

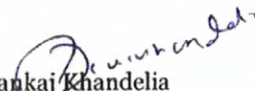
# Price Waterhouse Chartered Accountants LLP

## Review Report

To  
The Board of Directors  
INEOS Styrolution India Limited  
5th Floor, OHM House – II,  
OHM Business Park, Near Balaji Hospital,  
Subhanpura, Vadodara – 390 023, Gujarat, India.

1. We have reviewed the unaudited financial results of INEOS Styrolution India Limited (the "Company") for the quarter ended September 30, 2019 and the year to date results for the period April 1, 2019 to September 30, 2019 which are included in the accompanying 'Statement of Unaudited Financial Results for the quarter and six months ended September 30, 2019', the statement of assets and liabilities as on that date and the statement of cash flows for the half-year ended on that date (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes. Attention is drawn to the fact that the statement of cash flows for the corresponding period from April 1, 2018 to September 30, 2018, as reported in the Statement have been approved by the Company's Board of Directors, but have not been subjected to review.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.
4. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016  
Chartered Accountants

  
Pankaj Khandelia  
Partner

Membership Number: 102022

UDIN: 19102022 AAAADC5975

Place: New Delhi

Date: November 8, 2019

Price Waterhouse Chartered Accountants LLP, 1701, 17th Floor, Shapath V, Opp. Karnavati Club, S G Highway  
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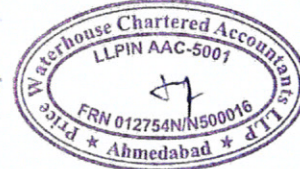
Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no. LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N).

**INEOS STYROLUTION INDIA LIMITED**  
 STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2019

Particulars	For the quarter ended			For the Half Year ended		INR in Lakhs
	Sep 30, 2019	Jun 30, 2019	Sep 30, 2018	Sep 30, 2019	Sep 30, 2018	For the year ended
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	Mar 31, 2019
I. Revenue from operations						
II. Other income	43,684.23	44,347.56	56,836.80	88,031.79	116,283.05	209,053.33
III. Total Income (I+II)	177.22	187.21	559.24	364.43	848.43	1,312.81
IV. Expenses	43,861.45	44,534.77	57,396.04	88,396.22	117,131.48	210,366.14
Cost of materials consumed	35,308.54	31,218.01	52,964.39	66,526.55	100,134.06	179,588.32
Changes in inventories of finished goods and work-in-progress	(735.37)	3,591.22	(6,064.84)	2,855.85	(5,392.17)	(4,137.66)
Employee benefits expense	1,486.98	1,553.97	1,498.63	3,040.95	2,992.50	5,753.36
Finance costs	297.66	408.96	182.70	706.62	369.14	1,268.69
Depreciation and amortisation expense	718.99	715.53	641.05	1,434.52	1,263.07	2,692.17
Other expenses	6,079.92	5,614.13	7,101.32	11,694.05	14,032.91	27,049.38
Total expenses (IV)	43,156.72	43,101.82	56,323.25	86,258.54	113,399.51	212,214.25
V. Profit / (Loss) before tax (III-IV)	704.73	1,432.95	1,072.79	2,137.68	3,731.97	(1,848.11)
VI. Tax expense						
Current tax	269.11	238.93	384.94	508.04	1,384.22	-
Deferred tax charge / (credit)	(552.54)	265.35	(13.52)	(287.19)	(42.32)	(601.38)
Total tax expense (VI)	(283.43)	504.28	371.42	220.85	1,341.90	(601.38)
VII. Profit / (Loss) for the period (V-VI)	988.16	928.67	701.37	1,916.83	2,390.07	(1,246.73)
VIII. Other comprehensive income						
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit plans - (Loss) / Gain	44.14	(65.48)	5.34	(21.34)	(5.72)	(47.74)
Income tax relating to remeasurements of defined benefit plans	(17.51)	22.88	(1.86)	5.37	2.01	16.68
Total other comprehensive income, net of tax	26.63	(42.60)	3.48	(15.97)	(3.71)	(31.06)
IX. Total comprehensive income for the period (VII + VIII)	1,014.79	886.07	704.85	1,900.86	2,386.36	(1,277.79)
Paid-up equity share capital (Face value of the share : INR 10)	1,758.56	1,758.56	1,758.56	1,758.56	1,758.56	1,758.56
X. Other Equity excluding Revaluation Reserve						60,567.43
XI. Earnings per share (Not annualised)						
Nominal value per equity share of INR 10 each Basic and Diluted (INR)	5.62	5.28	3.99	10.90	13.59	(7.09)

See accompanying Notes to the financial results

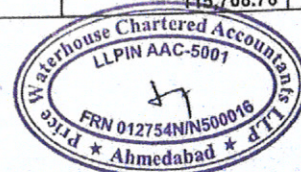
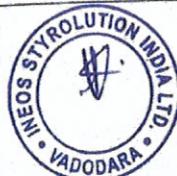

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INR in Lakhs

Particulars	As at Sep 30, 2019	As at Mar 31, 2019
	(Unaudited)	(Audited)
<b>I ASSETS</b>		
<b>1 Non-current assets</b>		
(a) Property, plant and equipment	20,239.56	20,027.72
(b) Right-of-Use Assets	5,684.43	-
(c) Capital work in progress	14,180.06	9,599.67
(d) Financial assets		
(i) Investments	25.03	31.14
(ii) Loans	659.49	646.50
(iii) Other financial assets	26.61	25.84
(e) Non-current tax assets	1,354.31	2,070.21
(f) Other non-current assets	10,859.23	13,201.25
<b>Total non-current assets</b>	<b>53,028.72</b>	<b>45,602.33</b>
<b>2 Current assets</b>		
(a) Inventories	31,074.17	31,548.87
(b) Financial assets		
(i) Trade receivables	21,613.12	23,568.65
(ii) Cash and cash equivalents	2,100.36	4,540.45
(iii) Bank balance other than (ii) above	28.32	30.33
(iv) Loans	30.08	25.81
(c) Other current assets	7,633.78	6,658.08
(d) Asset classified as held for Sale	200.21	200.21
<b>Total current assets</b>	<b>62,680.04</b>	<b>66,572.40</b>
<b>TOTAL ASSETS</b>	<b>115,708.76</b>	<b>112,174.73</b>
<b>II EQUITY AND LIABILITIES</b>		
<b>1 Equity</b>		
(a) Equity share capital	1,758.56	1,758.56
(b) Other equity	62,044.31	60,567.43
<b>Total equity</b>	<b>63,802.87</b>	<b>62,325.99</b>
<b>2 Non-Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	7,800.00	8,900.00
(ii) Lease liabilities	5,311.39	-
(iii) Other financial liabilities	97.30	147.44
(b) Provisions	1,065.32	823.86
(c) Employee benefit obligations	443.66	394.61
(d) Deferred tax liabilities (net)	1,073.25	1,365.81
<b>Total non-current liabilities</b>	<b>15,790.92</b>	<b>11,631.72</b>
<b>3 Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	8,208.40	16,346.06
(ii) Lease Liabilities	585.00	-
(iii) Trade payables		
(a) total outstanding dues of micro and small enterprises	100.22	102.31
(b) total outstanding dues of creditors other than (iii) (a) above	22,886.74	18,579.95
(iv) Other financial liabilities	3,475.83	2,352.23
(b) Contract liabilities	23.93	97.57
(c) Employee benefit obligations	279.35	206.49
(d) Other current liabilities	555.50	532.41
<b>Total current liabilities</b>	<b>36,114.97</b>	<b>38,217.02</b>
<b>Total liabilities</b>	<b>51,905.89</b>	<b>49,848.74</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>115,708.76</b>	<b>112,174.73</b>

See accompanying Notes to the financial results

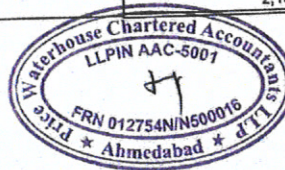
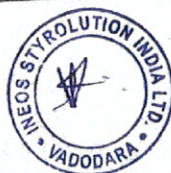


**STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED SEPTEMBER 30, 2019**

INR in Lakhs

Particulars	For the Half Year ended	For the Half Year ended
	Sep 30, 2019	Sep 30, 2018
	(Unaudited)	(Unaudited)
<b>A Cash flow from operating activities :</b>		
Profit before tax	2,137.68	3,731.97
Adjustments for :		
Depreciation and amortisation expense	1,434.52	1,263.07
Interest Income on deposits	(31.04)	(35.65)
Interest Income - others	(144.25)	(182.29)
(Gain) / Loss on fair valuation of investment (Net)	6.11	10.48
Finance costs	706.62	369.14
Net exchange differences	(141.06)	(299.98)
(Gain) / Loss on sale of investment	-	7.60
(Profit) / Loss on property, plant and equipment sold/discarded (net)	(33.23)	24.79
Allowance for doubtful debts (net)	-	(179.52)
	1,797.67	977.64
Operating profit before change in operating assets and liabilities	<b>3,935.35</b>	<b>4,709.61</b>
Adjustments for :		
(Increase)/decrease in inventories	474.70	(11,337.04)
(Increase)/decrease in trade receivables	1,954.99	(3,694.42)
(Increase)/decrease in bank balance other than cash and cash equivalents	2.01	(1.33)
(Increase)/decrease in loans	(17.26)	243.79
(Increase)/decrease in other financial assets	(0.77)	(21.72)
(Increase)/decrease in other non-current assets	1,942.21	1,410.28
(Increase)/decrease in other current assets	(975.70)	261.34
Increase/(decrease) in trade payables	4,446.30	6,551.68
Increase/(decrease) in other financial liabilities	(193.90)	177.75
Increase/(decrease) in contract liabilities	(73.64)	-
Increase/(Decrease) in contract liabilities	241.46	50.98
Increase/(Decrease) in provisions	100.57	(22.17)
Increase/(decrease) in employee benefit obligations	23.09	(111.69)
Increase/(decrease) in other current liabilities		
	7,924.06	(6,492.55)
Cash generated from / (used in) operations	<b>11,859.41</b>	<b>(1,782.94)</b>
Taxes paid (net of refund)	207.88	(968.20)
Net cash inflow/(outflow) from operating activities	<b>12,067.29</b>	<b>(2,751.14)</b>
<b>B Cash flow from investing activities :</b>		
Payments for property, plant and equipment	(4,832.64)	(3,094.02)
Proceeds from disposal of property, plant and equipment	33.23	9.94
Proceeds from sale of investments	-	27.97
Interest Income on deposits	82.06	90.16
Interest Income - others	144.25	182.29
Net cash outflow from investing activities	<b>(4,573.10)</b>	<b>(2,783.66)</b>
<b>C Cash flow from financing activities :</b>		
Proceeds/(repayment) of current borrowings	(8,140.05)	5,794.18
Payment of Lease Liability	(573.57)	-
Proceeds/(repayment) of non current borrowings	-	4,000.00
Interest paid	(794.66)	(470.46)
Dividend on equity shares (Including dividend distribution tax)	(426.01)	(846.68)
Net cash (outflow)/inflow from financing activities	<b>(9,934.29)</b>	<b>8,477.04</b>
Net (decrease)/increase in cash and cash equivalents	<b>(2,440.10)</b>	<b>2,942.24</b>
Cash and cash equivalents at the beginning of the year	4,540.45	4,009.24
Cash and cash equivalents at end of the year	<b>2,100.35</b>	<b>6,951.48</b>

See accompanying Notes to the financial results



**INEOS STYROLUTION INDIA LIMITED**  
**SEGMENT REVENUE, RESULTS, SEGMENT ASSETS AND SEGMENT LIABILITIES**

INR in Lakhs

Particulars	For the quarter ended			For the Half Year ended		For the year ended
	Sep 30, 2019	Jun 30, 2019	Sep 30, 2018	Sep 30, 2019	Sep 30, 2018	Mar 31, 2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1. Segment revenue</b>						
(Revenue from operations)						
(a) Specialties	33,043.53	32,035.22	43,933.65	65,078.75	87,476.75	154,838.58
(b) Polystyrene	10,640.70	12,312.34	12,903.15	22,953.04	28,806.30	54,214.75
<b>Total</b>	<b>43,684.23</b>	<b>44,347.56</b>	<b>56,836.80</b>	<b>88,031.79</b>	<b>116,283.05</b>	<b>209,053.33</b>
Less : Inter segment revenue						
<b>Revenue from operations</b>	<b>43,684.23</b>	<b>44,347.56</b>	<b>56,836.80</b>	<b>88,031.79</b>	<b>116,283.05</b>	<b>209,053.33</b>
<b>2. Segment results</b>						
(Segment profit / (loss) before interest and tax)						
(a) Specialties	1,407.62	1,055.49	2,327.79	2,463.11	5,757.14	2,839.95
(b) Polystyrene	(93.91)	584.65	(670.28)	490.74	(729.67)	(2,639.28)
<b>Total</b>	<b>1,313.71</b>	<b>1,640.14</b>	<b>1,657.51</b>	<b>2,953.85</b>	<b>5,027.47</b>	<b>200.67</b>
Add/(Less): (i) Finance cost	(297.66)	(408.98)	(182.70)	(706.62)	(369.14)	(1,268.69)
(ii) Interest income	89.66	85.83	182.62	175.29	217.94	245.06
(iii) Other unallocable income / (expenditure) (net)	(400.98)	116.14	(584.64)	(284.84)	(1,144.30)	(1,025.15)
<b>Profit / (Loss) before tax</b>	<b>704.73</b>	<b>1,432.95</b>	<b>1,072.79</b>	<b>2,137.68</b>	<b>3,731.97</b>	<b>(1,848.11)</b>
<b>3. Segment assets</b>						
a. Specialties	87,983.98	89,369.90	89,555.27	87,983.98	89,555.27	85,196.70
b. Polystyrene	24,430.94	23,017.20	28,892.85	24,430.94	28,892.85	23,526.26
c. Unallocated	3,293.84	3,575.10	4,397.44	3,293.84	4,397.44	3,451.77
<b>Total segment assets</b>	<b>115,708.76</b>	<b>115,962.20</b>	<b>122,845.56</b>	<b>115,708.76</b>	<b>122,845.56</b>	<b>112,174.73</b>
<b>4. Segment liabilities</b>						
a. Specialties	32,617.64	38,651.79	29,477.82	32,617.64	29,477.82	25,195.32
b. Polystyrene	8,720.24	8,989.29	9,952.93	9,720.24	9,952.93	6,635.14
c. Unallocated	9,568.01	7,109.15	17,424.69	9,568.01	17,424.69	18,018.28
<b>Total segment liabilities</b>	<b>51,905.89</b>	<b>52,750.14</b>	<b>56,855.44</b>	<b>51,905.89</b>	<b>56,855.44</b>	<b>49,848.74</b>

See accompanying Notes to the financial results

**Note on segment information**
**Business segment**

Segment reporting in financial results: Based on the "management approach" as defined in Ind AS 108 - 'Operating Segments', the Chief Operating Decision Maker (CODM), as represented by Chairman, Managing Director and CFO, evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. The accounting principles used in the preparation of these financial results are consistently applied to record revenue and expenditure in individual segment.

**Head Office:**

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**Notes:**

1. The Statutory Auditors of the Company have carried out a limited review of the results for the quarter ended September 30, 2019. The limited review report does not contain any modification or qualification.
2. The above statements were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on November 08, 2019.
3. The Company has adopted modified retrospective approach as per para C8 (c) (ii) of Ind AS 116 – Leases, effective from April 1, 2019. Accordingly, comparatives of the year ended March 31, 2019 (including quarter and half year ended September 30, 2018) have not been retrospectively adjusted. On the initial date of application, the Company has recognised right of use of assets (an amount equal to the lease liability, adjusted by prepaid lease rent) as at April 1, 2019. In the financial results for the current quarter/period, operating lease expenses has changed from rent (included in Other expenses) to depreciation cost for the right of use assets and finance cost for interest accrued on lease liability.

On adoption of the new accounting standard, rent expenses (included in Other expenses) has reduced by INR 290.48 Lakhs, finance cost has increased by INR 161.53 Lakhs and depreciation and amortisation expenses has increased by INR 229.55 Lakhs for the quarter. Consequently, profit before tax has decreased by INR 100.60 Lakhs for the quarter year ended on September 30, 2019.

4. The Company has elected to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognized Provision for Current Tax for the six months ended September 30, 2019 and re-measured its Deferred Tax basis the rate prescribed in the said section. The full impact of this change has been recognized in the financial results for the quarter ended September 30, 2019.

Place: New Delhi  
Date : November 08, 2019



For INEOS STYROLUTION INDIA LIMITED | INDIA LIMITED

Sanjiv Vasudeva  
Managing Director and CEO  
DIN: 06570945

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