<u><u>2,288.73</u></u>	<u><u>622.94</u></u>
Deferred tax assets and Deferred tax liabilities have been offset as they relate to the same governing taxation laws.		
<b>6. Other long-term liabilities</b>		
Deposits received	-	6.91
<b>Total</b>	<u><u>-</u></u>	<u><u>6.91</u></u>

**Notes to the financial statements for the period ended March 31, 2015 (Continued)**

	(₹ in Lakhs)	
	March 31, 2015	December 31, 2013
<b>7. Long-term provisions</b>		
Provision for employee benefits (Refer Note 2(l) and 44)		
Compensated Absences	127.62	62.22
Provision for contingencies (Refer Note 45)	52.00	1,439.72
<b>Total</b>	<u><u>179.62</u></u>	<u><u>1,501.94</u></u>
<b>8. Short-term borrowings</b>		
(Unsecured)		
Bank loan *	6,650.00	-
Buyers Credit from Bank **	4,307.97	8,928.64
	<u><u>10,957.97</u></u>	<u><u>8,928.64</u></u>
<p>* Citi Bank : Repayable with an average tenure of 16 days. Interest is payable @ 9.73% (average rate).            HSBC Bank : Repayable with an average tenure of 3 days. Interest is payable @ 9.90% (average rate).</p> <p>** Buyers credit facility is taken towards purchase of raw-material which has been covered under letter of credit limit and carries interest rate of 1.25% to 2.00% and is generally repayable within 60 days from the date of extending credit.</p>		
<b>9. Trade payables</b>		
Micro and small enterprises (Refer Note 42)	-	-
Others	15,001.65	20,437.89
<b>Total</b>	<u><u>15,001.65</u></u>	<u><u>20,437.89</u></u>
<b>10. Other current liabilities</b>		
Interest accrued but not due on borrowings	3.22	6.60
Unclaimed dividend *	24.83	23.02
Advances received from customers	160.41	52.06
Employee related liabilities	645.30	609.11
Statutory dues	182.11	150.50
Payables for capital goods	323.96	157.17
Accrued expenses	1,773.85	3,646.16
<b>Total</b>	<u><u>3,113.68</u></u>	<u><u>4,644.62</u></u>
<p>* There are no amounts due for payment to the Investor Education and Protection Fund under Section 205C of the Companies Act, 1956 as at the year end.</p>		
<b>11. Short-term provisions</b>		
Provision for employee benefits (Refer Note 2(l) and 44)		
Gratuity	12.93	-
Compensated Absences	48.91	20.74
Proposed dividend on equity shares	703.43	703.43
Tax on proposed dividend	143.20	119.55
<b>Total</b>	<u><u>908.47</u></u>	<u><u>843.72</u></u>

Notes to the financial statements for the period ended March 31, 2015 (Continued)

12. Tangible fixed assets (Refer Notes 2(B) and 2(K))

(₹ in Lakhs)

PARTICULARS	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
	AS AT 01/01/2014	Additions	Deductions/ Adjustment	AS AT 31/03/2015	AS AT 01/01/2014	For the Year	Deductions/ Adjustment	AS AT 31/03/2015	AS AT 31/03/2015	AS AT 31/12/2013
FREE-HOLD LAND	85.49 (85.49)	-	-	85.49 (85.49)	-	-	-	-	85.49	(85.49)
LEASE-HOLD LAND	171.43 (171.43)	-	-	171.43 (171.43)	31.17 (28.77)	3.00 (2.40)	-	34.17 (31.17)	137.26	(140.26)
BUILDINGS	4,607.87 (3,928.90)	1,738.02 (678.97)	-	6,345.89 (4,607.87)	1,296.62 (1,152.34)	228.88 (144.28)	-	1,525.50 (1,296.62)	4,820.39	(3,311.25)
PLANT & MACHINERY AND EQUIPMENT	28,827.54 (26,972.80)	8,274.05 (1,862.59)	897.04 (7.85)	36,204.55 (28,827.54)	19,035.87 (17,910.08)	1,815.26 (1,130.49)	818.07 (4.70)	20,033.06 (19,035.87)	16,171.49	(9,791.67)
FURNITURE, FIXTURES	432.47 (429.51)	5.60 (2.96)	-	438.07 (432.47)	377.32 (359.56)	15.45 (17.76)	0.85	391.92 (377.32)	46.15	(55.15)
VEHICLES	177.98 (177.98)	38.26	-	216.24 (177.98)	144.13 (131.02)	17.38 (13.11)	-	161.51 (144.13)	54.73	(33.85)
OFFICE EQUIPMENTS	572.19 (525.50)	177.79 (48.68)	- (1.99)	749.98 (572.19)	360.56 (330.53)	52.31 (31.57)	2.29 (1.54)	410.58 (360.56)	339.40	(211.63)
<b>SUB TOTAL</b>	<b>34,874.97</b> (32,291.61)	<b>10,233.72</b> (2,593.20)	<b>897.04</b> (9.84)	<b>44,211.65</b> (34,874.97)	<b>21,245.67</b> (19,912.30)	<b>2,132.28</b> (1,339.61)	<b>821.21</b> (6.24)	<b>22,556.74</b> (21,245.67)	<b>21,654.91</b>	(13,629.30)
<b>CAPITAL WORK IN PROGRESS</b>	<b>5,636.72</b> (2,926.30)	<b>4,543.73</b> (5,162.20)	<b>10,160.62</b> (2,451.78)	<b>19.83</b> (5,636.72)					<b>19.83</b>	(5,636.72)
<b>TOTAL</b>	<b>40,511.69</b> (35,217.91)	<b>14,777.45</b> (7,755.40)	<b>11,057.66</b> (2,461.62)	<b>44,231.48</b> (40,511.69)					<b>21,674.74</b>	(19,266.02)

NOTES:

- Buildings include cost of shares of the face value of One thousand Rupees.
- Buildings include office premises at Mumbai amounting to ₹3.75 (Lakhs) (Previous Year ₹3.75 (Lakhs)) the title whereof are not yet clear.  
The Company has filed a Civil suit against the vendor for title.
- Figures in brackets pertain to previous year.

March 31, 2015      December 31, 2013

13. Non-current investments

(Refer Note 2(C))

**Other investments**

Investment in equity instruments (at cost)

**Quoted**

25,000 equity shares of Bank of Baroda of ₹ 2 each fully paid- up      4.25      4.25  
(previous year: 5,000 shares at ₹ 10 each)

**Unquoted**

1,000 (previous year: 1,000) shares of ₹ 25 each of Co-operative Bank of Baroda Limited, fully paid-up      0.25      0.25

**Investment in subsidiary company - Unquoted**

Styrolution India Private Limited      10,099.48      -  
61,544,634 (previous year: Nil) equity shares of ₹ 10 each fully paid-up

**Total**      **10,103.98**      **4.50**

Quoted non-current investments

Aggregate market value      40.83      32.29

Aggregate book value of unquoted non-current investments      10,099.73      0.25

**Notes to the financial statements for the period ended March 31, 2015 (Continued)**

	(₹ in Lakhs)	
	March 31, 2015	December 31, 2013
<b>14. Long-term loans and advances</b>		
(Unsecured and considered good)		
Capital advances	278.42	1,182.74
Security deposits	432.05	411.51
Other loans and advances		
Loan to employees	7.77	15.62
Balance with Income Tax Authorities (net of provision for tax of ₹ 27,341.23 (Lakhs), previous year ₹ 26,486.85 (Lakhs))	1,875.35	432.53
<b>Total</b>	<b><u>2,593.59</u></b>	<b><u>2,042.40</u></b>

<b>15. Other non-current assets</b>		
(Considered good unless otherwise stated)		
Bank deposits*	18.83	13.44
<b>Total</b>	<b><u>18.83</u></b>	<b><u>13.44</u></b>

\* Bank deposit due to mature after 12 months of the reporting date and held as lien by bank against bank guarantee and court order.

**16. Current investments (at lower of cost or net asset value)**

(Refer Note 2(C))

**Investments in Mutual Funds**

	Face Value	No of Units			
	(₹)	March 31, 2015	December 31, 2013	March 31, 2015	December 31, 2013
<b>Unquoted</b>					
SBI Premier Liquid Fund- Direct Plan- Daily Dividend Option Reinvestment	1,000	-	136,747	-	1,371.91
UTI Liquid Cash Plan Institutional - Direct Daily Income Option Reinvestment Option Daily Dividend Reinvestment	1,000	-	191,141	-	1,948.58
<b>Total</b>				<b><u>-</u></b>	<b><u>3,320.49</u></b>
Unquoted current investments					
Aggregate net asset value				-	3,320.49

**17. Inventories**

(Refer Note 2(D)) (at lower of cost or net realisable value)

Raw materials (including goods in transit ₹ 4,868.51 (Lakhs), previous year: ₹ 1,108.22 (Lakhs))		10,846.15	13,387.23
Packing materials		44.40	48.24
Work-in-progress		1,498.32	1,380.87
Finished goods		3,437.17	2,064.63
Stores and spares		415.24	422.41
<b>Total</b>		<b><u>16,241.28</u></b>	<b><u>17,303.38</u></b>

Notes to the financial statements for the period ended March 31, 2015 (Continued)

	March 31, 2015	(₹ in Lakhs) December 31, 2013
<b>18. Trade receivables</b>		
<b>(Unsecured)</b>		
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>		
Considered doubtful	72.71	72.71
	<u>72.71</u>	<u>72.71</u>
Less: Provision for doubtful debts	72.71	72.71
	<u>-</u>	<u>-</u>
<b>Other receivables</b>		
Considered good	20,228.28	22,089.16
<b>Total</b>	<u><u>20,228.28</u></u>	<u><u>22,089.16</u></u>
<b>19. Cash and bank balances</b>		
Cash and cash equivalents		
Cash on hand	1.46	0.51
Balances with banks		
In current accounts	474.61	1,708.23
In deposit accounts (with original maturity of 3 months or less)	-	1,950.00
	<u>474.61</u>	<u>3,658.23</u>
Other bank balances		
Earmarked balances with banks		
In unclaimed dividend account	24.83	23.02
	<u>24.83</u>	<u>23.02</u>
<b>Total</b>	<u><u>500.90</u></u>	<u><u>3,681.76</u></u>
<b>Details of Bank Balance deposit</b>		
Bank balances available on demand/deposits with original maturity of 3 months or less included under 'Cash and cash equivalents'	-	1,950.00
Bank deposits due to mature after 12 months of the reporting date included under 'Other non-current assets'	18.83	13.44
	<u>18.83</u>	<u>1,963.44</u>
<b>20. Short-term loans and advances</b>		
(Unsecured, considered good unless otherwise stated)		
To parties other than related parties		
Advances for supply of goods		
Considered good	899.70	1,554.08
Excise receivables	7,329.15	4,953.69
Custom duty receivables	835.20	1,662.44
VAT receivables	1,360.74	2,016.74
Service tax receivables	708.40	390.26
Prepaid expenses	123.72	36.91
Prepaid gratuity	-	58.90
Loans and advances to employees	56.32	89.31
Others	4.60	6.33
To related parties		
Intercorporate deposit to Styrolution India Private Limited	-	6,000.00
<b>Total</b>	<u><u>11,317.83</u></u>	<u><u>16,768.66</u></u>

**Notes to the financial statements for the period ended March 31, 2015 (Continued)**

	March 31, 2015	December 31, 2013
		(₹ in Lakhs)
<b>21. Other current assets</b>		
<b>(Unsecured, considered good)</b>		
Unamortised premium on forward contracts	79.85	146.76
Interest accrued on deposits	-	2.98
Accrued income from Styrolution India Private Limited	-	72.00
Other Current Assets	71.41	-
<b>Total</b>	<b>151.26</b>	<b>221.74</b>
	<b>January 1, 2014 to</b>	<b>January 1, 2013 to</b>
	<b>March 31, 2015</b>	<b>December 31, 2013</b>
<b>22. Revenue from operations</b>		
(Refer Note 2(E))		
<b>Sale of goods</b>		
Finished goods (Refer Note 35)	164,384.00	125,475.56
Less: Excise duty	18,212.05	14,291.29
Sale of goods (net)	<b>146,171.95</b>	<b>111,184.27</b>
<b>Other operating revenue</b>		
Commission income	80.99	135.82
Rental Income	3.99	9.07
Service charges	72.00	72.00
Provisions for doubtful debts/advances written back (net)	-	48.74
(Net of Provision for doubtful debts NIL, previous year: ₹ 25 (Lakhs))		
	<b>156.98</b>	<b>265.63</b>
<b>Total</b>	<b>146,328.93</b>	<b>111,449.90</b>
<b>23. Other income</b>		
Interest income (net)		
On deposits	100.48	730.89
Others	77.94	5.39
Dividend on long term quoted investment	1.08	1.08
Dividend on current unquoted investment	33.41	171.27
Profit on sale of fixed assets (net)	19.60	-
Miscellaneous income	237.51	169.92
<b>Total</b>	<b>470.02</b>	<b>1,078.55</b>
<b>24. Cost of raw and packing materials consumed</b>		
Raw materials consumed (Refer Note 34)		
Opening Stock	13,387.23	5,644.42
Add: Purchases	112,218.08	91,905.44
Less: Closing stock	10,846.15	13,387.23
	<b>114,759.16</b>	<b>84,162.63</b>
Packing materials consumed		
Opening Stock	48.24	27.11
Add: Purchases	727.21	664.61
Less: Closing stock	44.40	48.24
	<b>731.05</b>	<b>643.48</b>
<b>Total</b>	<b>115,490.21</b>	<b>84,806.11</b>

Notes to the financial statements for the period ended March 31, 2015 (Continued)

	January 1, 2014 to March 31, 2015	(₹ in Lakhs) January 1, 2013 to December 31, 2013
<b>25. Changes in inventories of finished goods and work-in-progress</b> (Refer Note 36)		
Closing stock :		
Finished products	3,437.17	2,064.63
Work-in-progress	1,498.32	1,380.87
	<u>4,935.49</u>	<u>3,445.50</u>
Less: Opening stock :		
Finished products	2,064.63	2,566.58
Work-in-progress	1,380.87	904.73
	<u>3,445.50</u>	<u>3,471.31</u>
Excise Duty on (Increase) / Decrease on Finished Goods	135.01	(80.67)
<b>Total</b>	<u><b>(1,354.98)</b></u>	<u><b>(54.86)</b></u>
<b>26. Employee benefits expense</b>		
Salaries, wages and bonus	3,761.14	2,537.81
Contribution to provident and other funds (Refer Note 44)	376.27	153.72
Staff welfare expenses	241.25	194.01
<b>Total</b>	<u><b>4,378.66</b></u>	<u><b>2,885.54</b></u>
<b>27. Finance costs</b>		
Interest expense	1,264.99	45.71
	<u><b>1,264.99</b></u>	<u><b>45.71</b></u>
<b>28. Other expenses</b>		
Advertisements and publicity	21.96	15.31
Bank charges and other financial charges	216.45	268.58
Commission	984.56	970.31
Communication expenses	46.02	38.81
Consumption of stores and spares	305.02	322.26
Corporate cost sharing expenses	2,616.66	1,548.46
CSR expenses	4.00	-
Directors' sitting fees	6.05	5.20
Donations	1.71	5.64
Environment expenses	263.11	105.21
Foreign exchange fluctuation (net)	1,017.90	1,164.77
Freight and forwarding expenses	2,287.76	2,022.08
Insurance	135.97	101.68
IT charges	274.20	436.24
Legal and professional charges	522.27	1,215.41
Loss on fixed assets sold/discarded (net)	-	2.24
Payment to the Auditor (Refer Note 31)	44.87	36.99
Power and fuel (net) (Refer Note 30)	5,293.93	3,886.55
Printing and stationery	41.23	30.58
Processing charges	456.38	107.84
Provision for contingencies (Refer Note 45)	281.18	47.72
Rates and taxes	24.74	22.30
Rebates and discounts	3,121.33	2,204.79
Rent (Refer Note 41)	311.81	108.34



**Notes to the financial statements for the period ended March 31, 2015 (Continued)**
**28. Other expenses (Continued)**

	January 1, 2014 to March 31, 2015	(₹ in Lakhs) January 1, 2013 to December 31, 2013
Repair - Buildings	16.27	48.80
Repair - Others	55.02	102.21
Repair - Plant and machinery	677.43	371.09
Travelling and conveyance expenses	401.14	322.14
Water charges	46.09	45.23
Miscellaneous expenses	239.52	207.12
<b>Total</b>	<b>19,714.58</b>	<b>15,763.90</b>

**29. Contingent liabilities and commitments**

I) Contingent liabilities		
a) Income tax	292.94	264.89
b) Excise duty	80.56	55.87
c) Sales tax	72.62	72.62
d) Bank guarantees	-	20.00
e) Claims against the Company not acknowledged as debt	76.81	76.89
f) Letter of credit pending shipment	-	52.33

Note: Future cash outflows in respect of (a), (b) and (c) above are determinable only on receipt of judgements/ decisions pending with various forums/ authorities.

II) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of capital advance)	77.72	1001.57

**Other commitments**

The Company has entered into firm commitments for purchase of 40,000 MT of Styrene monomer during the period January 15 to December 15 out of which the company has procured 6,731 MT up to March 15.

**30.** The Company has installed Wind Turbine Generators (WTG) at Lamba, Dhank and Pransla in Gujarat. The Local Power Station of the Madhya Gujarat Vij Company Limited (MGVCL) grants credit for the power units generated by the WTG. Accordingly, the amount of Power and Fuel consumption disclosed is net of such credit given by MGVCL aggregating to ₹ 486.33 (Lakhs) (Previous Year ₹ 427.17 (Lakhs)).

**31. Payment to the Auditor**

Audit Fees	28.36	24.00
Tax Audit Fees	5.00	5.00
Others (Limited Review, Certification etc.)	9.50	6.38
Out of Pocket Expenses	2.01	1.61
	<b>44.87</b>	<b>36.99</b>

**32.** The Company manufactures and sells ABS and SAN i.e. "Highly Specialized Engineering Thermoplastics". These products have the same risks and returns, which are predominantly governed by market conditions, namely demand and supply position. The Company sells both the products within the country and hence the segment based on geographical risk factors which may be present in different countries is not applicable. Thus, in the context of Accounting Standard 17 "Segment Reporting", notified under Section 211 (3C) [Companies (Accounting Standards) Rule, 2006, as amended] and other relevant provisions of the Companies Act, 1956, there is only one identified primary and secondary segment. As the Company's business activity falls within a single primary business segment and single geographical segment, the financial statements are reflective of the information required by Accounting Standard 17 on Segment Reporting.

**Notes to the financial statements for the period ended March 31, 2015 (Continued)**

33. Disclosure of the relationship and transactions with the related parties as defined in Accounting Standard 18 "Related Party Disclosures", notified under Section 211 (3C) [Companies (Accounting Standards) Rule, 2006, as amended] and other relevant provisions of the Companies Act, 1956 is as follows:

**RELATED PARTY TRANSACTIONS:**

**A. List of Related Parties with whom transactions have taken place**

(as identified and certified by the management)

**1. Where control exists**

**Ultimate Holding Company**

**Styrolution Holding GmbH**

Germany (from October 1, 2011 to November 16, 2014)

**INEOS AG**

Switzerland (from November 17, 2014)

**Holding Company**

holds 75.00% of the equity share capital  
(also refer Note 3(a))

**Styrolution (Jersey) Limited**

Channel Islands (upto January 27, 2014)

**Styrolution South East Asia Pte. Ltd.**

Singapore (w.e.f January 28, 2014)

**Styrolution India Private Limited**

Mumbai

**Wholly owned Subsidiary**

(w.e.f. March 1, 2014)

**2. Where transactions have taken place**

**Fellow subsidiaries**

**Styrolution Korea Ltd**

Korea

**Styrolution (Jersey) Limited**

Channel Islands (w.e.f January 28, 2014)

**Styrolution South East Asia Pte. Ltd.**

Singapore (upto January 27, 2014)

**Styrolution Thailand Co., Ltd.**

Thailand

**Styrolution Group GmbH**

Germany

**Styrolution Ludwigshafen GmbH**

(formerly known as Styrolution GmbH)

Frankfurt am Main

**Styrolution Europe GmbH**

Frankfurt am Main

**Styrolution Holding Company**

Mauritius

**INEOS SALES U.K. LIMITED**

Great Britain (from November 17, 2014)

**INEOS EUROPE AG**

Switzerland (from November 17, 2014)

**Mr. Myung Suk Chi**

Managing Director

**Key Managerial Personnel**

**Notes to the financial statements for the period ended March 31, 2015 (Continued)**
**33 Related Party Transactions: (Continued)**

(₹ in Lakhs)

	January 1, 2014 to March 31, 2015				January 1, 2013 to December 31, 2013			
	Holding Company	Other Related parties	Subsidiary Company	TOTAL	Holding Company	Other Related parties	Subsidiary Company	TOTAL
<b>1 Purchase of raw materials</b>								
INEOS SALES U.K. LIMITED	-	3,227.90	-	3,227.90	-	-	-	-
INEOS EUROPE AG	-	1,030.71	-	1,030.71	-	-	-	-
Styrolution Ludwigshafen GmbH (formerly known as Styrolution GmbH)	-	275.10	-	275.10	-	568.17	-	568.17
Styrolution India Pvt. Ltd.	-	-	2.45	2.45	-	113.53	-	113.53
Styrolution Korea Ltd	-	2,605.39	-	2,605.39	-	637.72	-	637.72
Styrolution South East Asia Pte. Ltd.	26,864.92	2,130.04	-	28,994.96	-	29,737.65	-	29,737.65
Styrolution Thailand Co., Ltd.	-	4,783.47	-	4,783.47	-	1,479.09	-	1,479.09
Styrolution Europe GMBH	-	1,088.39	-	1,088.39	-	-	-	-
	<b>26,864.92</b>	<b>15,141.00</b>	<b>2.45</b>	<b>42,008.37</b>	-	<b>32,536.16</b>	-	<b>32,536.16</b>
<b>2 Receiving of services</b>								
Styrolution South East Asia Pte. Ltd.	1,503.45	75.62	-	1,579.07	-	640.70	-	640.70
Styrolution India Pvt. Ltd.	-	29.04	174.38	203.42	-	111.98	-	111.98
Styrolution Group GmbH	-	1,311.79	-	1,311.79	-	1,066.73	-	1,066.73
	<b>1,503.45</b>	<b>1,416.45</b>	<b>174.38</b>	<b>3,094.28</b>	-	<b>1,819.41</b>	-	<b>1,819.41</b>
<b>3 Rendering of services</b>								
Styrolution Korea Ltd	-	49.25	-	49.25	-	105.41	-	105.41
Styrolution Group GmbH	-	77.73	-	77.73	-	42.68	-	42.68
Styrolution India Pvt. Ltd.	-	-	72.00	72.00	-	72.00	-	72.00
Styrolution Thailand Co., Ltd.	-	5.65	-	5.65	-	0.73	-	0.73
Styrolution South East Asia Pte. Ltd.	26.09	-	-	26.09	-	29.68	-	29.68
	<b>26.09</b>	<b>132.63</b>	<b>72.00</b>	<b>230.72</b>	-	<b>250.50</b>	-	<b>250.50</b>
<b>4 Sale of goods</b>								
Styrolution India Pvt. Ltd.	-	2.69	1,626.88	1,629.57	-	121.02	-	121.02
	-	<b>2.69</b>	<b>1,626.88</b>	<b>1,629.57</b>	-	<b>121.02</b>	-	<b>121.02</b>
<b>5 Intercorporate deposit given</b>								
Styrolution India Pvt. Ltd.	-	-	-	-	-	6,000.00	-	6,000.00
	-	-	-	-	-	<b>6,000.00</b>	-	<b>6,000.00</b>
<b>6 Intercorporate deposit received back</b>								
Styrolution India Pvt. Ltd.	-	6,000.00	-	6,000.00	-	-	-	-
	-	<b>6,000.00</b>	-	<b>6,000.00</b>	-	-	-	-
<b>7 Investment in subsidiary</b>								
Styrolution Holding Company	-	10,099.48	-	10,099.48	-	-	-	-
	-	<b>10,099.48</b>	-	<b>10,099.48</b>	-	-	-	-
<b>8 Interest on intercorporate deposit</b>								
Styrolution India Pvt. Ltd.	-	85.89	-	85.89	-	582.21	-	582.21
	-	<b>85.89</b>	-	<b>85.89</b>	-	<b>582.21</b>	-	<b>582.21</b>
<b>9 Dividend payment</b>								
Styrolution (Jersey) Limited	-	-	-	-	614.27	-	-	614.27
Styrolution South East Asia Pte. Ltd.	527.57	-	-	527.57	-	-	-	-
	<b>527.57</b>	-	-	<b>527.57</b>	<b>614.27</b>	-	-	<b>614.27</b>

## Styrolution ABS (India) Limited

### Notes to the financial statements for the period ended March 31, 2015 (Continued)

#### 33 Related Party Transactions: (Continued)

(₹ in Lakhs)

	January 1, 2014 to March 31, 2015				January 1, 2013 to December 31, 2013			
	Holding Company	Other Related parties	Subsidiary Company	TOTAL	Holding Company	Other Related parties	Subsidiary Company	TOTAL
<b>10 Outstanding Balances</b>								
As on March 31, 2015								
<b>Balances of Trade payables</b>								
Styrolution Europe GMBH	-	118.43	-	118.43	-	-	-	-
Styrolution Ludwigshafen GmbH (formerly known as Styrolution GmbH)	-	-	-	-	-	271.83	-	271.83
Styrolution South East Asia Pte. Ltd.	7,441.31	-	-	7,441.31	-	11,363.41	-	11,363.41
Styrolution Korea Ltd	-	142.74	-	142.74	-	532.85	-	532.85
Styrolution Thailand Co., Ltd.	-	-	-	-	-	315.49	-	315.49
Styrolution Group GmbH	-	2,542.84	-	2,542.84	-	-	-	-
Styrolution India Pvt. Ltd.	-	-	6.74	6.74	-	26.70	-	26.70
	<b>7,441.31</b>	<b>2,804.01</b>	<b>6.74</b>	<b>10,252.06</b>	-	<b>12,510.28</b>	-	<b>12,510.28</b>
<b>Balances of Accrued expenses</b>								
Styrolution Korea Ltd	-	-	-	-	-	113.00	-	113.00
Styrolution South East Asia Pte. Ltd.	-	-	-	-	-	723.18	-	723.18
Styrolution Group GmbH	-	-	-	-	-	1,276.44	-	1,276.44
	-	-	-	-	-	<b>2,112.62</b>	-	<b>2,112.62</b>
<b>Balances of Accrued income</b>								
Styrolution India Pvt. Ltd.	-	-	-	-	-	72.00	-	72.00
	-	-	-	-	-	<b>72.00</b>	-	<b>72.00</b>
<b>Balances of Corporate guarantee</b>								
Styrolution Group GmbH	-	18,000.00	-	18,000.00	-	18,000.00	-	18,000.00
	-	<b>18,000.00</b>	-	<b>18,000.00</b>	-	<b>18,000.00</b>	-	<b>18,000.00</b>
<b>Balance of Intercorporate deposit and interest accrued but not due thereon</b>								
Styrolution India Pvt. Ltd.	-	-	-	-	-	6,000.00	-	6,000.00
	-	-	-	-	-	<b>6,000.00</b>	-	<b>6,000.00</b>
<b>Balance of Trade receivables</b>								
Styrolution India Pvt. Ltd.	-	-	80.76	80.76	-	5.36	-	5.36
Styrolution Group GmbH	-	-	-	-	-	42.68	-	42.68
Styrolution South East Asia Pte. Ltd.	5.87	-	-	5.87	-	10.77	-	10.77
Styrolution Korea Ltd	-	3.16	-	3.16	-	7.26	-	7.26
Styrolution Thailand Co., Ltd.	-	6.34	-	6.34	-	0.73	-	0.73
INEOS EUROPE AG	-	118.92	-	118.92	-	-	-	-
	<b>5.87</b>	<b>128.42</b>	<b>80.76</b>	<b>215.05</b>	-	<b>66.80</b>	-	<b>66.80</b>

#### Details of transactions of Key management personnel

Nature of Transactions	January 1, 2014 to March 31, 2015	January 1, 2013 to December 31, 2013
<b>Director's Remuneration</b>		
Mr. Myung Suk Chi	595.91	394.90
	<b>595.91</b>	<b>394.90</b>

**Notes to the financial statements for the period ended March 31, 2015 (Continued)**

	January 1, 2014 to March 31, 2015	(₹ in Lakhs) January 1, 2013 to December 31, 2013
<b>34. Consumption of Raw Materials :</b>		
Acrylonitrile	26,251.27	17,340.35
Butadiene	8,936.92	9,100.62
Styrene	60,006.00	49,229.72
Others	19,564.97	8,491.94
	<u><b>114,759.16</b></u>	<u><b>84,162.63</b></u>
<b>35. Sales :</b>		
ABS Resins	143,256.03	112,229.25
SAN Resins	21,127.97	13,246.31
	<u><b>164,384.00</b></u>	<u><b>125,475.56</b></u>
<b>36. A) Stock of Raw Materials :</b>		
Opening Stock :		
Acrylonitrile	2,820.06	2,936.27
Butadiene	433.35	111.07
Styrene	7,013.40	1,330.32
Others	3,120.42	1,266.76
	<u><b>13,387.23</b></u>	<u><b>5,644.42</b></u>
Closing Stock :		
Acrylonitrile	4,627.98	2,820.06
Butadiene	844.74	433.35
Styrene	2,913.18	7,013.40
Others	2,460.25	3,120.42
	<u><b>10,846.15</b></u>	<u><b>13,387.23</b></u>
<b>B) Stock of Finished Goods :</b>		
Opening Stock :		
ABS Resins	1,745.19	2,049.85
SAN Resins	319.44	516.73
	<u><b>2,064.63</b></u>	<u><b>2,566.58</b></u>
Closing Stock :		
ABS Resins	2,794.41	1,745.19
SAN Resins	642.76	319.44
	<u><b>3,437.17</b></u>	<u><b>2,064.63</b></u>
<b>C) Stock of Work-in-progress</b>		
Opening Stock :		
ABS Resins	901.49	247.74
SAN Resins	479.38	656.99
	<u><b>1,380.87</b></u>	<u><b>904.73</b></u>
Closing Stock :		
ABS Resins	437.35	901.49
SAN Resins	1,060.97	479.38
	<u><b>1,498.32</b></u>	<u><b>1,380.87</b></u>
<b>37. Value of Imports on CIF basis :</b>		
Raw Materials	99,893.05	76,993.13
Capital Goods	131.21	395.31
Stores and Spares	28.74	4.54
	<u><b>100,053.00</b></u>	<u><b>77,392.98</b></u>

Notes to the financial statements for the period ended March 31, 2015 (Continued)

38. Value of Imported and Indigeneous Raw Materials and Stores consumed	(₹ in Lakhs)			
	January 1, 2014 to March 31, 2015		January 1, 2013 to December 31, 2013	
	₹ in Lakhs	%	₹ in Lakhs	%
(a) Raw Materials :				
Imported	102,255.97	89.10	74,682.70	88.74
Indigenous	12,503.19	10.90	9,479.93	11.26
	<u>114,759.16</u>	<u>100.00</u>	<u>84,162.63</u>	<u>100.00</u>
(b) Stores and Spares :				
Imported	7.52	2.47	6.11	1.90
Indigenous	297.50	97.53	316.15	98.10
	<u>305.02</u>	<u>100.00</u>	<u>322.26</u>	<u>100.00</u>

39. The Company has taken forward contract to cover its foreign currency exposures as follows:

		March 31, 2015		December 31, 2013	
		Payables		Payables	
		Amount in foreign currency (in Lakhs)	Amount in INR (in Lakhs)	Amount in foreign currency (in Lakhs)	Amount in INR (in Lakhs)
Trade payables	USD	168.75	10,701.33	338.32	21,341.11
Buyers credit	USD	16.54	1,037.49	-	-

The foreign currency exposures not covered by any derivative instruments are as follows:

		March 31, 2015		December 31, 2013	
		Payables		Payables	
		Foreign Currency (in Lakhs)	₹ in Lakhs	Foreign Currency (in Lakhs)	₹ in Lakhs
EURO		37.57	2,549.10	24.14	2,060.74
USD		53.36	3,343.46	77.03	4,768.14
JPY		17.27	9.02	-	-
SGD		0.07	3.36	-	-

		March 31, 2015		December 31, 2013	
		Receivables		Receivables	
		Foreign Currency (in Lakhs)	₹ in Lakhs	Foreign Currency (in Lakhs)	₹ in Lakhs
EURO		-	-	0.50	42.68
USD		0.24	15.29	0.30	18.57

**Notes to the financial statements for the period ended March 31, 2015 (Continued)**

	January 1, 2014 to March 31, 2015	(₹ in Lakhs) January 1, 2013 to December 31, 2013
<b>40. A) Expenditure in Foreign Currency (on accrual basis)</b>		
Corporate cost sharing expenses	2,616.66	1,548.46
IT Charges	273.96	158.97
Salary Cost	174.16	84.87
Travelling Expenses	32.44	20.72
Professional fees	7.59	7.79
Others	<u>61.30</u>	<u>28.66</u>
	<b><u>3,166.11</u></b>	<b><u>1,849.47</u></b>
<b>B) Earnings in Foreign Currency (on accrual basis)</b>		
Commission income	80.99	135.09
R&D income	<u>77.73</u>	<u>42.68</u>
	<b><u>158.72</u></b>	<b><u>177.77</u></b>

41. The Company's significant leasing arrangements are mainly in respect of residential and office premises. The aggregate lease rentals payable on these leasing arrangements are charged as Rent under "Other Expenses" in Note 28. These leasing arrangements are for a period not exceeding three years and are in most cases renewable by mutual consent, on mutually agreeable terms.

Future lease rentals payable in respect of residential and office premises on non-cancellable lease:

Payable	₹ in Lakhs	
	As at March 31, 2015	As at December 31, 2013
Not Later than one year	58.54	5.20
Later than one year but not later than five years	103.86	47.87
Later than five years	-	-

42. Disclosures as required by the Micro, Small and Medium Enterprises Development Act, 2006 are as under:

	January 1, 2014 to March 31, 2015 ₹ in Lakhs	January 1, 2013 to December 31, 2013 ₹ in Lakhs
(a) The principal amount and interest due thereon remaining unpaid to suppliers		
(i) Principal	-	-
(ii) Interest due thereon	-	-
(b) (i) The delayed payments of principal amount paid beyond the appointed date during the year"	-	-
(ii) Interest actually paid under Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(c) (i) Normal interest accrued during the year, for all the delayed payments, as per the agreed terms.	-	-
(ii) Normal interest payable for the period of delay in making payment, as per the agreed terms."	-	-
(d) (i) Total Interest accrued during the year	-	-
(ii) Total Interest accrued during the year and remaining unpaid	-	-
(e) Included in (d) above is NIL (previous year: ₹ 0.08 Lakhs) being interest on amounts outstanding as at the beginning of year.	-	0.08

The above information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

43. The Company has undertaken necessary steps to comply with the Transfer Pricing regulations. The Company's international transactions with associated enterprises are at arm's length as per independent accountant's report for the year ended 31 March 2014. The Management is of the opinion that the international and domestic transactions post 31 March 2014 continue to be at arm's length and hence the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

Notes to the financial statements for the period ended March 31, 2015 (Continued)

44. Employee benefits

(₹ in Lakhs)

The Company has classified the various benefits provided to employees as under

1 Defined contribution plans

- a. Provident Fund
- b. Superannuation Fund
- c. State defined contribution plan
  - i. Employer's contribution to Employee's state insurance

The Company has no further obligation beyond making contribution to the respective fund.

During the period, the Company has recognised the following amounts in the Statement of Profit and Loss:

	January 1, 2014 to March 31, 2015	January 1, 2013 to December 31, 2013
- Employer's contribution to Provident Fund	169.33	92.65
- Employer's contribution to Superannuation Fund	74.84	36.02
- Employer's contribution to Employee's state insurance	3.20	4.37

Included in contribution to Provident Fund and other funds (Refer Note 26)

2 Defined Benefit Plans

Contribution to Gratuity Fund (Funded Scheme)

In accordance with Accounting Standard 15 (Revised 2005), actuarial valuation was performed in respect of the aforesaid defined benefit plans based on the following assumptions:

Discount rate (per annum)	8.00%	8.00%
Rate of increase in compensation levels (per annum)	6.50%	5.00%
Rate of return on plan assets (for funded scheme)	8.26%	7.93%

A) Changes in the present value of obligation

Present value of obligation as at January 1, 2014	523.52	495.72
Interest cost	52.36	39.66
Current service cost	41.12	28.63
Benefits paid	(124.95)	(46.42)
Actuarial (gain)/loss on obligations	73.50	5.93
Present value of obligation as at March 31, 2015	<b>565.55</b>	<b>523.52</b>

B) Changes in the fair value of plan assets

(For funded scheme)

Present value of plan assets as at January 1, 2014	582.42	549.87
Actual return on plan assets	60.17	48.97
Contributions	34.98	30.00
Benefits paid	(124.95)	(46.42)
Fair value of plan assets as at March 31, 2015	<b>552.62</b>	<b>582.42</b>

C) Reconciliation of present value of defined benefit obligation and the fair value of assets

Present value of obligation as at March 31, 2015	565.55	523.52
Fair value of plan assets as at March 31, 2015	<b>552.62</b>	<b>582.42</b>
Funded status	<b>(12.93)</b>	<b>58.90</b>
Unrecognised actuarial (gains)/losses		
Unfunded liability/(Net asset) recognised in balance Sheet	12.93	(58.90)
Included in 'Prepaid gratuity' under Short term loans and advances (Refer Note 20)		



**Notes to the financial statements for the period ended March 31, 2015 (Continued)**
**44. Employee benefits (Continued)**

	January 1, 2014 to March 31, 2015	January 1, 2013 to December 31, 2013			
<b>₹ in Lakhs</b>					
<b>D) Amount recognised in the Balance Sheet</b>					
Present value of obligation as at March 31, 2015	565.55	523.52			
Fair value of plan assets as at the end of the year	552.62	582.42			
Liability/(Asset) recognised in the balance sheet	<u>12.93</u>	<u>(58.90)</u>			
Included in 'Prepaid gratuity' under Short term loans and advances (Refer Note 20)					
<b>E) Expenses recognised in the statement of profit and loss</b>					
Current service cost	41.12	28.63			
Interest cost	52.36	39.66			
Actual return on plan assets	(60.17)	(48.97)			
Settlement Cost/(Credit)					
Net actuarial (gain)/loss recognised in the year	73.50	5.93			
Total expenses recognised in the statement of profit and loss	<u>106.81</u>	<u>25.25</u>			
Included in contribution to Provident and Other Funds (Refer Note 26)					
<b>F) Actual Return on Plan Assets</b>					
Expected return on Plan Assets	60.17	48.97			
Actuarial gain/(loss) on plan assets	-	-			
Actual return on plan assets	<u>60.17</u>	<u>48.97</u>			
<b>G) Experience Adjustment</b>					
	<b>2014-15*</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
On Plan liabilities	73.50	5.93	23.73	39.50	19.49
On Plan assets	1.93	4.97	30.69	0.32	1.63
* for 15 months from January 14 to March 15					
<b>H) Expected employer's contribution for the next year</b>					
		<b>2014-15*</b>			<b>2013</b>
		77.55			9.40
<b>I) Investment details of plan assets</b>					
Administered by LIC of India		<b>2014-15*</b>	<b>2013</b>	<b>2012</b>	
		100%	100%	100%	

The estimates of future salary increase, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The expected rate of return on plan assets is based on market expectations at the beginning of the year. The rate of return on long-term government bonds is taken as reference for this purpose.

3. The Actuarial liability for compensated absences as at year end is ₹ 176.53 (Lakhs) (Previous Year ₹ 82.96 (Lakhs)). Current year charge is included in Employee benefit expense (Refer Note 26).

**45. Provision for contingencies**

Particulars	March 31, 2015	December 31, 2013
Provision for contingencies		
Carrying Amount at the beginning of the year	1,439.72	1,392.00
Additions during the year	281.18	47.72
Utilisation during the year	1,668.90	-
Carrying Amount at the close of the year	52.00	1,439.72

**Notes to the financial statements for the period ended March 31, 2015 (Continued)**

**45. Provision for contingencies (Continued)**

Represents estimates made for probable liabilities arising out of commercial transactions with parties and pending settlement of duties/levies with various government authorities. The information usually required by Accounting Standard 29 "Provisions, Contingent Liabilities and Contingent Assets" notified under section 211 (3C) of the Companies Act 1956, is not disclosed on the grounds that it can be expected to prejudice the interest of the Company. The timing of the outflow with regard to the said matters depends on exhaustion of remedies available to the Company under the Law and hence the Company is not able to reasonably ascertain the timing of the outflow.

**46. Earnings per equity share (EPS)**

EPS is calculated by dividing the profit attributable to the equity shareholders by average number of equity shares outstanding during the year. Numbers used in calculating basic and diluted earnings per equity shares are as stated below:

	<b>March 31, 2015</b>	<b>December 31, 2013</b>
<b>Values used in calculating EPS:</b>		
a) Numerator : Profit After Tax (₹ in Lakhs)	3,502.31	5,050.30
b) Denominator : Number of equity shares	17,585,625	17,585,625
<b>Earnings per share (Basic and Diluted) (₹)</b>	<b>19.92</b>	<b>28.72</b>
Face value per share (₹)	10	10

There is no change in the number of equity shares during the year.

**47. Net dividend remitted in foreign exchange**

	1-1-2013 to 31-12-2013	1-1-2012 to 31-12-2012
Period to which dividend relates		
Number of non-resident shareholders	One	One
Number of equity shares held on which dividend was due	13,189,218	15,356,780
Amount remitted (₹ Lakhs)	527.57	614.27

**48.** Current tax expense for the period comprises of charge for the period 1 April 2014 to March 2015 and reversal of tax expense for Jan 14 – March 14 on actualization of the tax expense for year ended 31 March 2014 based on the return of income filed. This has resulted in lower current tax charge for the period ended March 31, 2015. Increase in net deferred tax liability as at 31 March 2015 on account of depreciation and a reduction in deferred tax assets as on March 31, 2015 as compared to December 31, 2013 has resulted in higher deferred tax expense for the period ended March 31, 2015.

**49.** Current period financial statements are for 15 months and accordingly not comparable to previous year.

As per our report of even date attached  
For B S R & Co. LLP  
*Chartered Accountants*  
Firm's Registration No: 101248W/W-100022

Bhavesh Dhupelia  
Partner  
Membership No: 042070

For and on behalf of the Board of Directors of  
Styrolution ABS (India) Limited  
CIN: L25200GJ1973PLC002436

H T Chang Chairman DIN 02425162	Ravindra Kulkarni Director DIN 00059367	S. M. Kulkarni Director DIN 00003640
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Myung Suk Chi Managing Director DIN 05225708	J. R. Patel Director DIN 00065021
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Bhupesh P. Porwal Chief Financial Officer	Haresh Khilnani Company Secretary
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Mumbai, Dated : May 18, 2015

Vadodara, Dated : May 18, 2015

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## **Independent Auditors' Report on Consolidated Financial Statements To the Members of Styrolution ABS (India) Limited**

### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Styrolution ABS (India) Limited ('the Company') and its subsidiary (collectively referred to as 'the Group') which comprise the Consolidated Balance Sheet as at 31 March 2015, and the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the 15 months period from 1 January 2014 to 31 March 2015, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Consolidated Financial Statements**

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. The responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

We report that the Consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard (AS) 21 – Consolidated Financial Statements, notified under Section 211(3C) of the Companies Act, 1956 read with the General Circular No. 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- i. in case of the Consolidated Balance Sheet, of the state of affairs of the Company as at 31 March 2015;
- ii. in case of the Consolidated Statement of Profit and Loss, of the profit for the 15 months period from 1 January 2014 to 31 March 2015; and
- iii. in case of the Consolidated Cash Flow Statement, of the cash flows for the 15 months period from 1 January 2014 to 31 March 2015.

For **B S R & Co. LLP**  
*Chartered Accountants*  
Firm's Registration No: 101248W/W-100022

Mumbai  
18 May 2015

**Bhavesh Dhupelia**  
Partner  
Membership No: 042070

## Styrolution ABS (India) Limited

### Consolidated Balance Sheet as at March 31, 2015

	Note No.	(₹ in Lakhs) March 31, 2015
<b><u>EQUITY AND LIABILITIES</u></b>		
<b>Shareholders' funds</b>		
Share capital	2	1,758.56
Reserves and surplus	3	46,932.28
		<b>48,690.84</b>
<b>Non-current liabilities</b>		
Deferred tax liabilities (net)	4	2,288.73
Other long-term liabilities	5	56.65
<b>Long-term provisions</b>	6	278.16
		<b>2,623.54</b>
<b>Current liabilities</b>		
Short-term borrowings	7	16,957.97
Trade payables	8	29,961.15
Other current liabilities	9	3,572.69
Short-term provisions	10	984.62
		<b>51,476.43</b>
<b>Total</b>		<b>102,790.81</b>
<b><u>ASSETS</u></b>		
<b>Non-Current assets</b>		
Goodwill on Consolidation		2,233.63
Fixed assets	11	
Tangible assets		26,533.68
Capital work-in-progress		19.83
Non-current investments	12	5.66
Long-term loans and advances	13	4,554.50
Other non-current assets	14	18.83
		<b>33,366.13</b>
<b>Current assets</b>		
Inventories	15	21,179.39
Trade receivables	16	26,455.81
Cash and bank balances	17	2,012.94
Short-term loans and advances	18	19,491.13
Other current assets	19	285.41
		<b>69,424.68</b>
<b>Total</b>		<b>102,790.81</b>
Significant accounting policies	1	

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date attached  
For B S R & Co. LLP  
*Chartered Accountants*  
Firm's Registration No: 101248W/W-100022

Bhavesh Dhupelia  
Partner  
Membership No: 042070

For and on behalf of the Board of Directors of  
Styrolution ABS (India) Limited  
CIN: L25200GJ1973PLC002436

H T Chang                      Ravindra Kulkarni              S. M. Kulkarni  
Chairman                      Director                      Director  
DIN 02425162              DIN 00059367              DIN 00003640

Myung Suk Chi                      J. R. Patel  
Managing Director                      Director  
DIN 05225708                      DIN 00065021

Bhupesh P. Porwal                      Haresh Khilnani  
Chief Financial Officer                      Company Secretary

Mumbai, Dated : May 18, 2015

Vadodara, Dated : May 18, 2015

**Consolidated Statement of Profit and Loss for the period ended March 31, 2015**

	Note No.	(₹ in Lakhs) January 1, 2014 to March 31, 2015
<b>Revenue from operations</b>	20	
Sale of products (gross)		227,449.00
Less: Excise duty		25,301.52
Sale of products (net)		<b>202,147.48</b>
Other operating revenue		1,894.35
<b>Other income</b>	21	556.87
<b>Total revenue</b>		<b>204,598.70</b>
<b>Expenses</b>		
Cost of raw and packing materials consumed	22	164,743.98
Changes in inventories of finished goods and work-in-progress	23	424.88
Employee benefits expense	24	5,541.52
Finance costs	25	2,158.98
Depreciation / Amortisation	11	3,172.54
Other expenses	26	24,993.19
<b>Total expenses</b>		<b>201,035.09</b>
<b>Profit before tax</b>		3,563.61
<b>Tax expenses</b>		
Current tax		211.68
Reversal of earlier years tax expense		(206.57)
Deferred tax charge		1,665.79
		<b>1,670.90</b>
<b>Profit for the period</b>		<b>1,892.71</b>
Earnings per share (Basic and diluted) (₹)	35	10.76
(Face value per share of ₹ 10 each)		
Significant accounting policies	1	
The accompanying notes are an integral part of the consolidated financial statements.		

As per our report of even date attached  
 For B S R & Co. LLP  
*Chartered Accountants*  
 Firm's Registration No: 101248W/W-100022

Bhavesh Dhupelia  
 Partner  
 Membership No: 042070

For and on behalf of the Board of Directors of  
 Styrolution ABS (India) Limited  
 CIN: L25200GJ1973PLC002436

H T Chang                      Ravindra Kulkarni              S. M. Kulkarni  
 Chairman                      Director                      Director  
 DIN 02425162                  DIN 00059367                  DIN 00003640

Myung Suk Chi                      J. R. Patel  
 Managing Director                  Director  
 DIN 05225708                      DIN 00065021

Bhupesh P. Porwal                      Haresh Khilnani  
 Chief Financial Officer                  Company Secretary

Mumbai, Dated : May 18, 2015

Vadodara, Dated : May 18, 2015

Consolidated Cash Flow Statement for the period ended March 31, 2015

	( ₹ in Lakhs)
	Period Ended March 31, 2015
<b>A. Cash flow from Operating Activities</b>	
Profit before Tax	3,564.24
Adjustments for :	
Depreciation	3,172.54
Loss/(gain) on fixed assets sold/discarded (net)	(20.21)
Provisions for doubtful debts/advances written back (net)	(43.11)
Interest income on deposits	(100.48)
Interest income-others	(78.75)
Finance costs	2,158.98
Dividend on long term quoted Investment	(1.08)
Unrealised gain on foreign exchange (net)	(255.63)
Dividend on current unquoted investment	(33.41)
Provision for contingencies	281.18
	<u>5,080.04</u>
<b>Operating profit before Working Capital changes</b>	<b>8,644.28</b>
Changes in Working Capital:	
(Decrease) in Other long-term liabilities	(6.91)
(Decrease) in Long-term provisions	(1,603.50)
(Decrease) in Trade payables	(7,127.25)
(Decrease) in Other current liabilities	(1,529.37)
Increase in Short-term provisions	41.10
Decrease in Long-term loans and advances	891.63
(Increase) in Other non-current assets	(5.39)
Decrease in Inventories	5,371.46
Decrease in Trade receivables	3,203.41
(Increase) in Short-term loans and advances	(549.17)
Decrease in Other current assets	65.69
	<u>(1,248.29)</u>
Cash generated from operations	7,395.98
Taxes paid (net)	(1,445.63)
<b>Net cash generated from Operating Activities</b>	<b>5,950.35</b>
<b>B. Cash flow from Investing Activities</b>	
Purchase of Tangible assets	(4,860.24)
Sale of Tangible assets	97.71
Decrease in Short term deposits	(3,550.00)
Intercorporate deposit received back	6,000.00
Investment in Subsidiary Company	(10,099.48)
Sale of Current investments	3,320.49
Interest received	182.21
Dividend received	34.49
<b>Net cash (used in) Investing Activities</b>	<b>(8,874.82)</b>

**Consolidated Cash Flow Statement for the period ended March 31, 2015 (Contd.)**

	( ₹ in Lakhs) Period Ended March 31, 2015
<b>C. Cash flow from/(used in) Financing Activities</b>	
Dividends paid	(701.62)
Dividend distribution tax	(124.99)
Finance costs	(2,191.58)
(Increase)/Decrease in short term loans	2,029.33
<b>Net cash (used in) Financing Activities</b>	<b>(988.86)</b>
<b>A+B+C Net decrease in Cash and Cash equivalents</b>	<b>(3,913.33)</b>
<b>Cash and Cash equivalents at the beginning of the year</b>	3,658.74
<b>Add: Cash and Cash equivalents on account of consolidation from Styrolution India Private Limited</b>	2,242.70
<b>Cash and Cash equivalents at the end of the year</b>	<b>1,988.11</b>
Cash and cash equivalents comprise of:	
Cash on hand	1.68
Balances with banks	1,986.43
<b>Total</b>	<b>1,988.11</b>

**Notes:**

- 1) The above Cash Flow Statement has been prepared under the "Indirect method" set out in Accounting Standard 3 "Cash Flow Statement".
- 2) Figures in bracket indicate cash outflow.

As per our report of even date attached  
 For B S R & Co. LLP  
*Chartered Accountants*  
 Firm's Registration No: 101248W/W-100022

Bhavesh Dhupelia  
 Partner  
 Membership No: 042070

For and on behalf of the Board of Directors of  
 Styrolution ABS (India) Limited  
 CIN: L25200GJ1973PLC002436

H T Chang Chairman DIN 02425162	Ravindra Kulkarni Director DIN 00059367	S. M. Kulkarni Director DIN 00003640
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Myung Suk Chi Managing Director DIN 05225708	J. R. Patel Director DIN 00065021
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Bhupesh P. Porwal Chief Financial Officer	Haresh Khilnani Company Secretary
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Mumbai, Dated : May 18, 2015

Vadodara, Dated : May 18, 2015

**Notes to the Consolidated financial statements for the period ended March 31, 2015**

**1 Summary of significant accounting policies:**

**A. Basis of preparation**

These consolidated financial statements relate to Styrolution ABS (India) Limited ('the Company / Parent Company' or 'SAI') and Styrolution India Private Limited ('Subsidiary' or 'SIN'). The Company along with its subsidiary company constitutes 'the Group.' During the period, the Company purchased the entire shareholding of SIN from Styrolution Holding Company on 1 March 2014 whereby it became the wholly owned subsidiary of SAI.

The financial statements of the subsidiary used in the consolidation are drawn upto the same reporting date as that of the Company i.e. for the period from 1<sup>st</sup> March 2014 to 31 March 2015. These consolidated financial statements of the Company and the Subsidiary have been prepared and presented under historical cost convention on the accrual basis of accounting and comply with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government read with General Circular 15/2013 dated 13 September 2013 issued by the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act 2013, the relevant provisions of the Companies Act, 1956 ("the Act") and other accounting principles generally accepted in India, to the extent applicable. All figures, unless otherwise stated, are Rupees in lakhs.

All the assets and liabilities have been classified as current or non current as per the Group's normal operating cycle and other criteria set out in Schedule VI to the Act.

Since SIN became a subsidiary of the Company w.e.f.1 March 2014, this is the first period for which consolidated financial statements are required by the Company and accordingly, no comparative numbers have been presented in these consolidated financial statements.

**B. Principles of Consolidation**

The Consolidated Financial Statements have been prepared in accordance with Accounting Standard (AS) 21 "Consolidated Financial Statements" notified by the Companies (Accounting Standard) Rules, 2006.

The Consolidated Financial Statements have been prepared on the following basis:

- (a) The Financial Statements of the Company and its Subsidiary have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses. Intra-group balances, intra-group transactions and unrealised profits or losses have been fully eliminated.
- (b) The cost to the parent of its investment in subsidiary and the parent's portion of equity of subsidiary, at the date on which investment in each subsidiary is made is eliminated from the consolidated financial statements. The excess of cost to the Parent Company of its investments over its portion of equity in subsidiary, as at the date on which the investment was made, is recognised as goodwill in the consolidated financial statements
- (c) Goodwill is initially recognised as an asset at cost and its subsequently measure at cost less any accumulated impairment losses.
- (d) The Consolidated Financial Statements are prepared using uniform accounting policies for similar transactions and other events in similar circumstances.

**C. Goodwill on consolidation**

Goodwill on consolidation is not amortised but is tested for impairment on each Balance Sheet date and impairment losses are recognised, where applicable.

**D Use of estimates**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

**E. Fixed assets and depreciation / amortisation:**

**Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation / impairment. Cost comprises of cost of acquisition, cost of improvements and any attributable cost of bringing the asset to the condition for its intended use. Interest on loans taken for procurement of specific qualifying assets accrued up to the date of acquisition/installation of the said assets is capitalised. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Depreciation for the year has been provided on all the tangible fixed assets (except in the case of leasehold land which is being amortised over the period of the lease) on the Straight Line Method at the rates specified as per Schedule XIV to the Companies Act, 1956.

Depreciation on fixed assets for Subsidiary is provided on the straight line method over the estimated useful life of the assets based on technical evaluation. Pursuant to this policy, depreciation on assets has been provided on estimated useful lives of fixed assets given below which are different than useful lives indicated in Schedule II of the Act:



## Notes to the Consolidated financial statements for the period ended March 31, 2015 (Continued)

### 1 Summary of significant accounting policies: (Continued)

<b>Particulars</b>	<b>Useful Life</b>
Plant and Machineries	19 Years
Vehicles	4 Years
Furniture, Fixtures & Equipment	8 Years
Office Equipment – Mobile Phones	2 Years

Depreciation on additions / deletions is calculated on a monthly pro-rata basis. Leasehold land and Leasehold Improvements are amortised over the period of lease or useful life whichever is lower.

Tangible fixed assets under construction are disclosed as capital work-in-progress.

#### F. Investments:

- i) Long term Investments are stated at cost, less other than temporary diminution in value, if any.
- ii) Current Investments are stated at cost or market value, whichever is lower.
- iii) Income on investment:  
Dividend income is accounted when the right to receive is established.

#### G. Inventories:

Inventories are valued at the lower of cost and net realisable value, which are determined as follows:

- i) Raw Materials (including stock lying at terminals), Packing Materials and Stores and Spares are valued at moving weighted average cost after taking credit for CENVAT, wherever applicable and Goods-in-transit at cost.
- ii) The cost of Work-in-progress and Finished Goods comprises of raw materials, direct labour, other direct costs and related production overheads based on normal capacity and Excise duty as applicable. Net realizable value is the estimate of the selling price less estimated cost of completion and estimated cost necessary to make the sale in the ordinary course of business as applicable.
- iii) Customs Duty as applicable is included in the cost of Raw Materials lying in stock.

#### H. Revenue recognition:

The Group recognises sales at the point of transfer of significant risks and rewards of ownership to the customers. Sales are net of Sales Tax and returns.

Revenue in respect of Duty Draw back, Insurance and other claims is recognised on accrual basis to the extent the ultimate realisation is reasonably certain. Interest income is recognised in the time proportion basis taking into account the amount invested and rate of interest. Indent Commission income is recognised on accrual basis.

#### I. Research and development:

Capital expenditure on Research and Development is treated in the same manner as Fixed Assets. The revenue expenditure on Research and Development is charged off as an expense in the year in which it is incurred.

#### J. Foreign currency transactions:

The transactions in foreign currencies are accounted at the exchange rate prevailing on the date of transactions. Gain or loss resulting from the settlement of such transaction and from the year end translation at the exchange rate prevailing on the balance sheet date of monetary assets and liabilities denominated in foreign currency are recognised in the Statement of Profit and Loss.

Premium or discount in respect of forward contracts obtained for underlying transaction is accounted over the period of contracts. The exchange difference measured by the change in rate between date of inception of forward contract and date of balance sheet is applied on foreign currency amount of the forward contract and is recognised in the Statement of Profit and Loss.

Forward contracts to which Accounting Standard (AS) 11 - 'The Effect of Change in Foreign Exchange Rates' is applicable, the accounting policy as stated above is followed. In respect of other derivative contracts including forward foreign exchange contracts to which the aforesaid accounting standard is not applicable are marked to market at the rate on the Balance Sheet date. The resultant exchange differences are recognised in the Statement of Profit and Loss.

#### K. Current and deferred tax:

Income tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the Income Tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

Current tax amount is measured at the amount expected to be paid to (recovered from) the taxation authorities, using applicable tax rates and tax laws.

**Notes to the Consolidated financial statements for the period ended March 31, 2015 (Continued)**

**1 Summary of significant accounting policies: (Continued)**

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised, however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company reassesses unrecognised deferred tax assets, if any.

**L. Employee benefits:**

**Short Term Employee Benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and are recognized in the Statement of Profit and Loss as an expense at the undiscounted amount on an accrual basis.

**Post Employment Employee Benefits**

**Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund and employee state insurance contribution to Government administered fund scheme which are defined contribution plans. The Company makes specified annual contribution towards superannuation fund to Life Insurance Corporation of India. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

**Defined benefit plans**

Gratuity: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) by an independent actuary at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences.

Accumulated compensated absences, which are expected to be availed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) by an independent actuary at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

**M. Provision and Contingent Liabilities**

The Group recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation for which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect current best estimates. Contingent asset neither recognised nor disclosed in the financial statements.

**N. Impairment of assets**

The carrying amounts of assets are reviewed at each balance sheet date for any indication of impairment based on internal/ external factors. Where the carrying value exceeds the estimated recoverable amount, provision for impairment is made to adjust the carrying value to the recoverable amount. The recoverable amount is the greater of the assets estimated net realizable value and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using an appropriate discounting rate. If at the Balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

**O. Operating lease**

Lease rentals in respect of assets acquired under operating lease are recognised as an expense in the statement of profit and loss on a straight line basis.

**Notes to the Consolidated financial statements for the period ended March 31, 2015 (Continued)**
**1 Summary of significant accounting policies: (Continued)**
**P. Earnings per share**

The basic earnings per share are computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted EPS is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

**Q. Borrowing costs**

Borrowing costs that are attributable to the acquisition, construction of qualifying assets are capitalised. Other borrowing costs are recognised as an expense in the period in which they are incurred.

(₹ in Lakhs)  
March 31, 2015

**2. Share capital**
**Authorised**

2500,00,000 equity shares of ₹ 10 each

**5,000.00**

**Issued, subscribed and paid up**

17,585,625 equity shares of ₹ 10 each fully paid-up

**1,758.56**

**1,758.56**

**a. Equity shares held by holding company**

Name of shareholder	Relationship	March 31, 2015
Styrolution South East Asia Pte Ltd (Refer Note 3(f))	Holding Company	13,189,518

On 28<sup>th</sup> January, 2014, Styrolution (Jersey) Limited has transferred its entire holding of 13,189,218 (75%) equity shares to Styrolution South East Asia Pte Ltd, Singapore. Accordingly, the holding company of the Company is Styrolution South East Asia Pte. Ltd., Singapore with effect from 28<sup>th</sup> January, 2014.

**b. Rights, preferences and restrictions attached to the shares**

The Company has one class of equity shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**c. Particulars of shareholders holding more than 5% equity shares in the company**

Name of shareholder	March 31, 2015	
	Number	Percentage
Styrolution South East Asia Pte Ltd	13,189,518	75.002%

**d. Reconciliation of number of equity shares outstanding as at the beginning and at the end of reporting period**

Particulars	March 31, 2015	
	Number	₹ in Lakhs
Shares outstanding at the beginning and at the end of the year	17,585,625	1,758.56

**e. Information on equity shares allotted without receipt of cash or allotted as bonus shares or shares bought back during five years immediately preceding March 31, 2015.**

No shares are allotted as bonus or allotted without receipt of cash during past five years and there has been no buy back of shares.

**f. Pursuant to the Open Offer of Styrolution South East Asia Pte Ltd, Singapore ('SSE') which closed on 3 March 2015, SSE received 300 shares from the public. As a result thereof, the total shareholding of SSE as on 31 March 2015 was increased to 13,189,518 equity shares (75.002%). SSE needs to divest 0.002% (300 shares only) of the Company's equity share capital by 12 March 2016 through various methods allowed by SEBI. In order to raise the public shareholding to 25%, Company had applied to SEBI for granting approval for sale of 300 shares by the SSE, through one or multiple transactions on the floor of the stock exchanges in the normal window to meet minimum public shareholding norms which was approved by SEBI vide its letter dated 20 April 2015.**

Notes to the Consolidated financial statements for the period ended March 31, 2015 (Continued)

	(₹ in Lakhs)
	<b>March 31, 2015</b>
<b>3. Reserves and surplus</b>	
<b>a) Capital reserves</b>	
Balance at the commencement and at the end of the period	0.14
<b>b) Securities premium account</b>	
Balance at the commencement and at the end of the period	4328.39
<b>c) General reserve</b>	
Balance at the commencement of the period	8,123.06
Add: Amount transferred from Surplus	350.23
Balance at the end of the period	<u>8,473.29</u>
<b>d) Surplus in statement of profit and loss</b>	
Balance at the commencement of the period	33,514.74
Add: Profit for the period	1,892.71
Less : Depreciation adjustment as per schedule II of Companies Act,2013	80.13
Less: Proposed dividend	703.43
Less: Tax on proposed dividend	143.20
Less: Amount transferred to general reserve	350.23
Balance at the end of the period	<u>34,130.46</u>
<b>Total</b>	<u><u>46,932.28</u></u>
<b>4. Deferred tax liabilities (net)</b>	
(Refer Note 1(K))	
<b>Deferred tax liabilities</b>	
Arising on account of timing difference in Depreciation / amortisation of fixed assets	2,975.02
<b>Deferred tax assets</b>	
Arising on account of timing differences in:	
Provision for doubtful debts	25.16
Provision for compensated absences and employee payables	61.09
Disallowances under section 43B	4.47
Provision for contingencies	595.57
	<u>686.29</u>
<b>Total</b>	<u><u>2,288.73</u></u>
<b>5. Other long-term liabilities</b>	
Deposits received	25.00
Employee payables	31.65
<b>Total</b>	<u><u>56.65</u></u>

**Notes to the Consolidated financial statements for the period ended March 31, 2015 (Continued)**

(₹ in Lakhs)

**March 31, 2015**
**6. Long-term provisions**

Provision for employee benefits (Refer Note 1(L) and 32)	
Compensated Absences	226.16
Provision for contingencies ( Refer Note 33)	52.00
<b>Total</b>	<b>278.16</b>

**7. Short-term borrowings**

(Unsecured)	
Bank loan **	12,650.00
Buyers Credit from Bank*	4,307.97
	<b>16,957.97</b>

\* Buyers credit facility is taken towards purchase of raw-material which has been covered under letter of credit limit and carries interest rate of 1.25% to 2.00% and generally is repayable within 60 days from the date of extending credit.

\*\* Citibank: Repayable with an average tenure of 16 -18 days. Interest is payable @ 9.76% (average rate).

HSBC bank: Repayable with an average tenure of 2-3 days. Interest is payable @ 9.87% (average rate).

**8. Trade payables**

Micro and small enterprises	26.67
Others	29,934.48
<b>Total</b>	<b>29,961.15</b>

**9. Other current liabilities**

Interest accrued but not due on borrowings	3.39
Unclaimed dividend *	24.83
Advances received from customers	217.23
Employee related liabilities	645.30
Statutory dues	390.73
Payables for capital goods	323.96
Accrued expenses	1,967.25
<b>Total</b>	<b>3,572.69</b>

\* There are no amounts due for payment to the Investor Education and Protection Fund under Section 205C of the Companies Act, 1956 as at the year end.

**10. Short-term provisions**

Provision for employee benefits (Refer Note 1(L) and 32)	
Gratuity	53.55
Compensated Absences	84.44
Proposed dividend on equity shares	703.43
Tax on proposed dividend	143.20
<b>Total</b>	<b>984.62</b>

Notes to the Consolidated financial statements for the period ended March 31, 2015 (Continued)

11. Tangible fixed assets (Refer Notes 1(E) and 1(N))

(₹ in Lakhs)

PARTICULARS	GROSS BLOCK				DEPRECIATION / AMORTISATION					NET BLOCK	
	AS AT 01/01/2014	Additions	Deductions/ Adjustment	AS AT 31/03/2015	AS AT 01/01/2014	"Adjustment (Refer note: 3)"	For the Year	Deductions/ Adjustment	AS AT 31/03/2015	AS AT 31/03/2015	
Free-Hold Land	85.49	-	-	85.49	-	-	-	-	-	85.49	
Lease-Hold Land	262.74	-	-	262.74	43.62	-	4.02	-	47.64	215.10	
Buildings	6,151.27	1,738.02	-	7,889.29	2,012.68	79.72	284.54	-	2,376.94	5,512.35	
Plant & Machinery And Equipment	44,661.74	8,511.49	904.34	52,268.89	30,090.77	0.20	2,762.31	823.51	32,029.77	20,239.12	
Furniture, Fixtures	485.27	5.60	-	490.87	430.12	-	15.45	0.85	444.72	46.15	
Vehicles	235.58	38.94	21.63	252.89	172.91	-	33.79	20.24	186.46	66.43	
Office Equipments	641.79	183.08	0.87	824.00	385.36	0.21	72.44	3.05	454.96	369.04	
<b>Sub Total</b>	52,523.88	10,477.13	926.84	62,074.17	33,135.46	80.13	3,172.55	847.65	35,540.49	26,533.68	
Capital Work In Progress	5,636.72	4,543.73	10,160.62	19.83	-	-	-	-	-	19.83	
<b>Total</b>	<b>58,160.60</b>	<b>15,020.86</b>	<b>11,087.46</b>	<b>62,093.99</b>	<b>33,135.46</b>	<b>80.13</b>	<b>3,172.55</b>	<b>847.65</b>	<b>35,540.49</b>	<b>26,553.51</b>	

NOTES:

- Buildings include cost of shares of the face value of One thousand rupees.
- Buildings include office premises at Mumbai amounting to ₹3.75 (Lakhs) (Previous Year ₹3.75 (Lakhs)) the title whereof are not yet clear.  
The Company has filed a Civil suit against the vendor for title.
- With effect from 1 April 2014, considering the requirements of Schedule II of the Act in SIN, the management has reassessed the remaining useful life of its fixed assets based on an internal technical evaluation. Accordingly, ₹80.13 Lakhs has been adjusted in the opening reserves of the subsidiary in respect of such assets whose useful life had become Nil as at that date and the additional depreciation on assets whose useful life has been reassessed is ₹18.31 Lakhs.

March 31, 2015

12. Non-current investments

(Refer Note 1(F))

Investment in equity instruments (at cost)

**Quoted**

25,000 equity shares of Bank of Baroda of ₹ 2 each fully paid- up 4.25

13,900 equity shares of ₹10 each fully paid-up Supreme Petrochem Ltd. 1.16

**Unquoted**

1,000 equity shares of Co-operative Bank 0.25

of Baroda Limited of ₹ 25 each fully paid-up

**Total** 5.66

Quoted non-current investments

Aggregate market value of quoted non-current investments 49.43

Aggregate book value of unquoted non-current investments 0.25

**Notes to the Consolidated financial statements for the period ended March 31, 2015 (Continued)**

	(₹ in Lakhs) March 31, 2015
<b>13. Long-term loans and advances</b>	
(Unsecured and considered good)	
Capital advances	278.42
Security deposits	546.69
Other loans and advances	
- Refund receivable from government authorities	29.67
- Deposit placed with tax authorities	8.62
- Loan to employees	7.77
- Balance with Income Tax Authorities (net of provision for tax of ₹ 28,332.03 Lakhs)	1,964.42
- Balances with excise/ customs & sales tax authorities	1,718.91
<b>Total</b>	<b>4,554.50</b>
<b>14. Other non-current assets</b>	
(Considered good unless otherwise stated)	
Bank deposits*	18.83
<b>Total</b>	<b>18.83</b>
* Bank deposit due to mature after 12 months of the reporting date and held as lien by bank against bank guarantee and court order.	
<b>15. Inventories</b>	
(Refer Note 1(G)) (at lower of cost or net realisable value)	
Raw materials (including goods in transit ₹ 8,398.49 Lakhs)	14,964.38
Packing materials	96.90
Work-in-progress	1,827.77
Finished goods	3,634.88
Stores and spares	655.46
<b>Total</b>	<b>21,179.39</b>
<b>16. Trade receivables</b>	
(Unsecured)	
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>	
Considered doubtful	150.71
	<b>150.71</b>
Less: Provision for doubtful debts	150.71
<b>Other receivables</b>	
Considered good	26,455.81
<b>Total</b>	<b>26,455.81</b>

Notes to the Consolidated financial statements for the period ended March 31, 2015 (Continued)

	(₹ in Lakhs)
	March 31, 2015
<b>17. Cash and bank balances</b>	
Cash and cash equivalents	
Cash on hand	1.68
Cheques on hand	557.28
Balances with banks	
In current accounts	1,429.15
	<u>1,986.43</u>
Other bank balances	
Earmarked balances with banks	
In unclaimed dividend account	24.83
<b>Total</b>	<u><u>2,012.94</u></u>
<b>Details of Bank Balance deposit</b>	
Bank balances available on demand/deposits with original maturity of 3 months or less included under 'Cash and cash equivalents'	-
Bank deposits due to mature after 12 months of the reporting date included under 'Other non-current assets'	18.83
	<u>18.83</u>
<b>18. Short-term loans and advances</b>	
(Unsecured, considered good unless otherwise stated)	
To parties other than related parties	
Advances for supply of goods	1,163.78
Excise receivables	15,169.15
Custom duty receivables	835.20
VAT receivables	1,360.74
Service tax receivables	708.40
Prepaid expenses	191.24
Loans and advances to employees	58.02
Others	4.60
<b>Total</b>	<u>19,491.13</u>
<b>19. Other current assets</b>	
(Unsecured, considered good)	
Unamortised premium on forward contracts	214.00
Other current assets	71.41
<b>Total</b>	<u>285.41</u>
	<b>January 1, 2014 to</b>
	<b>March 31, 2015</b>
<b>20. Revenue from operations</b>	
<b>Sale of goods</b>	227,449.00
Less: Excise duty	25,301.52
Sale of goods (net)	<u>202,147.48</u>
<b>Other operating revenue</b>	
Commission income	80.99
Rental Income	3.99
Sale of Raw material	1,791.58
Scrap Sales	17.79
	<u>1,894.35</u>
<b>Total</b>	<u><u>204,041.83</u></u>



**Notes to the Consolidated financial statements for the period ended March 31, 2015 (Continued)**

	(₹ in Lakhs)
	<b>January 1, 2014 to March 31, 2015</b>
<b>21. Other income</b>	
Interest income (net)	
On deposits	100.48
Others	78.75
Dividend on long term quoted investment	1.08
Dividend on current unquoted investment	33.41
Provision for doubtful trade receivables (net) released	43.11
Profit on sale of fixed assets (net)	20.21
Miscellaneous income	279.83
<b>Total</b>	<b>556.87</b>
<b>22. Cost of raw and packing materials consumed</b>	
Raw Materials Consumed	
Opening Stock	19,978.80
Add: Purchases	158,711.29
Less: Closing stock	14,965.01
	<b>163,725.08</b>
Packing materials consumed	
Opening Stock	104.50
Add: Purchases	1,011.30
Less: Closing stock	96.90
	1,018.90
<b>Total</b>	<b>164,743.98</b>
<b>23. Changes in inventories of finished goods and work-in-progress</b>	
Closing stock :	
Finished products	3,634.88
Work-in-progress	1,827.77
	<b>5,462.65</b>
Less: Opening stock :	
Finished products	4,119.31
Work-in-progress	1,717.38
	<b>5,836.69</b>
Excise Duty on (Increase) / Decrease on Finished Goods	50.84
<b>Total</b>	<b>424.88</b>
<b>24. Employee benefits expense</b>	
Salaries, wages and bonus	4,699.58
Contribution to provident and other funds (Refer Note 32)	523.36
Staff welfare expenses	318.58
<b>Total</b>	<b>5,541.52</b>
<b>25. Finance costs</b>	
Interest expense	2,158.98
	<b>2,158.98</b>

Notes to the Consolidated financial statements for the period ended March 31, 2015 (Continued)

	(₹ in Lakhs)
	January 1, 2014 to March 31, 2015
<b>26. Other expenses</b>	
Advertisements and publicity	21.96
Bank charges and other financial charges	231.84
Commission	1,012.46
Communication expenses	60.38
Consumption of stores and spares	490.52
Corporate cost sharing expenses	3,667.04
CSR expenses	4.00
Directors' sitting fees	6.87
Donations	1.71
Environment expenses	263.11
Foreign exchange fluctuation (net)	1,666.89
Freight and forwarding expenses	2,838.65
Insurance	255.84
IT charges	353.06
Legal and professional charges	607.88
Payment to the Auditor	69.28
Power and fuel (net)	7,044.25
Printing and stationery	45.62
Processing charges	456.38
Provision for contingencies ( Refer note 33)	281.18
Rates and taxes	87.31
Rebates and discounts	3,121.33
Rent ( Refer note 31)	406.03
Repair - Buildings	16.64
Repair - Others	200.70
Repair - Plant and machinery	785.94
Travelling and conveyance expenses	503.54
Royalty	102.65
Water charges	67.02
Miscellaneous expenses	323.11
<b>Total</b>	<b>24,993.19</b>

**27. Contingent liabilities and commitments**

**I) Contingent liabilities**

a) Income tax	292.94
b) Excise duty	80.56
c) Sales tax	160.41
d) Service Tax	8.28
e) Claims against the Company not acknowledged as debt	76.81

Note: Future cash outflows in respect of (a), (b) and (c) above are determinable only on receipt of judgements/ decisions pending with various forums/ authorities.

**II) Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of capital advance)	77.72
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**Other commitments**

The Company has entered into firm commitments for purchase of 100,000 MT of Styrene monomer during the period of January 15 to December 15 out of which the company has procured 15,603 MT up to March 15.

**Notes to the Consolidated financial statements for the period ended March 31, 2015 (Continued)**

28. The Group manufactures and sells ABS, SAN, GPPS and HIPS i.e. "Highly Specialized Engineering Thermoplastics". These products have the same risks and returns, which are predominantly governed by market conditions, namely demand and supply position. The Group sells these the products within the country and hence the segment based on geographical risk factors which may be present in different countries is not applicable. Thus, in the context of Accounting Standard 17 "Segment Reporting", notified under Section 211 (3C) [Companies (Accounting Standards) Rule, 2006, as amended] and other relevant provisions of the Companies Act, 1956, there is only one identified primary and secondary segment. As the Group business activity falls within a single primary business segment and single geographical segment, the financial statements are reflective of the information required by Accounting Standard 17 on Segment Reporting.

	(₹ in Lakhs) January 1, 2014 to March 31, 2015
<b>29. Payment to the Auditor</b>	
Audit Fees	46.78
Tax Audit Fees	6.50
Others (Limited Review, Certification etc.)	12.00
Out of Pocket Expenses	3.01
	<b>68.29</b>

30. Disclosure of the relationship and transactions with the related parties as defined in Accounting Standard 18 "Related Party Disclosures", notified under Section 211 (3C) [Companies (Accounting Standards) Rule, 2006, as amended] and other relevant provisions of the Companies Act, 1956 is as follows:

**RELATED PARTY TRANSACTIONS:**
**A. List of Related Parties with whom transactions have taken place**

(as identified and certified by the management)

**1. Where control exists**
**Ultimate Holding Company**
**Styrolution Holding GmbH**

Germany (from October 1, 2011 to 17<sup>th</sup> November 2014)

**INEOS AG**

Switzerland (from 18<sup>th</sup> November 2014)

**Holding Company**

holds 75.00% of the equity share capital  
(also refer Note 3(a))

**Styrolution (Jersey) Limited**

Channel Islands (upto January 27, 2014)

**Styrolution South East Asia Pte. Ltd.**

Singapore (w.e.f January 28, 2014)

Notes to the Consolidated financial statements for the period ended March 31, 2015 (Continued)

30 Related Party Transactions: (Continued)

2. Where transactions have taken place  
Fellow subsidiaries

<b>Styrolution Korea Ltd</b>
Korea
<b>Styrolution (Jersey) Limited</b>
Channel Islands (w.e.f January 28, 2014)
<b>Styrolution South East Asia Pte. Ltd.</b>
Singapore (upto January 27, 2014)
<b>Styrolution Thailand Co., Ltd.</b>
Thailand
<b>Styrolution Group GmbH</b>
Germany
<b>Styrolution Ludwigshafen GmbH</b>
(formerly known as Styrolution GmbH)
Frankfurt am Main
<b>Styrolution Europe GmbH</b>
Frankfurt am Main
<b>Styrolution Koln GmbH</b>
Germany
<b>Styrolution Holding Company</b>
Mauritius
<b>INEOS SALES U.K. LIMITED</b>
Great Britain (from November 17, 2014)
<b>INEOS EUROPE AG</b>
Switzerland (from November 17, 2014)
<b>BASF India Limited ( up to 17.11.2014)</b>
India
<b>BASF Asia-Pacific Service Centre Sdn Bhd (up to 17.11.2014)</b>
Malaysia
<b>BASF Ltd, Aegypten.( up to 17.11.2014)</b>
Aegypten
<b>BASF SE ( up to 17.11.2014)</b>
Germany
<b>BASF South East Asia Pte Ltd.( up to 17.11.2014)</b>
Singapore
<b>BASF Lanka Private Limited.( up to 17.11.2014)</b>
Srilanka
<b>BASF Bangladesh Ltd. ( up to 17.11.2014)</b>
Bangladesh
<b>Managing Director</b>
Mr. Myung Suk Chi

**Key Managerial Personnel**

**Notes to the Consolidated financial statements for the period ended March 31, 2015 (Continued)**
**30 Related Party Transactions: (Continued)**

		(₹ in Lakhs)		
		January 1, 2014 to March 31, 2015		
		Holding Company	Other Related parties	TOTAL
<b>1</b>	<b>Purchase of raw materials</b>			
	INEOS SALES U.K. LIMITED	-	3,227.90	3,227.90
	INEOS EUROPE AG	-	1,030.71	1,030.71
	Styrolution Ludwigshafen	-	275.10	275.10
	Styrolution Korea Ltd	-	2,605.39	2,605.39
	Styrolution South East Asia Pte. Ltd.	67,215.91	2,130.04	69,345.95
	Styrolution Thailand Co., Ltd.	-	4,783.47	4,783.47
	Styrolution Europe GMBH	-	1,088.39	1,088.39
	BASF South East Asia Pte Ltd	-	17.76	17.76
	BASF India Limited	-	0.69	0.69
		<b>67,215.91</b>	<b>15,159.45</b>	<b>82,375.36</b>
<b>2</b>	<b>Receiving of services</b>			
	Styrolution South East Asia Pte. Ltd.	1,787.37	75.62	1,862.99
	Styrolution Group GmbH	-	2,283.50	2,283.50
		<b>1,787.37</b>	<b>2,359.12</b>	<b>4,146.49</b>
<b>3</b>	<b>Rendering of services</b>			
	Styrolution Korea Ltd	-	49.25	49.25
	Styrolution Group GmbH	-	77.73	77.73
	Styrolution Thailand Co., Ltd.	-	5.65	5.65
	Styrolution South East Asia Pte. Ltd.	26.09	-	26.09
		<b>26.09</b>	<b>132.63</b>	<b>158.72</b>
<b>4</b>	<b>Sale of goods</b>			
	BASF India Limited	-	600.29	600.29
		-	<b>600.29</b>	<b>600.29</b>
<b>5</b>	<b>Investment in subsidiary</b>			
	Styrolution Holding Company	-	10,099.48	10,099.48
		-	<b>10,099.48</b>	<b>10,099.48</b>
<b>6</b>	<b>Dividend payment</b>			
	Styrolution South East Asia Pte. Ltd.	527.57	-	527.57
		<b>527.57</b>	-	<b>527.57</b>
<b>7</b>	<b>Royalty</b>			
	Styrolution Group GmbH		102.65	102.65
			<b>102.65</b>	<b>102.65</b>
<b>8</b>	<b>Corporate Guarantee given to bankers on behalf of company</b>			
	Styrolution Group GmbH		30,964.09	30,964.09
			<b>30,964.09</b>	<b>30,964.09</b>

## Styrolution ABS (India) Limited

### Notes to the Consolidated financial statements for the period ended March 31, 2015 (Continued)

#### 30 Related Party Transactions: (Continued)

	(₹ in Lakhs)		
	January 1, 2014 to March 31, 2015		
	Holding Company	Other Related parties	TOTAL
<b>9 Outstanding Balances</b>			
<b>As on March 31, 2015</b>			
<b>Balances of Trade payables</b>			
Styrolution Europe GMBH	-	118.43	118.43
Styrolution South East Asia Pte. Ltd.	18,884.42	-	18,884.42
Styrolution Korea Ltd	-	142.74	142.74
Styrolution Group GmbH	-	4,828.65	4,828.65
	<b>18,884.42</b>	<b>5,089.82</b>	<b>23,974.24</b>
<b>10 Balance of Trade receivables</b>			
Styrolution South East Asia Pte. Ltd.	5.87	-	-
Styrolution Korea Ltd	-	3.16	3.16
Styrolution Thailand Co., Ltd.	-	6.34	6.34
INEOS EUROPE AG	-	118.92	118.92
	<b>-</b>	<b>128.42</b>	<b>128.42</b>

#### Details of transactions of Key management personnel

Nature of Transactions	January 1, 2014 to March 31, 2015
<b>Director's Remuneration</b>	
Mr. Myung Suk Chi	595.91
	<b>595.91</b>

31. The Company's significant leasing arrangements are mainly in respect of residential and office premises. The aggregate lease rentals payable on these leasing arrangements are charged as Rent under "Other Expenses" in Note 26. These leasing arrangements are for a period not exceeding three years and are in most cases renewable by mutual consent, on mutually agreeable terms.

Future lease rentals payable in respect of residential and office premises on non-cancellable lease:

	(₹ in Lakhs)
<b>Payable</b>	<b>As at March 31, 2015</b>
Not Later than one year	79.34
Later than one year but not later than five years	103.86
Later than five years	-

**Notes to the Consolidated financial statements for the period ended March 31, 2015 (Continued)**

(₹ in Lakhs)

**32. Employee benefits**

The Company has classified the various benefits provided to employees as under

**1. Defined contribution plans**

- a. Provident Fund
- b. Superannuation Fund
- c. State defined contribution plan
  - i. Employer's contribution to Employee's state insurance

The Company has no further obligation beyond making contribution to the respective fund.

During the period, the Company has recognised the following amounts in the Statement of Profit and Loss:

	January 1, 2014 to March 31, 2015
- Employer's contribution to Provident Fund	215.17
- Employer's contribution to Superannuation Fund	122.71
- Employer's contribution to Employee's state insurance	3.20

Included in contribution to Provident Fund and other funds (Refer Note 24)

**2. Defined Benefit Plans**

Contribution to Gratuity Fund (Funded Scheme)

In accordance with Accounting Standard 15 (Revised 2005), actuarial valuation was performed in respect of the aforesaid defined benefit plans based on the following assumptions:

Discount rate (per annum)	8.00%
Rate of increase in compensation levels (per annum)	6.5 % to 8%
Rate of return on plan assets (for funded scheme)	6.36% to 8.26%

**A) Changes in the present value of obligation**

Present value of obligation as at January 1, 2014	683.28
Interest cost	65.14
Current service cost	56.23
Benefits paid	(133.97)
Actuarial (gain)/loss on obligations	95.82
Present value of obligation as at March 31, 2015	<b>766.50</b>

**B) Changes in the fair value of plan assets**

(For funded scheme)

Present value of plan assets as at January 1, 2014	733.90
Actual return on plan assets	69.81
Contributions	43.22
Benefits paid	(133.97)
Fair value of plan assets as at March 31, 2015	<b>712.96</b>

**C) Reconciliation of present value of defined benefit obligation and the fair value of assets**

Present value of obligation as at March 31, 2015	766.50
Fair value of plan assets as at March 31, 2015	712.96
Funded status	<b>(53.55)</b>

**D) Amount recognised in the Balance Sheet**

Present value of obligation as at March 31, 2015	766.50
Fair value of plan assets as at the end of the year	712.96
Liability/(Asset) recognised in the balance sheet	<b>53.55</b>

Notes to the Consolidated financial statements for the period ended March 31, 2015 (Continued)

32 Employee benefits (Continued)

	(₹ in Lakhs)
	January 1, 2014 to March 31, 2015
<b>E) Expenses recognised in the statement of profit and loss</b>	
Current service cost	56.23
Interest cost	65.14
Actual return on plan assets	(69.81)
Settlement Cost/(Credit)	-
Net actuarial (gain)/loss recognised in the year	95.82
Total expenses recognised in the statement of profit and loss	<b>147.38</b>
Included in contribution to Provident and Other Funds (Refer Note 24)	
<b>F) Actual Return on Plan Assets</b>	
Expected return on Plan Assets	69.81
Actuarial gain/(loss) on plan assets	-
Actual return on plan assets	<b>69.81</b>
<b>G) Experience Adjustment</b>	2014-15*
On Plan liabilities	95.83
On Plan assets	4.41
* for 15 months from January 14 to March 15	
<b>H) Expected employer's contribution for the next year</b>	146.37
<b>I) Investment details of plan assets</b>	
Administered by LIC of India	100%

The estimates of future salary increase, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The expected rate of return on plan assets is based on market expectations at the beginning of the year. The rate of return on long-term government bonds is taken as reference for this purpose.

33. Provision for contingencies

Particulars	March 31, 2015
Provision for contingencies	
Carrying Amount at the beginning of the year	1,439.72
Additions during the year	281.18
Utilisation during the year	1,668.90
Carrying Amount at the close of the year	52.00

Represents estimates made for probable liabilities arising out of commercial transactions with parties and pending settlement of duties/levies with various government authorities. The information usually required by Accounting Standard 29 "Provisions, Contingent Liabilities and Contingent Assets" notified under section 211 (3C) of the Companies Act 1956, is not disclosed on the grounds that it can be expected to prejudice the interest of the Company. The timing of the outflow with regard to the said matters depends on exhaustion of remedies available to the Company under the Law and hence the Company is not able to reasonably ascertain the timing of the outflow.

34. The Company has taken forward contract to cover its foreign currency exposures as follows:

		March 31, 2015	
		Payables	
		Amount in foreign currency (in Lakhs)	Amount in (₹ in Lakhs)
Trade payables	USD	323.74	20,564.47
Buyers credit	USD	16.54	1,037.49

The unamortized premium of ₹ 214 Lakhs pertaining to above table will be recognized subsequently.



**Notes to the Consolidated financial statements for the period ended March 31, 2015 (Continued)**

(₹ in Lakhs)

The foreign currency exposures not covered by any derivative instruments are as follows:

	<b>March 31, 2015</b>	
	<b>Payables</b>	
	<b>Foreign Currency (in Lakhs)</b>	<b>Amount in (₹ in Lakhs)</b>
EURO	67.23	2,750.42
USD	89.99	3,572.92
JPY	17.27	9.02
SGD	0.07	3.36

	<b>March 31, 2015</b>	
	<b>Receivables</b>	
	<b>Foreign Currency (in Lakhs)</b>	<b>Amount in (₹ in Lakhs)</b>
USD	0.24	15.29

**35. Earnings per equity share (EPS)**

EPS is calculated by dividing the profit attributable to the equity shareholders by average number of equity shares outstanding during the year. Numbers used in calculating basic and diluted earnings per equity shares are as stated below:

**Values used in calculating EPS:**

	<b>March 31, 2015</b>
a) Numerator : Profit After Tax (₹ in Lakhs)	1,892.71
b) Denominator : Number of equity shares	17,585,625
<b>Earnings per share (Basic and Diluted) (₹)</b>	<b>10.76</b>
Face value per share (₹)	10

There is no change in the number of equity shares during the year.

As per our report of even date attached

For B S R &amp; Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Bhavesh Dhupelia

Partner

Membership No: 042070

For and on behalf of the Board of Directors of

Styrolution ABS (India) Limited

CIN: L25200GJ1973PLC002436

H T Chang

Chairman

DIN 02425162

Ravindra Kulkarni

Director

DIN 00059367

S. M. Kulkarni

Director

DIN 00003640

Myung Suk Chi

Managing Director

DIN 05225708

J. R. Patel

Director

DIN 00065021

Bhupesh P. Porwal

Chief Financial Officer

Haresh Khilnani

Company Secretary

Mumbai, Dated : May 18, 2015

Vadodara, Dated : May 18, 2015





**Styrolution ABS (India) Limited**

Resolution Number	Resolution	Vote (Optional see Note 2) (Please mention no. of shares)		
		For	Against	Abstain
Ordinary business				
1.	Adoption of the audited Financial Statements including the audited Balance Sheet as at 31 March 2015, the Statement of Profit and Loss for the period ended on that date and the reports of the Board of Directors ('the Board') and of Auditors thereon.			
2.	Approval of Dividend of ₹ 4 per equity share for the period ended on 31 March 2015.			
3.	Appointment of Director in place of Mr. Myung Suk Chi, who retires by rotation and, being eligible, seeks re-appointment.			
4.	Re-appointment of Statutory Auditors of the Company.			
Special business				
5.	Appointment of Mr. Myung Suk Chi as a Managing Director and Chief Executive Officer of the Company for a period of One (1) year from 1 August 2015 to 31 July 2016.			
6.	Appointment of Dr. Anke Frankenberger, as a Director liable to retire by rotation.			
7.	Appointment of Mr. Stephen Mark Harrington, as a Director liable to retire by rotation.			
8.	Approval on Material Related Party Transactions.			
9.	Approval of remuneration to the Cost Auditors.			

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2015

<p><b>Affix a Revenue Stamp not less than ₹1</b></p>
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\_\_\_\_\_  
Signature of Shareholder:

\_\_\_\_\_  
Signature of Proxy holder (s) :

**Notes:**

1. *This form of proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.*
2. *It is optional to indicate your preference. If you leave the 'For', 'Against' or 'Abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.*









## **Styrolution ABS (India) Limited**

CIN – L25200GJ1973PLC002436

Registered Office: 6<sup>th</sup> Floor, ABS Towers, Old Padra Road, Vadodara - 390 007, Gujarat.


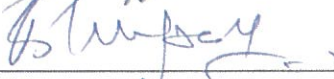

Phone: 91 265 2303201/02 Fax: 91 265 2303203

Email : [secshare@styrolutionabsindia.com](mailto:secshare@styrolutionabsindia.com)

Website : [www.styrolutionabsindia.com](http://www.styrolutionabsindia.com)



**FORM A**  
**(to be submitted under Clause 31 of the Listing Agreement)**

1	Name of the Company	Styrolution ABS (India) Limited
2	Annual financial statements for the year ended	31 March 2015
3	Type of Audit observation	Un-qualified
4	Frequency of observation	Not applicable
5	To be signed by :	
	Mr. M S Chi – Managing Director	
	Mr. Bhupesh P. Porwal – CFO	
	B S R & Co. LLP- Statutory Auditors	
	Mr. Sharad Kulkarni - Audit Committee Chairman.	