

# Price Waterhouse Chartered Accountants LLP

The Board of Directors  
INEOS Styrolution India Limited  
6th Floor, ABS Towers,  
Old Padra Road,  
Vadodara – 390 007, Gujarat

1. We have reviewed the unaudited financial results of INEOS Styrolution India Limited (the “Company”) for the quarter ended September 30, 2016 which are included in the accompanying ‘Statement of Unaudited Profit and Loss for the Quarter and Half Year Ended September 30, 2016’ and the Statement of Assets and Liabilities on that date together with the notes thereon (the “Statement”). The Statement has been prepared by the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations, 2015”) and SEBI Circular dated July 5, 2016, which has been initialled by us for identification purposes. The Statement is the responsibility of the Company’s management and has been approved by the Board of Directors. Further, the Management is also responsible to ensure that the accounting policies used in preparation of this Statement are consistent with those used in the preparation of the Company’s opening unaudited Balance Sheet as at April 1, 2015 prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies. Our responsibility is to issue a report on the Statement based on our review. Attention is drawn to the fact that the figures for the corresponding quarter and six months ended September 30, 2015, including the reconciliation of profit for these periods under Ind AS of the corresponding quarter with profit under the Companies (Accounting Standards) Rules, 2006, as reported in these financial results have not been subjected to review.
2. 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.
3. 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.
4. 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 Ind AS and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 and SEBI circular dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to the following matters:
  - a. Note 2 to the Statement which states that the Company has adopted Ind AS for the financial year commencing from April 1, 2016, and accordingly, the Statement has been prepared by the Company’s Management in compliance with Ind AS.



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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)

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INEOS Styrolution India Limited

Review Report on Unaudited Financial Results for the Quarter Ended September 30, 2016

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- b. The comparative figures of the Company for the quarter ended June 30, 2016 as set out in the Statement were reviewed by another firm of Chartered Accountants who, vide their report dated August 11, 2016 expressed an unmodified conclusion on the same.

Our conclusion is not qualified in respect of these matters.

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

*U. A. Shah*

Place: Mumbai  
Date: November 11, 2016

Uday Shah  
Partner  
Membership Number: 046061

**INEOS STYROLUTION INDIA LIMITED**  
**(Formerly STYROLUTION ABS (INDIA) LIMITED)**  
**Statement of Unaudited Profit and Loss for the Quarter and Half Year Ended September 30, 2016**

(Rs. in Lacs)

Particulars	For the Quarter ended			For the half year ended	
	September 30, 2016	June 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015
	(Unaudited)	(Unaudited)	(Not subjected to review)	(Unaudited)	(Not subjected to review)
<b>1. Income from operations</b>					
(a) Sales/income from operations	42,590.85	41,319.31	44,207.69	83,910.16	94,192.46
(b) Other operating income	1,432.73	1,328.59	910.74	2,761.32	2,271.66
<b>Total Income from operations (net)</b>	<b>44,023.58</b>	<b>42,647.90</b>	<b>45,118.43</b>	<b>86,671.48</b>	<b>96,464.12</b>
<b>2. Expenses</b>					
(a) Cost of materials consumed	30,308.44	29,367.35	34,364.39	59,675.79	69,599.89
(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,059.98)	(519.06)	(1,302.67)	(1,579.04)	(3,131.79)
(c) Excise duty	4,695.65	4,613.25	4,954.32	9,308.90	10,435.97
(d) Employee benefits expense	1,199.29	1,213.60	1,192.28	2,412.89	2,490.89
(e) Depreciation and amortization expense	631.29	633.36	694.34	1,264.65	1,396.04
(f) Other expenses	5,349.82	4,984.07	5,071.10	10,333.89	11,590.96
<b>Total Expenses</b>	<b>41,124.51</b>	<b>40,292.57</b>	<b>44,973.76</b>	<b>81,417.08</b>	<b>92,381.96</b>
<b>3. Profit from operations before other income</b>	<b>2,899.07</b>	<b>2,355.33</b>	<b>144.67</b>	<b>5,254.40</b>	<b>4,082.16</b>
4. Other income	176.11	62.92	149.41	239.03	189.88
<b>5. Profit from ordinary activities before finance costs (3 + 4)</b>	<b>3,075.18</b>	<b>2,418.25</b>	<b>294.08</b>	<b>5,493.43</b>	<b>4,272.04</b>
6. Finance costs	123.41	145.20	274.86	268.61	506.81
<b>7. Profit from ordinary activities before tax (5 - 6)</b>	<b>2,951.77</b>	<b>2,273.05</b>	<b>19.22</b>	<b>5,224.82</b>	<b>3,765.23</b>
8. Tax expense/(credit) (including Deferred Tax) (refer Notes 6 & 7)	1,032.04	775.25	(1,466.13)	1,807.29	(430.00)
<b>9. Net Profit/(loss) from ordinary activities after tax (7 - 8)</b>	<b>1,919.73</b>	<b>1,497.80</b>	<b>1,485.35</b>	<b>3,417.53</b>	<b>4,195.23</b>
10. Other comprehensive income (after tax) (OCI)	(16.81)	(16.81)	(15.66)	(33.62)	(31.33)
<b>11. Total Comprehensive income (9+10)</b>	<b>1,902.92</b>	<b>1,480.99</b>	<b>1,469.69</b>	<b>3,383.91</b>	<b>4,163.90</b>
12. Paid-up equity share capital (Face Value of the share Rs.10)	1,758.56	1,758.56	1,758.56	1,758.56	1,758.56
<b>13. Earnings Per Share (of Rs 10/- each) (not annualised):</b>					
Basic - Diluted	10.92	8.52	8.45	19.43	23.86
See accompanying Notes to the Financial Results					



Head Office:  
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INEOS STYROLUTION INDIA LIMITED (Formerly STYROLUTION ABS (INDIA) LIMITED) Statement of Unaudited Assets and Liabilities as at September 30, 2016	
	(Rs. in Lacs)
Particulars	As at September 30, 2016
	(Unaudited)
<b>ASSETS</b>	
<b>Non-current Assets</b>	
Property, Plant and Equipment	22,876.82
Capital Work-In-Progress	954.71
Financial Assets	
- Investments	71.90
- Loans	7.90
- Others Financial Assets	859.20
Other Non-current Assets	1,648.30
<b>Current Assets</b>	
Inventories	23,802.72
Financial Assets	
- Trade Receivables	21,790.19
- Cash and Cash Equivalents	1,787.11
- Bank Balances other than Above	24.55
- Loans	24.15
Other Current Assets	20,326.57
<b>Total Assets</b>	<b>94,174.12</b>
<b>EQUITY AND LIABILITIES</b>	
<b>Equity</b>	
Equity Share capital	1,758.56
Other Equity	53,446.74
<b>LIABILITIES</b>	
<b>Non-current liabilities</b>	
Financial Liabilities	
- Other Financial Liabilities	25.00
Provisions	504.22
Deferred Tax Liabilities (Net)	1,059.76
<b>Current liabilities</b>	
Financial Liabilities	
- Borrowings	17,094.56
- Trade payables	19,394.65
- Other financial liabilities	372.38
- Other current liabilities	461.75
Provisions	56.50
<b>Total Equity and Liabilities</b>	<b>94,174.12</b>

See accompanying Notes to the financial statements



**INEOS Styrolution India Limited**  
**(Formerly Styrolution ABS (India) Limited)**  
**Segment Revenue, Results, Segment Assets and Segment Liabilities**

(Rs.in Lacs)

Particulars	For the Quarter ended			For the half year ended	
	September 30, 2016	June 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015
	(Unaudited)	(Unaudited)	(Not subjected to review)	(Unaudited)	(Not subjected to review)
<b>1. Segment Revenue</b>					
(Revenue from operations)					
(a) Specialties	29,644.50	28,198.68	31,908.76	57,843.18	66,822.67
(b) Polystyrene	12,946.35	13,120.63	12,298.93	26,066.98	27,369.79
(c) Others	1,432.73	1,328.59	910.74	2,761.32	2,271.66
<b>Total</b>	<b>44,023.58</b>	<b>42,647.90</b>	<b>45,118.43</b>	<b>86,671.48</b>	<b>96,464.12</b>
Less : Inter Segment Revenue	-	-	-	-	-
<b>Revenue from operations</b>	<b>44,023.58</b>	<b>42,647.90</b>	<b>45,118.43</b>	<b>86,671.48</b>	<b>96,464.12</b>
<b>2. Segment Results</b>					
(Segment profit before interest and tax)					
(a) Specialties	3,229.18	2,669.31	1,634.31	5,898.49	5,083.68
(b) Polystyrene	196.87	113.11	(1,012.06)	309.98	468.36
(c) Others	24.68	81.76	(0.14)	106.44	94.69
<b>Total</b>	<b>3,450.73</b>	<b>2,864.18</b>	<b>622.11</b>	<b>6,314.91</b>	<b>5,646.73</b>
Add/(Less): (i) Finance cost	(123.41)	(145.20)	(274.86)	(268.61)	(506.81)
(ii) Interest income	95.64	3.36	78.02	99.00	83.18
(iii) Other unallocable expenditure (Net of income)	(471.19)	(449.29)	(406.05)	(920.48)	(1,457.87)
<b>Profit before tax</b>	<b>2,951.77</b>	<b>2,273.05</b>	<b>19.22</b>	<b>5,224.82</b>	<b>3,765.23</b>
<b>3. Segment Assets</b>					
a. Specialties	61,871.14	61,015.46	65,922.08	61,871.14	65,922.08
b. Polystyrene	26,463.51	24,260.27	25,829.34	26,463.51	25,829.34
c. Unallocated	5,839.47	5,143.21	5,384.67	5,839.47	5,384.67
<b>Total Segment Assets</b>	<b>94,174.12</b>	<b>90,418.94</b>	<b>97,136.09</b>	<b>94,174.12</b>	<b>97,136.09</b>
<b>4. Segment Liabilities</b>					
a. Specialties	10,550.29	11,479.03	12,236.39	10,550.29	12,236.39
b. Polystyrene	7,510.36	4,480.88	11,162.79	7,510.36	11,162.79
c. Unallocated	20,908.17	20,310.02	23,220.62	20,908.17	23,220.62
<b>Total Segment Liabilities</b>	<b>38,968.82</b>	<b>36,269.93</b>	<b>46,619.80</b>	<b>38,968.82</b>	<b>46,619.80</b>

**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 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.





Notes:

1. 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 11, 2016.
2. This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning April 1, 2016, the Company has for the first time adopted Ind AS with a transition date of April 1, 2015.
3. The format for un-audited quarterly results as prescribed in SEBI's Circular CIR/CFD/CMD/15/2015 dated November 30, 2015 has been modified to comply with requirements of SEBI's circular dated July 5, 2016, Ind AS and Schedule III (Division II) to the Companies Act, 2013 applicable to companies that are required to comply with Ind AS.
4. The Ind AS compliant corresponding figures in the previous year have not been subjected to review/audit. However, the Company's management has exercised necessary due diligence to ensure that such financial results provide a true and fair view of its affairs.
5. The statement does not include Ind AS compliant statement of results and statement of assets and liabilities for the previous year ended March 31, 2016, as the same is not mandatory as per SEBI's circular dated July 5, 2016.
6. The reconciliation of net profit reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS is given below:

Particulars	(Rs. In Lacs)	
	Quarter ended 30/09/2015	Half year ended 30/09/2015
Net Profit under Previous GAAP (After Tax)	928.10	2,735.98
<b>Ind AS adjustments</b>		
Restatement of results due to amalgamation of Styrolution India Private limited with the Company w.e.f. April 1, 2015 (refer Note 7)	(1,427.74)	(510.68)
Tax impact consequent to amalgamation of Styrolution India Private Limited with the company w.e.f. April 1, 2015 (refer Note 7)	1,921.35	1,921.35
Gain/(Loss) on fair value of investments	14.10	12.02
Effects of measuring financial instruments on trade contracts at fair value	51.80	8.00
Actuarial gains and losses on defined benefit plan reclassified to other comprehensive income (OCI)	23.95	47.91
Deferred tax on above adjustments	(26.21)	(19.35)
<b>Net Profit under Ind AS (After Tax)</b>	<b>1,485.35</b>	<b>4,195.23</b>
Other Comprehensive Income under Ind AS	(23.95)	(47.91)
Deferred tax on above adjustments	8.29	16.58
<b>Total Comprehensive income under Ind AS</b>	<b>1,469.69</b>	<b>4,163.90</b>

7. During the previous year, pursuant to the court approved Scheme of Amalgamation, Styrolution India Private Limited ('SIN') has been amalgamated with the Company w.e.f. the appointed date of April 1, 2015. Hence, previous year figures includes the results of SIN. The Company has followed the 'Pooling of Interest method' as per the court approved Scheme of Amalgamation for the accounting of Assets and Liabilities of SIN.

8. The figures for the previous period have been regrouped wherever necessary.

Place: Mumbai  
Date: November 11, 2016

For INEOS STYROLUTION INDIA LIMITED



*Sanjiv Vasudeva*

Sanjiv Vasudeva  
Managing Director and CEO  
DIN: 06570945

**INEOS STYROLUTION INDIA LIMITED**  
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