41st Annual Report
January-December 2013

Styrolution ABS (India) Limited

Board of Directors	Mr. Hyung Tae Chang	Chairman
	Mr. Myung Suk Chi	Managing Director
	Mr. S M Kulkarni	Director
	Mr. Jal R Patel	Director
	Mr. Ravindra Kulkarni	Director
	Mr. Jit Teng Tan	Director
	Mr. Ravishankar Kompalli	Alternate Director to Mr. Jit Teng Tan
VP (Finance) **Chief Financial Officer**	Mr. D. J. Shah (ceased w.e.f. 31.12.2013) Mr. S. Parlikar (appointed w.e.f. 01.01.2014)	
Company Secretary & Head-Legal	Mr. Haresh Khilnani	
Statutory Auditors	M/s. B S R & Co. LLP, Mumbai	
Bankers	State Bank of India ICICI Bank Limited	
Registered Office	6th Floor, ABS Towers, Old Padra Road, Vadodara - 390 007, Gujarat Phone No.: 91-265-2355861-62-63, 91-265-2355871-72-73 Fax No.: 91-265-2341012	
Nandesari Plant	51, GIDC Industrial Estate, Nandesari - 391 340, Dist. Vadodara, Gujarat Phone No.: 91-265-2840319, 2840285, 2840559, 2841010 Fax No.: 91-265-2840827	
Katol Plant	Halol-Kalol Road, Katol -389 330, Taluka Kalol, Dist. Panchmahal, Gujarat Phone No.: 91-2676-235980, 235891, 235802, 235803. Fax No.: 91-2676-235518	
Moxi Plant and R & D Centre	Sankarda-Bhadarva Road, Post : Poicha - 391 350, Tal.: Savli, Dist.: Vadodara, Gujarat Phone No.: 91-2667-244350, 244370, 244380, Fax No.: 91-2667-244340	
Delhi Office	Flat No. 1001 - 1002, Mercantile House, Kasturba Gandhi Marg, Connaught Place, New Delhi - 110 001 Phone No.: 91-11-23357915-18	
Mumbai Office	403, Advent Atria, Chincholi Bunder Road, Malad (West), Mumbai - 400 064, Maharashtra Phone No.: 91-22-28813262/64, Fax No.: 91-22-28813265	
Bangalore Office	Unit 4 & 5, 2nd floor, Above Big Kids Kemp, Ramanashree Arcade No. 18, M. G. Road, Bangalore - 560 001 Phone No.: 91-80-25596516, 25525285, Fax No.: 91-80-25580508	

Members are requested to direct all correspondence relating to share matters to the Company's Registered Office or to its 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. Phone No.: 91-265-2356573, Fax No.: 91-265-2356791, E-Mail ID: vadodara@linkintime.co.in

Contents **Page No.**

Notice	2-5
Directors' Report	6-11
Report on Corporate Governance	12-25
Management Discussion and Analysis	26-28
Independent Auditors' Report	29-31
Balance Sheet	32
Profit & Loss Account	33
Cash flow Statement	34-35
Notes to the Financial Statements	36-54

Notice

NOTICE is hereby given that the 41st Annual General Meeting of the Members of the Company will be held **on Tuesday, 29th April, 2014** at **11.30 a.m. at the Registered Office of the Company at ABS Towers, Old Padra Road, Vadodara – 390 007**, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statements for the year ended 31st December, 2013, together with the Reports of the Directors' and Auditors' thereon.

2. To declare a dividend on Equity Shares.

3. To appoint a Director in place of Mr. Jal R Patel, who retires by rotation and, being eligible, offers himself for re-appointment.

4. To appoint a Director in place of Mr. Ravindra Kulkarni, who retires by rotation and being eligible, offers himself for reappointment.

5. To re-appoint Messrs B S R & Co.LLP, Chartered Accountants, Mumbai (Firm's Registration number:101248W), as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting upto the conclusion of the next Annual General Meeting of the Company and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

6. To consider and, if thought fit, to pass with or without modifications, the following as a **Special Resolution:**

   "Resolved that pursuant to section 309 and other applicable provisions, if any, of the Companies Act, 1956, the Company approves payment and distribution of a sum not exceeding 1% of the net profits of the Company and subject to a maximum limit of Rs. 600,000 (Rupees six lakhs) to each non-executive independent director per annum or such other sum as may be approved by the Board of Directors from time to time calculated in accordance with the provisions of Sections 198, 349 and 350 of the Companies Act, 1956, in addition to the sitting fees paid to them for attending the Board / Committee meetings and such payment be made out of the profits of the Company of each year during the period of three years commencing from January 1, 2013;

   Resolved further that the Board of Directors are authorised to take such steps as may be necessary, desirable or expedient to give effect to this resolution."

Registered office :
6th 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 & Head - Legal

Mumbai
February 17, 2014

Notes:

1. 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.

   Proxy forms should be deposited with the Company at its registered office not less than 48 hours before the commencement of the meeting. ***A proxy so appointed shall not have any right to speak at the meeting. A blank proxy form is enclosed***.

2. 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.

3. The Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013, concerning the Special Business in the Notice is annexed hereto.

4. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 21st April, 2014 to Tuesday, 29th April, 2014 (both days inclusive).

5. 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 Link Intime India Private Limited, the Company's Registrar and Share Transfer Agent in respect of their physical shares, quoting Folio No.

6. Payment of dividend as recommended by the Directors, if declared at the meeting, shall be made on or after 5th May, 2014, to the Members whose names stand on the Company's Register of Members on 29th April, 2014.

7. 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 Link Intime India Private Limited, the Registrar and Share Transfer Agents. The Members holding shares in electronic form may furnish the information to their respective Depository Participants in order to receive dividend through NECS mechanism.

8. Pursuant to the provisions of Section 205A and 205C of the Companies Act, 1956 and the relevant provisions of the Companies Act, 2013 (whenever notified), the dividend which remains unpaid / unclaimed for a period of seven years 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 2006 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 205C of the Companies Act, 1956, no claim shall lie against the Company after the said transfer.

Financial Year	Tentative date for transfer to IEPF
2006	May 3, 2014
2007	April 24, 2015
2008	April 29, 2016
2009	April 28, 2017
2010	May 4, 2018
2011	April 24, 2019
2012	May 5, 2020

Members are requested to contact Link Intime Registry Private Limited, the Registrar and Share Transfer Agent of the Company for claiming the dividend for the aforesaid years.

9. 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 Annual General Meeting so that the information can be kept ready at the meeting.

10. Members/proxies 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.

Explanatory statement under Section 102 of the Companies Act, 2013

Item 6

Section 309 of the Companies Act, 1956 provides that a director who is neither in the Whole-time employment of the Company nor a Managing Director may be paid remuneration by way of commission, if the Company by special resolution, authorizes such payment.

Corporate Governance mandates appointing of independent directors who have requisite corporate management experience to effectively guide and advise the Company's functioning and growth. As Members are aware we have been observing complete compliance in this regard and have three independent directors appointed on our Board. The independent directors with their experience in industry and business matters have greatly contributed to deliberations and decisions specially relating to their functional expertise.

Your Board has considered it appropriate to make the annual payment in the form of commission subject to the approval of the shareholders and disclosures/compliance, if any.

None of the Directors except Mr. S. M. Kulkarni, Mr. Jal R. Patel and Mr. Ravindra Kulkarni are interested or concerned in the said resolution. This may be considered as an extract as required under section 302 of the Companies Act, 1956.

The Board recommends the resolution set forth in Item 6 for approval of shareholders.

Registered office :
6th 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 & Head - Legal

Mumbai
February 17, 2014

Profile of the Directors being re-appointed as required under Clause 49 of the Listing Agreement with Stock Exchanges:

Name of Directors	**Mr. Jal R Patel**	**Mr. Ravindra Kulkarni**
Nationality	Indian	Indian
Date of Birth	17.09.1937	23.05.1945
Date of Appointment	29.12.2005	13.03.2008
Experience (Yrs.)	50	42
Expertise in specific functional areas	Strategic Business Management, Finance & Banking	Legal, Business Management
Qualification	Associate Member of The Institute of Chartered Accountants of India Associate Member of The Institute of Company Secretaries of India	Master of laws
Directorship held in other public companies in India	Gujarat Gas Co. Limited ABC Bearings Limited Shri Dinesh Mills Limited Munjal Auto Limited Elecon Engineering Limited	Elantas Beck India Limited Entertainment Network (India) Limited Mahindra & Mahindra Limited Tech Mahindra Ltd. Chowgule Steamships Limited Khaitan Consultants Limited
Membership of Committees held in other public companies in India	**(i) Audit Committee** **Chairman** Gujarat Gas Co. Limited ABC Bearings Limited Elecon Engineering Limited **(ii) Shareholder's / Investors' Grievance Committee** **Member** Gujarat Gas Co. Limited Shri Dinesh Mills Limited	**(i) Audit Committee** **Chairman** Elantas Beck India Limited **Member** Mahindra & Mahindra Limited Entertainment Network (India) Limited **(ii) Shareholders / Investors' Grievances Committee** **Chairman** Elantas Beck India Limited **Member** Mahindra & Mahindra Limited Tech Mahindra Limited
No. of Equity shares held in the Company	**Nil**	**Nil**

Directors' Report

Dear Shareholders,

Your Directors take pleasure in presenting herewith their 41st Annual Report together with Audited Accounts and Auditors' Report for the year ended 31st December, 2013.

Financial Performance

The financial performance of your Company for the year ended 31st December, 2013 is highlighted below:

(Rs. in '000)

Particulars	**2013**	**2012**
Sales in MTs	76,964	74,804
Sales and other operating Income	12,574,119	11,066,061
Other Income	107,855	111,467
Total Income	12,681,974	11,177,528
Gross Profit before Interest, Depreciation & Tax	**912,776**	**1,083,005**
Less : Interest	4,571	15,915
Less: Depreciation	133,961	136,101
Profit Before Tax	**774,244**	**930,989**
Less: Provision for Tax	373,345	314,700
Less: Provision for Deferred Tax	(104,131)	(15,012)
Net Profit After Tax	**505,030**	**631,301**
Add: Balance of Profit Brought Forward	2,979,786	2,493,739
Amount Available for Appropriation	**3,484,816**	**3,125,040**

Appropriations:	**2013**	**2012**
Proposed Dividend	70,343	70,343
Tax on Proposed Dividend	12,499	11,411
Transfer to General Reserve	50,500	63,500
Balance of Profit Carried Forward	3,351,474	2,979,786
EPS (Basic)	28.72	35.90
(Diluted)	28.72	35.90

Review of Operations

Your Directors wish to inform that in context of the GDP growth of 4.8% in year 2013 and the de-growth of both the auto industry and durable goods like refrigerator was 5%, the overall Sales turnover of your Company was Rs. 1,257 crores, which is higher by 14% over the previous year's turnover of Rs.1,107 crores. This was mainly due to increase in sales volume and pricing.

However, Company's Profit Before Tax (PBT) decreased by 17% to Rs. 77 crores compared to previous year's PBT of Rs. 93 crores; whilst Profit After Tax (PAT) decreased by 19% to Rs. 51 crores compared to the previous year's PAT of Rs. 63 crores. The decline in the PBT and PAT was mainly due to one-time 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 the Company to grow profitably as a strong market leader even in the uncertain economic conditions.

During the year, there is no increase in the paid up share capital of the Company. Your Company continues to be a market leader in ABS sales.

Acquisition of 100 % equity stake in Styrolution India Pvt Ltd. (SIN)

The Board of Directors of Styrolution ABS (India) Limited (SAI) at their meeting held on November 20, 2013 had approved the proposal of making SIN as its Wholly Owned Subsidiary by acquiring 100% of its 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.

Change of Holding Company within Styrolution Group

Subsequent to the year end, on 28th 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 28th January, 2014.

Directors

Mr. Jal R Patel and Mr. Ravindra Kulkarni are retiring by rotation at the ensuing Annual General Meeting and being eligible have offered themselves for reappointment.

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 Rs. 4/- per Equity Share of Rs.10 each (40%). This dividend is subject to the approval of the Members at the ensuing Annual General Meeting.

The register of members and share transfer books shall remain closed from 21st April, 2014 to 29th April, 2014, (both days inclusive).

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.

Transfer to the Investor Education and Protection Fund

As required in terms of provisions of Section 205C of the Companies Act, 1956, the unclaimed dividend pertaining to the financial year ended on 31.12.2006 is due for transfer on 3rd May, 2014 to the Investor Education and Protection Fund maintained by the Ministry of Corporate Affairs. Your Directors request the affected shareholders to claim the same from the Company before the date of transfer or else no claim for the Dividend shall lie on the Company or on the said fund post transfer.

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.

Environmental Health, Safety and Protection

Your Company gives highest importance to Environment, Health and Safety (EHS), 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 processes.

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 of 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 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/ies, if any, arising out of any industrial accidents. Styrolution ABS Group has covered globally through insurance cover, the Directors' and Officers' liability under the Indian Companies Act to meet with any eventuality.

Statutory Auditors

The auditors, B S R & Co. LLP, Chartered Accountants, retire at the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept office, if re-appointed.

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 year ended 31st December, 2013 are self- explanatory and are devoid of any reservation, qualification or adverse remarks.

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, M/s. 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 for FY ended on 31st 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

Company has suitably laid down the Code of Conduct for all Board Members and Senior Management Personnel of the Company.

The declaration by CEO viz. Managing Director of Company related 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 the 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 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 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 the better implementation of the respective strategic initiatives.

A training calendar for the year 2013-14 based on identified needs has been 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 processor and the installation of a new attendance system, are in progress.

Particulars of Employees

Particulars of employees, as required under Section 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) of the Companies Act, 1956, your Directors based on the representation received from the operating management, 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 31st December, 2013 and of the profit of the Company for the year 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

Mumbai
February 17, 2014

Hyung Tae Chang
Chairman

Annexure I to the Directors' Report

Information as per Section 217(1)(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 year ended 31st December, 2013.

1. Conservation of Energy

a) Energy conservation measures taken:

1. Efforts have been initiated to improve Overall Equipment Efficiency of Rubber & compounding plants which reduced the Specific power consumption substantially.
2. Power factor has been maintained high throughout the year by proper monitoring of the capacitor banks at Nandesari, Moxi and Katol plant.
3. Continued use of steam condensate recovered from dryer section has resulted in the reduction of fuel and boiler feed water.
4. Recycling of mother liquor in CWD section has reduced the water consumption and waste water at Nandesari plant.
5. 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.
6. Installation of Screw Air Compressor with variable frequency drive has reduced the power consumption at Katol plant.
7. 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 - NIL

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 and water consumption.

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

Particulars	January-13 to December-13	January-12 to December-12
Power and Fuel Consumption		
2.1 Electricity		
a) Purchased		
Units Nos.	**33,698,034**	30,998,476
Total Amount (Rs. Lakhs)	**2,401.25**	2,199.62
Rate/Unit (Rs.)	**7.13**	7.10
b) Own Generation		
i) Through Diesel Generator		
Units	**263,139**	99,987
Units per 100 Ltr. Of Diesel Oil	**282**	180
Cost/Unit (Rs.)	**18.59**	25.94
ii) Through Steam Turbine/Generator Units	**NIL**	NIL
Units per Ltr. of Fuel Oil/Gas	**NIL**	NIL
Cost/Unit (Rs.)	**NIL**	NIL
iii) Through Wind Turbine/Generator Units	**6,433,076**	7,665,014
Total Amount (Rs. Lakhs)	**427**	491.02
Rate per unit (Rs.)	**6.64**	6.41
2.2 Coal (specify Quality and where used)	**NIL**	NIL

Particulars	January-13 to December-13	January-12 to December-12
2.3 Furnace Oil		
Quantity (Ltrs.)	**1,275,297**	1,394,152
Total Amount (Rs. Lakhs)	**547**	571.45
Average Rate (Rs.)	**42.92**	40.99
2.4 Other / Internal generation		
Natural Gas		
Quantity (M^3)	**1,794,497**	1,687,542
Total Amount (Rs. Lakhs)	**736**	645.97
Rate/Unit (Rs.)	**41.01**	38.28
2.5 Consumption per Ton		
Electricity units	**331**	325
Furnace Oil (Ltrs.)	**10**	12
Natural Gas (M^3)	**27**	26

3. Particulars as per Form B

3.1 Activities carried out at the Research and Development Center during the year.

- Eight new grades are developed or modified according to Customer requirement- liner grade, Blow moulding grade, Low gloss, high surface energy, reflective ABS, Metallic ABS, ABS/PC blend and ASA.
- Many Customers related issues like Over Packing, Flow lines and Weld lines are addressed.
- Completely supported the rubber exchange program between Nandesari and MTP 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

(Rs. In Lakhs)

a)	Capital	Nil
b)	Recurring	126.06
c)	Total	126.06
d)	Total R & D expenditure as a percentage of : Gross Turnover	0.10%
	: Net Turnover	0.11%

4. Technology absorption, adoption and innovation

In the area of new technologies like reflective ABS, low gloss ABS, liner grade and blow molding 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:-

(Rs. In Lakhs)

a)	FOB value of exports made	Nil
b)	Exchange earned	135.82
c)	Exchange outgo	1,849.47
d)	CIF value of imports	77,392.98

For and on behalf of the Board

Mumbai
February 17, 2014

Hyung Tae Chang
Chairman

Report on Corporate Governance

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

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.

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 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 our 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 judgment 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.

Constitution of the Board

Name of Directors	Status	Other Directorships in India *	DIN	No. of other Board Committees in India**	
				Member	Chairman
Mr. Hyung Tae Chang (Chairman)	Non – Executive & Non Independent	—	02425162	—	—
Mr. Myung Suk Chi (Managing Director)	Executive & Non Independent	—	05225708	—	—
Mr. Sharad M Kulkarni	Non-Executive & Independent	8	00003640	9	4
Mr. Jal R Patel	Non-Executive & Independent	5	00065021	5	4
Mr. Ravindra Kulkarni	Non-Executive & Independent	6	00059367	6	2
Mr. Jit Teng Tan	Non-Executive & Non Independent	—	06466969	—	—
Mr. Ravishankar Kompalli (Alternate to Mr. Tan)	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 companies as on December 31, 2013.

** Includes only Audit Committee and Investors' Grievance Committee of public limited companies.

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, is circulated in advance to the Directors. The Managing Director briefs the Board at every meeting on the overall performance of the Company. The Board is briefed on all the matters of the Company at its meeting. The important matters discussed at the meeting of the Audit Committee are also highlighted to the Board.

The information as specified in Annexure IA to Clause 49 of the Listing Agreement is regularly made available to the Board, whenever applicable, for discussion and consideration.

Number of Board meetings and the attendance of directors during the period January 1, 2013 to December 31, 2013

There were five Board meetings held during the period January 1, 2013 to December 31, 2013. These were on 26th February, 2013, 26th April, 2013, 26th July, 2013, 9th November, 2013 and 20th November, 2013. Attendance record of the directors was as under:

Name of Directors	Number of Board Meeting held	Number of Board Meeting attended	Attendance at last AGM
Mr. Hyung Tae Chang	5	5	Yes
Mr. Myung Suk Chi	5	5	Yes
Mr. Sharad M Kulkarni	5	5	Yes
Mr. Jal R Patel	5	5	No
Mr. Ravindra Kulkarni	5	4	No
Mr. Jit Teng Tan	5	4	Yes
Mr. Ravishankar Kompalli(Alternate for Mr. Tan)	5	1	N.A.

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.

Responsibilities

Managing Director:

Mr. M. S. Chi, Managing Director of the Company, is responsible for the overall management of the Company. He is the only full time executive representative from the Board of Directors. He periodically makes presentations, gives explanations and appraises board about the performance of the Company.

Independent Directors:

The Independent Directors play a vital role in vetting issues / decision making at the Audit Committee / Board Meetings and bring to the Company benefit of their wide experience in the field of corporate management, accounts, finance, taxation, audit, secretarial & legal, information and strategic management.

The Company has three Independent Directors on the Board. The Independent Directors have unfettered and complete access to all the information pertaining to the Company.

The Audit Committee of the Company is entirely composed of Non-executive Independent Directors.

Details of Directors being re-appointed.

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 reappointment.

Mr. Ravindra Kulkarni and Mr. Jal R Patel retire at the ensuing AGM as they are retiring by rotation and being eligible have offered themselves for reappointment.

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 each of the Directors who retire by rotation and who being eligible has offered himself for re-appointment, is given below:

Mr. Ravindra Kulkarni (DIN:00059367)

Mr. Ravindra Kumar Kulkarni has a degree of B.Sc, LL.M. He serves as a Senior Partner at Khaitan & Co. at its Head of Mumbai Office. Mr. Kulkarni has immense experience in all aspect of,

- Corporate law,
- Mergers & Acquisitions,
- Cross- Border Transactions in Capital Markets,
- In securities Law – such as insider trading takeover – code, public offers, buyback of securities etc.,
- In restructuring of companies, Privatization of Government Business and Companies in India on behalf of several bidders, etc.,
- In Foreign Investment, Joint Venture and Foreign Collaboration such as advice and documentations, obtaining regulatory approvals, licensing, shareholders' agreements and arrangements, technology transfers, import of plant & equipment etc.,
- In infrastructure and project financing, concession agreements, construction contracts, operation & maintenance contracts etc.,

He also has considerable experience in litigation having handled writs and civil litigation. He advises a range of large Indian and multinational clients in various business sectors, including infrastructure, power, telecom, automobile, engineering steel, cement, agriculture and agri-products, software and information technology, retail services.

Mr. Jal R. Patel (DIN: 00065021)

Mr. Jal R Patel is a qualified Chartered Accountant and a Company Secretary, having a varied experience in the field of Finance / Commercial and Corporate Administration. He has been Managing Director of FAG Bearings India Ltd, Baroda between 1977 to 1997. Thereafter, was elevated to the post as Vice Chairman & Managing Director and has retired as Chairman (Non-Executive) from the Company. At present, he is on the Board of many other companies as a Director and is an Advisor to Goradia group of Companies, Baroda. He is a past President and Managing Committee member of Federation of Gujarat Industries and has been also Past President and Governing Body Member of Gujarat Employers' Organisation. He is immediate past Chairman and Member, Board of Governors, United Way of Baroda. He holds membership and is a Trustee of various Trusts and Social Organizations in and around Baroda.

3. Audit Committee of Directors (Audit Committee)

Composition

The Audit Committee comprises of Independent Directors having expertise in accounting / financial management. During the year, Audit Committee met four times. These were on 26th February, 2013, 26th April, 2013, 26th July, 2013 and 9th November, 2013.

Name	Designation	Category of Directorship	Attendance
Mr. Sharad M Kulkarni	Chairman	Non-executive & Independent	4
Mr. Jal R Patel	Member	Non-executive & Independent	4
Mr. Ravindra Kulkarni	Member	Non-executive & Independent	3

The Managing Director, Chief Financial Officer, Statutory Auditors and Internal Auditors are permanent invitees to the meetings. Mr. Haresh Khilnani, Company Secretary & 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 292A of the Companies Act, 1956, 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, the replacement 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 to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act,1956,
   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 utilisation 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. 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.
9. Discussion with internal auditors any significant findings and follow up there on.
10. 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.
11. 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.
12. 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.
13. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
14. 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.
15. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on 26th April, 2013.

4. Investors Grievances Committee of Directors (Investors Grievance Committee)

Composition

The Board has constituted Investors Grievance Committee to attend and redress the investors' grievances. During the year under review, the Committee met four times on 26th February, 2013, 26th April, 2013, 26th July, 2013 and 9th November, 2013 respectively.

The composition of the Investors' Grievance Committee is as follows:

Name of the Member	Designation	Category of Directorship	Attendance
Mr. Jal R Patel	Chairman	Non-Executive & Independent	4
Mr. Myung Suk Chi	Member	Executive	4

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

M/s. Link Intime India Private Limited, Registrar and Share Transfer Agent of the Company attend to all the grievances of the investors. The details of complaints received, cleared and pending during the Financial Year 2013 is given as under:

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

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

5. Remuneration Committee of Directors (Remuneration Committee)

A Remuneration Committee has been constituted by the Board which meets on specific need basis. The Board of Directors has constituted this committee especially for the purpose of recommending the Managing Director and Executive Director's remuneration.

The present composition of the Remuneration Committee is as follows:

1) Mr. Sharad M Kulkarni – Chairman and Independent Director
2) Mr. Jal R Patel – Independent Director
3) Mr. Ravindra Kulkarni – Independent Director

Brief description of terms of reference of the Committee is as under:

a. Recommend compensation payable to the Managing Director and Executive Director.

b. Perform such other functions consistent with applicable regulatory requirements.

Remuneration Policy:

The Board of Directors has constituted remuneration committee in its meeting held on 20th July, 2009. Remuneration committee is to discharge the Board's responsibilities relating to compensation of the Company's executive directors.

The remuneration of the executive director comprises of salary, commission, perquisites and allowances, contribution to provident fund, superannuation fund and gratuity. The executive director is also entitled to leave and leave encashment as per the rules of the Company.

The non-executive independent directors are paid commission, sitting fee for Board / Committee meetings and reimbursement of traveling and out of pocket expenses for attending such meetings. None of existing directors hold any shares in the Company. The amount of commission payable to each non – executive independent director is decided by the Board based on number of board meetings attended, role and responsibility as Chairman / Member of the Board/ Committee and overall contribution.

(A) Details of remuneration paid / payable to Executive Director for FY 2013 is as under:

(Amount in Rs.)

Name & Designation	**Myung Suk Chi-Managing Director**
Salary	16,149,273
Perquisites	3,546,639
Retiral benefits	9,816,173
Performance linked incentives	9,977,921
Stock Options	N.A.
Commission	Nil
Total	39,490,006

Tenure	
From	August 1 ,2012
To	July 31, 2015
Notice Period	6 months
Equity shares of Rs.10 held as on 31.12.2013	Nil

(B) Details of remuneration paid / payable to Non-Executive Directors for FY 2013 is as under:

(Amounts in Rs.)

Name of Directors	Commission **	Sitting fees for Board / Committee Meetings attended *	Total	No. of Equity shares of Rs.10 held as on 31.12.2013
Mr. Hyung Tae Chang	—	—	—	—
Mr. Sharad M Kulkarni	600,000	180,000	780,000	—
Mr. Jal R Patel	600,000	200,000	800,000	—
Mr. Ravindra Kulkarni	600,000	140,000	740,000	—
Mr. Jit Teng Tan	—	—	—	—
Mr. Ravishankar Kompalli	—	—	—	—

* Exclusive of Service Tax.

** Subject to the approval of Annual Accounts for the Financial Year 2013 by the Members at the 41st Annual General Meeting to be held on 29th April, 2014.

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

6. Share Transfer Committee of Management

Composition

A Share Transfer Committee has been constituted by the Board which takes on record transfer / transmission of shares and consolidation / splitting of folios, issue of share certificates in exchange for sub-divided, consolidation, defaced, etc.

The present composition w.e.f. December 1, 2013 of the Share Transfer Committee is as follows:

1) Mr. M. S. Chi – Managing Director

2) Mr. Haresh Khilnani – Member & Secretary

7(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
2010	38th Annual General Meeting ABS Towers, Old Padra Road, Vadodara 390007.	Thursday, 5th May, 2011 11.30 a.m.	a) Appointment of Mr. R. S. Agrawal as Managing Director for a period from 1st January 2012 to 31st December 2012 b) Payment of commission to non-executive independent directors
2011	39th Annual General Meeting ABS Towers, Old Padra Road, Vadodara 390007.	Tuesday, 24th April, 2012 11.30 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, 26th April, 2013 11.30 a.m.	No special resolution was passed

(b) 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

Name of Scrutinizer	Mr. B. V. Dholakia
Date of Report of Scrutinizer	19th June, 2012
Date of declaration of Results / Date of approval of Members	19th 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

8. 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 in Schedule 33 to the financial statements in the Annual Report.

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.

9. Subsidiary Companies

The Company does not have any Subsidiary as on 31st December, 2013.

10. 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 business risk is managed through

cross functional involvement and communication across businesses. 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.

11. 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 year under review, all Board Members and senior management personnel of the Company have confirmed their adherence to the provisions of the said Code.

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

13. 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 Financial Year ended 31.12.2013 as required in terms of Clause 49 of the Corporate Governance Code.

14. Compliance with Non-mandatory requirements:

a. The Company does not maintain a separate office for the Non – Executive Chairman. The independent directors are having requisite qualification and experience to act as a director on the Board.

b. The Company has a Remuneration Committee. Please refer relevant paragraph of this Report.

c. The quarterly financial results are published in the newspapers of wide circulation and not sent to individual shareholders. Financial Results are also available on the website of the Company and of stock exchanges where the Equity Shares of the Company are listed.

d. All members of the board are experts in their respective fields and well versed with business as well as risk profile of the Company.

e. The Board members are from diverse fields of expertise and have long standing experience and expert knowledge in their respective fields which is very relevant as well as of considerable value for the Company's business.

15. General Shareholder Information:

41st AGM :

Date, Time and Venue:	29th April, 2014 (Tuesday) at 11.30 a.m. at ABS Towers, Old Padra Road, Vadodara – 390007.
Financial year:	1st January to 31st December.
	The financial results will be adopted as per the following tentative schedule :
	First Quarter: Last week of April, 2014
	Second Quarter: Fourth week of July, 2014
	Third Quarter: Last week of October, 2014
	Fourth Quarter: Third week of February, 2015
Dividend for the year 2013:	The Board of Directors of the Company has recommended a final dividend of Rs. 4 (@40 %) per equity share for the year ended December 31, 2013. Dividend when declared at the Annual general Meeting will be paid to the Members, whose names appear on the Register of Members as on 29th April, 2014.
Date of book closure:	21st April, 2014 to 29th April, 2014 (both days inclusive).
Dividend Payment date:	May 5, 2014

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 2013-14 have been paid to both the Stock Exchanges within stipulated time.

Distribution of shareholding as on 31st December, 2013:

No. of shares ranging From – To	No. of Shareholders	% to Total	No. of Shares	% to Total
1 - 500	7,626	91.4608	848,985	4.8277
501 - 1000	368	4.4135	292,223	1.6617
1001 - 2000	166	1.9909	247,530	1.4076
2001 - 3000	61	0.7316	151,880	0.8637
3001 - 4000	23	0.2758	82,122	0.4670
4001 - 5000	18	0.2159	84,405	0.4800
5001 - 10000	39	0.4677	280,982	1.5978
10001 & above	37	0.4438	15,597,498	88.6946
Total:	**8,338**	**100.00**	**17,585,625**	**100.00**

Dematerialisation of shares as on 31st December, 2013:

Particulars	31st December, 2013		31st December, 2012	
	No. of Shares	%	No. of Shares	%
No. of Demat Shares				
- NSDL	**16,441,476**	**93.49**	16,916,077	96.19
- CDSL	**873,727**	**4.97**	383,876	2.18
No. of Physical Shares	**270,422**	**1.54**	285,672	1.62
Total	**17,585,625**	**100.00**	17,585,625	100.00

ISIN for NSDL & CDSL: INE189B01011

Means of Communication: The quarterly un-audited results are published in widely circulating national and local dailies.

1. The Financial Express (Gujarati) – Ahmedabad
2. Loksatta (Gujarati) – Vadodara
3. The Indian Express – Vadodara
4. Business Standard – Ahmedabad

The Company's results and official news releases are simultaneously displayed on the Company's website is www.styrolutionabsindia.com.

Reconciliation of Share Capital Audit Report: 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).

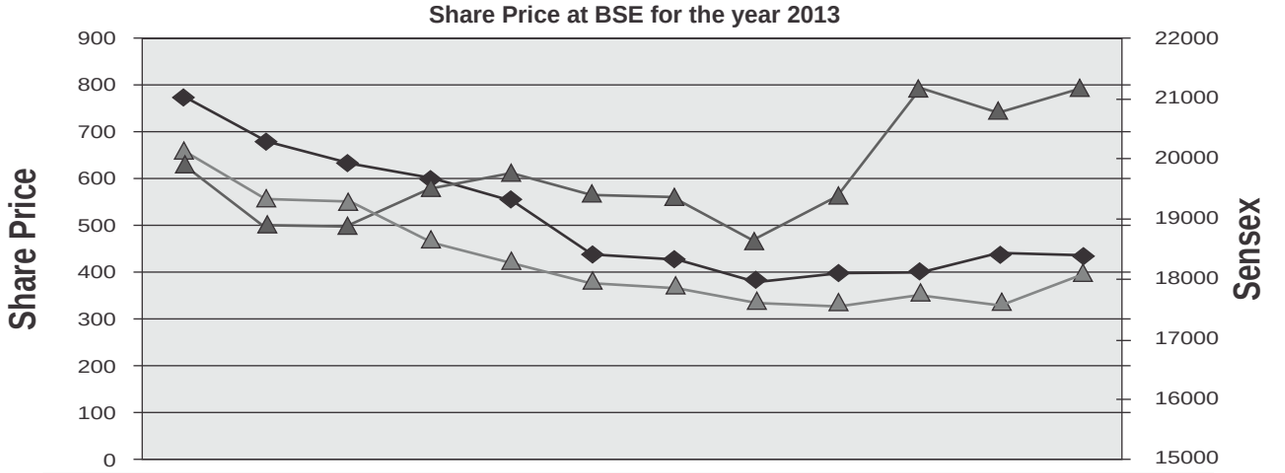
Category wise shareholding as on 31st December, 2013:

Category	No. of shares	% of Shareholding
Promoters		
- Indian Promoters		
- Foreign Promoters:		
Styrolution (Jersey) Limited	13,189,218	75.00
Institutional Investors		
- Mutual Funds / UTI	1,700,472	9.67
- Banks, Financial Institutions	2,700	0.02
- FIIs	235,719	1.34
- Trusts	164	0.00
- Qualified Foreign Investor - Corporate	700	0.00
Others		
- Corporate Bodies	454,309	2.58
- Indian Public	1,901,884	10.81
- NRIs / OCBs	73,124	0.42
- Any Others (Clearing Members)	27,335	0.16
Grand Total	**17,585,625**	**100.00**

High/low of market price of the Company's shares traded along with the volumes on BSE and NSE during the calendar year 2013 is furnished below:

Month	BSE (Sensex)				NSE (Nifty)			
	High Price (Rs.)	Low Price (Rs.)	No. of Shares	SENSEX	High Price (Rs.)	Low Price (Rs.)	No. of Shares	NIFTY
January	**773.00**	659.70	26,627	19894.98	**771.05**	655.70	41,750	6034.75
February	680.00	555.00	38,835	18861.54	679.00	554.65	84,750	5693.05
March	635.00	550.00	14,897	18835.77	730.00	550.00	25,711	5682.55
April	597.00	470.00	19,634	19504.18	590.00	419.00	33,313	5930.20
May	555.55	422.00	137,478	19760.30	549.90	421.95	361,413	5985.95
June	439.00	382.05	32,281	19395.81	440.00	351.20	55,430	5842.20
July	428.50	372.05	26,706	19345.70	425.00	355.00	128,463	5742.00
August	385.00	339.00	19,179	18619.72	435.50	337.00	35,452	5471.80
September	402.00	336.00	23,618	19379.77	437.95	**327.30**	25,126	5735.30
October	405.00	356.00	11,397	21164.52	402.00	370.05	28,489	6299.15
November	440.00	**334.05**	21,436	20791.93	421.70	375.05	68,846	6176.10
December	435.00	400.00	38,557	21170.68	429.00	386.00	106,156	6304.00
Total shares traded			410,645				994,899	
Average shares traded			34,220.42				82,908.25	

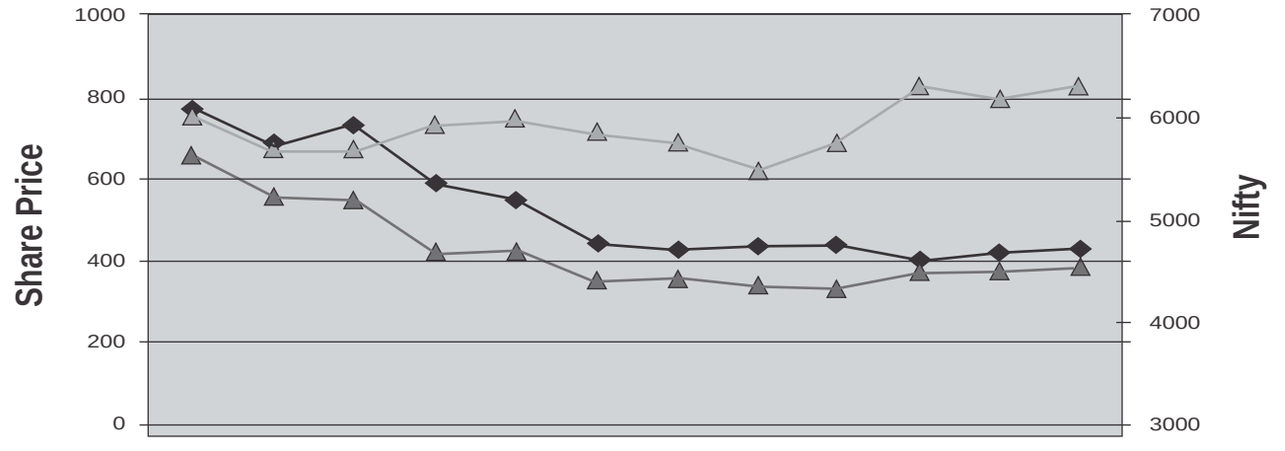
Share Performance of the Company in graphical comparison at **BSE (Sensex)** :



	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
High (`)	773.00	680.00	635.00	597.00	555.55	439.00	428.50	385.00	402.00	405.00	440.00	435.00
Low (`)	659.70	555.00	550.00	470.00	422.00	382.05	372.05	339.00	336.00	356.00	334.05	400.00
Sensex	19894.98	18861.54	18835.77	19504.18	19760.30	19395.81	19345.70	18619.72	19379.77	21164.52	20791.93	21170.68

Month

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



	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
High (`)	771.05	679.00	730.00	590.00	549.90	440.00	425.00	435.50	437.95	402.00	421.70	429.00
Low (`)	655.70	554.65	550.00	419.00	421.95	351.20	355.00	337.00	327.30	370.05	375.05	386.00
Nifty	6034.75	5693.05	5682.55	5930.20	5985.95	5842.20	5742.00	5471.80	5735.30	6299.15	6176.10	6304.00

Month

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 : 0265-2356573, 2356794 Fax : 2356791.
E-Mail : vadodara@linkintime.co.in

Share transfer system: All the transfers received are processed by the Registrars and Share Transfer Agents 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 respects.

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 6th 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 2005 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. ***The Dividend declared for the year 2006, which has remained unclaimed is due for transfer to Investor Education & Protection Fund on 3rd May, 2014.***
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 December 31, 2013:	Not Issued.
Office of the Chairman:	The Company has a Non-Executive Chairman.
Plant locations:	The Company's plants are located at Nandesari, Katol and Poicha (Moxi) in Gujarat. Please refer page no. 1. of this Annual report for the address 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 Mr. Haresh Khilnani, Company Secretary & Head - Legal, at the Registered Office of the Company for any assistance. Email ID : secshare@styrolutionabsindia.com Tel.Nos. 91-265 - 2355861-63, 2355871-73 Website : 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

Mumbai
February 17, 2014

Hyung Tae Chang
Chairman

CEO and CFO Certification

To
The Board of Directors
Styrolution ABS (India) Limited
Vadodara

We, Myung Suk Chi, Managing Director (Chief Executive Officer) and Suryakant Parlikar, 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 year ended December 31, 2013.
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 year 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 year;
   (ii) Significant changes in accounting policies during the year 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.

Mumbai	**M S Chi**	**Suryakant Parlikar**
February 17, 2014	**Managing Director / CEO**	**Chief Financial Officer**

Declaration by the Managing Director under clause 49 of the Listing Agreement regarding compliance with Code of Conduct

In accordance with Clause 49 I D 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 financial year ended on 31st December, 2013.

Mumbai	**M S Chi**
February 17, 2014	**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 year ended on 31 December 2013, as stipulated in Clause 49 of the Listing Agreements 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.

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

Sanjay Aggarwal
Partner
Membership No: 040780

Mumbai
February 17, 2014

Management Discussion and Analysis

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 on automotive, home appliance, electrical and electronics, construction, 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, and make products affordable and enhance the quality of life for a lot of people by making things more convenient, nicer and safer.

Opportunities and Threats

Developed countries have slowly recovered from the economic setback, thanks to the stimulus packages administered. However, the gross domestic product (GDP) growth slowed down to as low as 4.8% in 2013 which was the lowest in last decade. This tough economic environment made our Customer industries degrow in automotive and durable goods industries.

Growing fiscal deficit, higher interest rates, higher inflation and depreciating Rupee has led to decrease in consumer spending and slowdown in market growth.

Due to poor China demand, there was a situation of higher imports into the Country, however the imports was reduced after the increase in Import Duty from 5% to 7.5% as of April 1, 2013. These circumstances have led to strengthen the position of the Company against imported products. Despite of market slowdown, Company's Customer and Industry focused approach has led to retain the market leadership position with improved profit margin.

It is further expected that demand is likely to slow down in the time to come. This is based on the assumption that GDP growth rate may remain subdued as last year. This may lead to the slowdown in ABS demand growth and higher competition in the market.

Company has shifted its sales organisation from Product oriented to Industry focused organisation to strengthen market position creating more values and solutions to Customers. Your Directors also feel that there is good potential to develop further business in the automotive sector, construction, health and diagnostics, home appliances and electrical and electronic industries. Your Company will strengthen R&D capabilities which will lead to creating more values and innovative solutions.

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, if any.

Products

Your Company products viz. ABSOLAN and ABSOLAC continues to have a preferred market choice amongst user industries such as automotive sector, construction, health and diagnostics, home appliances and electrical and electronic industries. Further, your Company has launched new products Novodur® HH and Luran® S which will further improve our profitability and market leadership.

The Company provides styrenic applications for many everyday products across a broad range of industries, including automotive, electrical and electronics, household appliances, building and construction, healthcare and diagnostics, 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

The gross domestic product growth dropped to 4.8 per cent in 2013, which was one of the lowest in the last decade. The main reasons were growing fiscal deficit, higher interest rates, higher inflation and depreciating Rupee. According to the Reserve Bank of India, the business confidence in India remains weak with companies scaling down their investment plans. This tough economic situation may continue in near future. However, Company's strong strategic initiatives and industry focused approach will ensure the Company to continue to grow.

Risks 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 debated.

Your Company is integrating 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 part in Directors' Report discusses in detail about the Company's financial performance and operational performance.

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

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

As at December 31, 2013, the Company employed approximately 895 employees, both permanent and on contract basis. Our culture and reputation as a leader in ABS industry enables us to recruit and retain some of the best available talent in India. Human Resources acts both as a service provider and as a governance unit in the various employee-related fields of work. The fields of activity include the attraction, selection, talent development and rewarding of employees, while also

overseeing organizational leadership and culture and ensuring compliance with employment and various applicable labor 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 remain cordial and harmonious and continues to be so in the year ahead. Your Directors believe that a continuous HR interaction has and would lead to a healthy environment and a strong relationship of mutual trust.

Environment – Health – Safety

Styrolution is deeply committed to combining economic success with environmental and social responsibility. Guided by corporate value of "Responsibility" and Company's EHS 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.

For and on behalf of the Board

Mumbai
February 17, 2014

Hyung Tae Chang
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.

Independent Auditors' Report

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 December 2013, the Statement of Profit and Loss and Cash Flow Statement for the year ended 31 December 2013, 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 referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ('the Act'). 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 December 2013;

ii. in case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and

iii in case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. 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.

2. 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 referred to in sub-section (3C) of Section 211 of the Act; and

e. on the basis of written representations received from the directors of the Company, as at 31 December 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 December 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.

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

Sanjay Aggarwal
Partner
Membership No: 40780

Mumbai
February 17, 2014

Annexure to the Independent Auditors' Report – December 31, 2013
(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. No material discrepancies were noticed upon such verification.

(c) Fixed assets disposed off during the year 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 under Section 301 of the Act.

(iv) In our opinion and according to the information and explanations given to us, 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) According to the information and explanations given to us, we are of the opinion that there are no companies, firms or other parties covered in the register required under Section 301 of the Act. Accordingly, paragraph 4(iii) 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 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, Sales-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 year by the Company with the appropriate authorities though there have been slight delay in few cases.

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 December 2013 for a period of more than six months from the date they became payable other than those disclosed below:

Name of the statute	Nature of dues	Amount (Rs. Lakhs)	Period to which the amount relates	Due Date	Date of Payment
Income Tax, Act 1961	Tax deducted at source	281.87	May 2012 to June 2013	Various	Not yet paid

(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 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 year.

(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.

(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 **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W

Sanjay Aggarwal
Partner
Membership No: 40780

Mumbai
February 17, 2014

Balance Sheet as at December 31, 2013

(Rs. in Lakhs)

	Note No.	December 31, 2013	December 31, 2012
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	1,758.56	1,758.56
Reserves and surplus	4	45,966.33	41,744.45
		47,724.89	43,503.01
Non-current liabilities			
Deferred tax liabilities (net)	5	622.94	1,664.25
Other long-term liabilities	6	6.91	6.87
Long-term provisions	7	1,501.94	1,497.84
		2,131.79	3,168.96
Current liabilities			
Short-term borrowings	8	8,928.64	6,724.23
Trade payables	9	20,437.89	5,715.51
Other current liabilities	10	4,644.62	3,821.35
Short-term provisions	11	843.72	844.70
		34,854.87	17,105.79
Total		**84,711.55**	**63,777.76**
ASSETS			
Non-Current assets			
Fixed assets			
Tangible assets	12	13,629.30	12,379.31
Capital work-in-progress		5,636.72	2,926.30
Non-current investments	13	4.50	4.50
Long-term loans and advances	14	2,042.40	2,776.23
Other non-current assets	15	13.44	11.62
		21,326.36	18,097.96
Current assets			
Current investments	16	3,320.49	1,705.14
Inventories	17	17,303.38	9,519.42
Trade receivables	18	22,089.16	17,490.30
Cash and bank balances	19	3,681.76	3,253.72
Short-term loans and advances	20	16,768.66	13,628.43
Other current assets	21	221.74	82.79
		63,385.19	45,679.80
Total		**84,711.55**	**63,777.76**
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 Registration Number : 101248W

Sanjay Aggarwal
Partner
Membership Number: 40780

Mumbai, Dated : February 17, 2014

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

H T Chang Chairman	S. M. Kulkarni Director	J. R. Patel Director
Myung Suk Chi Managing Director	Ravindra Kulkarni Director	Jit Teng Tan Director
Haresh Khilnani Company Secretary		

Mumbai, Dated : February 17, 2014

Statement of Profit and Loss for the year ended December 31, 2013

(Rs. in Lakhs)

	Note No.	December 31, 2013	December 31, 2012
Revenue from operations	22		
Sale of products (gross)		125,475.56	110,602.84
Less: Excise duty		14,291.29	11,727.80
Sale of products (net)		111,184.27	98,875.04
Other operating revenue		265.63	57.77
Other income	23	1,078.55	1,114.67
Total revenue		**112,528.45**	**100,047.48**
Expenses			
Cost of raw and packing materials consumed	24	84,806.11	74,680.76
Changes in inventories of finished goods and work-in-progress	25	(54.86)	150.35
Employee benefits expense	26	2,885.54	2,650.11
Finance costs	27	45.71	159.15
Depreciation / Amortisation	12	1,339.61	1,361.01
Other expenses	28	15,763.90	11,736.21
Total expenses		**104,786.01**	**90,737.59**
Profit before tax		**7,742.44**	**9,309.89**
Tax expenses			
Current tax		3,733.45	3,147.00
Deferred tax (credit)		(1,041.31)	(150.12)
		2,692.14	2,996.88
Profit for the year		**5,050.30**	**6,313.01**
Earnings per share (Basic and diluted) (Rs.) (Face value per share of Rs. 10 each)	46	28.72	35.90
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 Registration Number : 101248W

Sanjay Aggarwal
Partner
Membership Number: 40780

Mumbai, Dated : February 17, 2014

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

H T Chang
Chairman

S. M. Kulkarni
Director

J. R. Patel
Director

Myung Suk Chi
Managing Director

Ravindra Kulkarni
Director

Jit Teng Tan
Director

Haresh Khilnani
Company Secretary

Mumbai, Dated : February 17, 2014

Cash Flow Statement for the year ended December 31, 2013

(Rs. in Lakhs)

	Year Ended Dec 31, 2013	Year Ended Dec 31, 2012
A. Cash flow from Operating Activities		
Profit before Tax	7,742.44	9,309.89
Adjustments for :		
Depreciation	1,339.61	1,361.01
Loss on fixed assets sold/discarded (net)	2.24	42.11
Provisions for doubtful debts/advances written back (net)	(48.74)	(20.25)
Provision no longer required written back	-	(6.06)
Interest income on deposits	(730.89)	(658.06)
Interest income-others	(5.39)	(20.02)
Finance costs	45.71	159.15
Dividend on long term quoted Investment	(1.08)	(0.85)
Dividend on current unquoted investment	(171.27)	(303.74)
Provision for contingencies	47.72	67.50
	477.91	620.79
Operating profit before Working Capital changes	8,220.35	9,930.68
Changes in Working Capital:		
Increase/(Decrease) in Other long-term liabilities	0.04	(9.33)
(Decrease) in Long-term provisions	(43.62)	(19.87)
Increase in Trade payables	14,722.38	3,957.01
Increase in Other current liabilities	821.61	1,392.05
Increase/(Decrease) in Short-term provisions	(6.42)	3.87
(Increase)/Decrease in Long-term loans and advances	1,053.18	(1,767.61)
(Increase) in Other non-current assets	(1.82)	-
(Increase) in Inventories	(7,783.96)	(50.43)
(Increase) in Trade receivables	(4,575.30)	(5,080.93)
(Increase) in Short-term loans and advances	(3,115.05)	(7,895.53)
(Increase)/Decrease in Other current assets	(191.95)	76.80
	879.09	(9,393.97)
Cash generated from operations	9,099.44	536.71
Taxes paid (net)	(4,052.80)	(2,914.00)
Net cash generated from/(used in) Operating Activities	5,046.64	(2,377.29)
B. Cash flow from Investing Activities		
Purchase of Tangible assets	(5,303.62)	(2,757.22)
Sale of Tangible assets	1.36	30.27
Decrease in Short term deposits	300.00	3,100.00
Purchase of Current investments	(47,871.23)	(53,945.54)
Sale of Current investments	46,255.88	62,373.08
Interest received	787.32	653.72
Dividend received	172.35	304.59
Net cash from / (used in) Investing Activities	(5,657.94)	9,758.90

		(Rs. in Lakhs)
	Year Ended Dec 31, 2013	Year Ended Dec 31, 2012
C. Cash flow from/(used in) Financing Activities		
Dividends paid	(701.47)	(709.11)
Dividend distribution tax	(119.55)	(114.11)
Finance costs	(46.01)	(183.94)
(Increase)/Decrease in short term loans	2,204.41	(6,334.83)
Net cash from/(used in) Financing Activities	1,337.38	(7,341.99)
Net increase in Cash and Cash equivalents A+B+C	726.08	39.62
Cash and Cash equivalents at the beginning of the year	2,932.66	2,893.04
Cash and Cash equivalents at the end of the year	3,658.74	2,932.66
Cash and cash equivalents comprise of:		
Cash on hand	0.51	0.39
Balances with banks	3,658.23	2,932.27
Total	3,658.74	2,932.66

Notes:

1) The above Cash Flow Statement has been prepared under the "Indirect method" set out in Accounting Standard 3 "Cash Flow Statement" notified under Section 211 (3C) [Companies (Accounting Standards) Rule, 2006, as amended] and other relevant provisions of the Companies Act, 1956.

2) Figures for the Previous Year have been regrouped and reclassified wherever necessary, to conform to the current year's classification (Refer Note 49).

3) Figures in bracket indicate cash outflow.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration Number : 101248W

Sanjay Aggarwal
Partner
Membership Number: 40780

Mumbai, Dated : February 17, 2014

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

H T Chang Chairman	S. M. Kulkarni Director	J. R. Patel Director
Myung Suk Chi Managing Director	Ravindra Kulkarni Director	Jit Teng Tan Director
Haresh Khilnani Company Secretary		

Mumbai, Dated : February 17, 2014

Notes to the financial statements for the year ended December 31, 2013

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 a market leader 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 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] 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.

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 daily 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 and Excise duty as applicable. Net realizable value is the estimate of the selling price in the ordinary course of business as applicable.
iii) Customs Duty as applicable is included in the cost of Raw Materials lying in stock.

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 accounts 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 exhange 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.

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:

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.

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 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 that 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.

K. Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of asset or the recoverable amount of cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

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 and diluted earnigs per share ('EPS') is computed by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year.

Notes to the financial statements for the year ended December 31, 2013

(Rs. in Lakhs)

	December 31, 2013	December 31, 2012
3. Share capital		
Authorised		
50,000,000 (previous year: 50,000,000) equity shares of Rs. 10 each	5,000.00	5,000.00
Issued, subscribed and paid up		
17,585,625 (previous year: 17,585,625) equity shares of Rs. 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	Number		Number	
		Number	(Rs. in Lakhs)	Number	(Rs. in Lakhs)
Styrolution (Jersey) Limited	Holding Company	13,189,218	1,318.92	15,356,780	1,535.68

Consequent upon the formation of Global joint venture, M/s. Styrolution (Jersey) Limited the acquirer, along with persons acting in concert had in terms of SEBI (SAST) Regulations 1997, made a public offer to the shareholders of the Company, vide Offer document dated January 5, 2012. M/s. Styrolution (Jersey) Limited acquired 703,075 shares representing 4% of the capital of the Company from the public as on March 2012. Subsequently to comply with the listing guidelines the promoters M/s Styrolution (Jersey) Limited made offer for sale of 12.33% of the share capital of the Company in May 2013. As a result, the total shareholding of Styrolution (Jersey) Limited is now 75.00% of the capital of the Company.

Subsequent to the year end, on 28th 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 28th January, 2014.

b. Rights, preferences and restrictions attached to the shares

The Company has one class of equity share having a par value of Rs. 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	December 31, 2013		December 31, 2012	
	Number	Percentage	Number	Percentage
Styrolution (Jersey) Limited (Refer Note 3(a) above)	13,189,218	75.00%	15,356,780	87.33%

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

Particulars	December 31, 2013		December 31, 2012	
	Number	(Rs. in Lakhs)	Number	(Rs. 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 December 31,2013.
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.

Notes to the financial statements for the year ended December 31, 2013

(Rs. in Lakhs)

		December 31, 2013	December 31, 2012
4.	**Reserves and surplus**		
a)	**Capital reserves**		
	Balance at the commencement and at the end of the year	0.14	0.14
b)	**Securities premium account**		
	Balance at the commencement and at the end of the year	4,328.39	4,328.39
c)	**General reserve**		
	Balance at the commencement of the year	7,618.06	6,983.06
	Add: Amount transferred from Surplus	505.00	635.00
	Balance at the end of the year	8,123.06	7,618.06
d)	**Surplus in statement of profit and loss**		
	Balance at the commencement of the year	29,797.86	24,937.39
	Add: Profit for the year	5,050.30	6,313.01
	Less: Proposed dividend	703.43	703.43
	Less: Tax on proposed dividend	124.99	114.11
	Less: Amount transferred to general reserve	505.00	635.00
	Balance at the end of the year	33,514.74	29,797.86
	Total	**45,966.33**	**41,744.45**
5.	**Deferred tax liabilities (net)** (Refer Note 2(H))		
	Deferred tax liabilities		
	Arising on account of timing difference in		
	Depreciation / amortisation of fixed assets	2,180.00	2,181.56
	Deferred tax assets		
	Arising on account of timing differences in:		
	Provision for doubtful debts and advances	24.71	39.40
	Provision for compensated absences and employee payables	37.76	43.15
	Provision for corporate cost	1,022.90	-
	Provision for contingencies	471.69	434.76
		1,557.06	517.31
	Total	**622.94**	**1,664.25**
	Deferred tax assets and Deferred tax liabilities have been offset as they relate to the same governing taxation laws.		
6.	**Other long-term liabilities**		
	Deposits received	6.91	6.87
	Total	**6.91**	**6.87**

Notes to the financial statements for the year ended December 31, 2013

(Rs. in Lakhs)

	December 31, 2013	December 31, 2012
7. Long-term provisions		
Provision for employee benefits (Refer Note 2(I) and 44)	62.22	105.84
Provision for contingencies (Refer Note 45)	1,439.72	1,392.00
Total	**1,501.94**	**1,497.84**
8. Short-term borrowings (Acceptances) (Unsecured)		
Buyers Credit from Bank	8,928.64	6,724.23
Total	**8,928.64**	**6,724.23**

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.

9. Trade payables		
Micro and small enterprises (Refer Note 42)	-	-
Others	20,437.89	5,715.51
Total	**20,437.89**	**5,715.51**
10. Other current liabilities		
Interest accrued but not due on borrowings	6.60	6.90
Unclaimed dividend *	23.02	21.06
Advances received from customers	52.06	7.08
Employee related liabilities	609.11	452.05
Statutory dues	150.50	104.41
Payables for capital goods	157.17	311.39
Accrued expenses	3,646.16	2,918.46
Total	**4,644.62**	**3,821.35**

* 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.

11. Short-term provisions		
Provision for employee benefits (Refer Note 2(I) and 44)	20.74	27.16
Proposed dividend on equity shares	703.43	703.43
Tax on proposed dividend	119.55	114.11
Total	**843.72**	**844.70**

Notes to the financial statements for the year ended December 31, 2013

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

(Rs. in Lakhs)

PARTICULARS	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 01/01/13	Additions	Deductions/ Adjustment	As at 31/12/13	As at 01/01/13	For the Year	Deductions/ Adjustment	As at 31/12/13	As at 31/12/13	As at 31/12/12
Free hold Land	85.49			85.49	-	-	-	-	85.49	
	(60.62)	(24.87)	-	(85.49)	-	-	-	-		(85.49)
Lease hold Land	171.43		-	171.43	28.77	2.40		31.17	140.26	
	(171.43)	-	-	(171.43)	(26.37)	(2.40)	-	(28.77)		(142.66)
Buildings	3,928.90	678.97		4,607.87	1,152.34	144.28		1,296.62	3,311.25	
	(3,719.46)	(209.44)	-	(3,928.90)	(1,036.61)	(115.73)	-	(1,152.34)		(2,776.56)
Plant & Machinery	26,972.80	1,862.59	7.85	28,827.54	17,910.08	1,130.49	4.70	19,035.87	9,791.67	
and Equipment	(27,277.41)	(586.22)	(890.83)	(26,972.80)	(17,619.80)	(1,180.38)	(890.10)	(17,910.08)		(9,062.72)
Furniture, Fixture	429.51	2.96	-	432.47	359.56	17.76	-	377.32	55.15	
	(422.01)	(7.85)	(0.35)	(429.51)	(340.46)	(19.45)	(0.35)	(359.56)		(69.95)
Vehicles	177.98	-	-	177.98	131.02	13.11	-	144.13	33.85	
	(295.58)	-	(117.60)	(177.98)	(154.46)	(23.87)	(47.31)	(131.02)		(46.96)
Office Equipments	525.50	48.68	1.99	572.19	330.53	31.57	1.54	360.56	211.63	
	(465.85)	(62.15)	(2.50)	(525.50)	(312.49)	(19.18)	(1.14)	(330.53)		(194.97)
Sub Total	32,291.61	2,593.20	9.84	34,874.97	19,912.30	1,339.61	6.24	21,245.67	13,629.30	
	(32,412.36)	(890.53)	(1,011.28)	(32,291.61)	(19,490.19)	(1,361.01)	(938.90)	(19,912.30)		(12,379.31)
Capital Work	2,926.30	5,162.20	2,451.78	5,636.72					5,636.72	
in Progress	(1,059.61)	(2,657.83)	(791.14)	(2,926.30)						(2,926.30)
Total	**35,217.91**	**7,755.40**	**2,461.62**	**40,511.69**					**19,266.02**	
	(33,471.97)	**(3,548.36)**	**(1,802.42)**	**(35,217.91)**						**(15,305.61)**

NOTES:

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

(Rs. in Lakhs)

	December 31, 2013	December 31, 2012
13. Non-current investments (Refer Note 2(C))		
Other investments Investment in equity instruments (at cost)		
Quoted		
5,000 (previous year: 5,000) equity shares of Bank of Baroda of Rs.10 each fully paid- up	4.25	4.25
Unquoted		
1,000 (previous year: 1,000) shares of Rs. 25 each of Co-operative Bank of Baroda Limited, fully paid-up	0.25	0.25
Total	**4.50**	**4.50**
Quoted non-current investments		
Aggregate market value	32.29	42.97

Notes to the financial statements for the year ended December 31, 2013

(Rs. in Lakhs)

	December 31, 2013	December 31, 2012
14. Long-term loans and advances		
(Unsecured and considered good)		
Capital advances	1,182.74	2,263.37
Security deposits	411.51	372.36
Other loans and advances		
Loan to employees	15.62	27.32
Balance with Income Tax Authorities (net of provision for tax of Rs. 26,486.85 (Lakhs), previous year Rs. 22,753.40 (Lakhs))	432.53	113.18
Total	**2,042.40**	**2,776.23**

15. Other non-current assets		
(Unsecured, considered good unless otherwise stated)		
Bank deposits*	13.44	11.62
Total	**13.44**	**11.62**

* 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 market value)
(Refer Note 2(C))
Investments in Mutual Funds

	Face Value (Rs.)	No of Units December 31, 2013	No of Units December 31, 2012		
Unquoted					
UTI Liquid Cash Plan Institutional Daily Income Option Reinvestment	1,000	-	67,022	-	683.26
SBI Mutual Fund L030DD SBI-Magnum Insta Cash Fund -Daily Dividend Option	10	-	317,570	-	531.94
LD72SD 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	-
ICICI Prudential Liquid Plan Daily Dividend	10	-	489,836	-	489.94
Total				**3,320.49**	**1,705.14**
Unquoted current investments					
Aggregate net asset value				3,320.49	1,705.14

Notes to the financial statements for the year ended December 31, 2013

(Rs. in Lakhs)

	December 31, 2013	December 31, 2012
17. Inventories		
(Refer Note 2(D))		
Raw materials (including goods in transit Rs. 1108.22 (Lakhs), previous year: Rs. 224.75 (Lakhs))	13,387.23	5,644.42
Packing materials	48.24	27.11
Work-in-progress	1,380.87	904.73
Finished goods	2,064.63	2,566.58
Stores and spares	422.41	376.58
Total	**17,303.38**	**9,519.42**
18. Trade receivables		
(Unsecured)		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	-	-
Considered doubtful	72.71	96.27
	72.71	96.27
Less: Provision for doubtful debts	72.71	96.27
	-	-
Other receivables		
Considered good	22,089.16	17,490.30
Total	**22,089.16**	**17,490.30**
19. Cash and bank balances		
Cash and cash equivalents		
Cash on hand	0.51	0.39
Balances with banks		
In current accounts	1,708.23	1,832.27
In deposit accounts (with original maturity of 3 months or less)	1,950.00	1,100.00
	3,658.23	2,932.27
Other bank balances		
Balances with banks		
In deposit accounts (with original maturity of more than 3 months but less than 12 months)	-	300.00
Earmarked balances with banks		
In unclaimed dividend account	23.02	21.06
Total	**3,681.76**	**3,253.72**
Details of Bank Balance deposit		
Bank balances available on demand/deposits with original maturity of 3 months or less included under 'Cash and cash equivalents'	1,950.00	1,100.00
Bank deposits due to mature within 12 months of the reporting date included under 'Other bank balances'	-	300.00
Bank deposits due to mature after 12 months of the reporting date included under 'Other non-current assets'	13.44	11.62
	1,963.44	**1,411.62**

Notes to the financial statements for the year ended December 31, 2013

(Rs. in Lakhs)

	December 31, 2013	December 31, 2012
20. Short-term loans and advances		
(Unsecured, considered good unless otherwise stated)		
To parties other than related parties		
Advances for supply of goods		
Considered good	1,554.08	435.10
Considered doubtful	-	25.18
	1,554.08	460.28
Less: Provision for doubtful advances	-	25.18
	1,554.08	435.10
Excise receivables	4,953.69	3,219.39
Custom duty receivables	1,662.44	1,031.95
VAT receivables	2,016.74	2,696.75
Service tax receivables	390.26	20.29
Prepaid expenses	36.91	43.14
Loans and advances to employees	89.31	80.32
Others	65.23	101.49
To related parties		
Intercorporate deposit to Styrolution India Private Limited	6,000.00	6,000.00
Total	**16,768.66**	**13,628.43**
21. Other current assets		
(Unsecured, considered good)		
Unamortised premium on forward contracts	146.76	28.77
Interest accrued on deposits	2.98	54.02
Accrued income from Styrolution India Private Limited	72.00	-
Total	**221.74**	**82.79**
22. Revenue from operations		
(Refer Note 2(E))		
Sale of goods		
Finished goods (Refer Note 35)	125,475.56	110,602.84
Less: Excise duty	14,291.29	11,727.80
Sale of goods (net)	111,184.27	98,875.04
Other operating revenue		
Commission income	135.82	35.17
Rental Income	9.07	2.35
Service charges	72.00	-
Provisions for doubtful debts/advances written back (net)	48.74	20.25
(Net of Provision for doubtful debts NIL, previous year: Rs. 25 (Lakhs))		
Total	**111,449.90**	**98,932.81**

Notes to the financial statements for the year ended December 31, 2013

(Rs. in Lakhs)

	December 31, 2013	December 31, 2012
23. Other income		
Interest income (net)		
On deposits	730.89	658.06
Others	5.39	20.02
Dividend on long term quoted investment	1.08	0.85
Dividend on current unquoted investment	171.27	303.74
Provision no longer required written back	-	6.06
Miscellaneous income	169.92	125.94
Total	**1,078.55**	**1,114.67**
24. Cost of raw and packing materials consumed		
Raw materials consumed (Refer Note 34)		
Opening Stock	5,644.42	5,455.56
Add: Purchases	91,905.44	74,357.23
Less: Closing stock	13,387.23	5,644.42
	84,162.63	74,168.37
Packing materials consumed		
Opening Stock	27.11	19.88
Add: Purchases	664.61	519.62
Less: Closing stock	48.24	27.11
	643.48	512.39
Total	**84,806.11**	**74,680.76**
25. Changes in inventories of finished goods and work-in-progress		
(Refer Note 36)		
Closing stock :		
Finished products	2,064.63	2,566.58
Work-in-progress	1,380.87	904.73
	3,445.50	3,471.31
Less: Opening stock :		
Finished products	2,566.58	2,663.23
Work-in-progress	904.73	933.07
	3,471.31	3,596.30
Excise Duty on (Increase) / Decrease on Finished Goods	(80.67)	25.36
Total	**(54.86)**	**150.35**
26. Employee benefits expense		
Salaries, wages and bonus	2,537.81	2,258.62
Contribution to provident and other funds (Refer Note 44)	153.72	204.66
Staff welfare expenses	194.01	186.83
Total	**2,885.54**	**2,650.11**
27. Finance costs		
Interest expense	45.71	159.15
Total	**45.71**	**159.15**

Notes to the financial statements for the year ended December 31, 2013

(Rs. in Lakhs)

	December 31, 2013	December 31, 2012
28. Other expenses		
Consumption of stores and spares	322.26	468.76
Processing charges	107.84	75.41
Power and fuel (net) (Refer Note 30)	3,886.55	3,504.78
Environment expenses	105.21	88.09
Water charges	45.23	42.35
Repairs and maintenance		
Buildings	48.80	31.69
Plant and machinery	371.09	283.21
Others	102.21	53.06
Rent (Refer Note 41)	108.34	80.41
Rates and taxes	22.30	19.05
Insurance	101.68	85.08
Printing and stationery	30.58	17.28
Communication expenses	38.81	34.02
Directors' sitting fees	5.20	6.79
Rebates and discounts	2,204.79	1,863.39
Commission	970.31	1,011.09
Freight and forwarding expenses	2,022.08	1,447.96
Advertisements and publicity	15.31	70.15
Legal and professional charges	1,215.41	134.68
IT charges	436.24	42.92
Corporate cost sharing expenses	1,548.46	1,301.84
Travelling and conveyance expenses	322.14	237.50
Payment to the Auditor (Refer Note 31)	36.99	45.90
Donations	5.64	6.73
Loss on fixed assets sold/discarded (net)	2.24	42.11
Foreign exchange fluctuation (net)	1,164.77	301.26
Provision for contingencies (Refer Note 45)	47.72	67.50
Bank charges and other financial charges	268.58	195.64
Miscellaneous expenses (Refer Note 42)	207.12	177.56
Total	**15,763.90**	**11,736.21**
29. Contingent liabilities and commitments		
I) Contingent liabilities		
a) Income tax	264.89	243.85
b) Excise duty	55.87	73.63
c) Sales tax	72.62	72.62
d) Bank guarantees	20.00	13.80
e) Claims against the Company not acknowledged as debt	76.89	76.83
f) Letter of credit pending shipment	52.33	2,393.84
Note: Future cash outflows in respect of (a), (b) and (c) above are determinable 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)	1,001.57	1,186.43

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 Rs. 427.17 (Lakhs) (Previous Year Rs. 491.02 (Lakhs)).

Notes to the financial statements for the year ended December 31, 2013

	2013 (Rs. in Lakhs)	2012 (Rs. in Lakhs)
31. Payment to the Auditor		
Audit Fees	24.00	26.56
Tax Audit Fees	5.00	7.25
Others (Limited Review, Certification etc.)	6.38	11.00
Out of Pocket Expenses	1.61	1.09
	36.99	**45.90**

*Previous year figure includes Rs. 17.73 lakhs paid to the erstwhile auditors of the Company.

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 basically 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 reportable segment. As the Company's business activity falls within a single primary business segment and single reportable geographical segment, the financial statements are reflective of the information required by Accounting Standard 17 on Segment Reporting.

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 (w.e.f from October 1, 2011)	**Styrolution Holding GmbH** Germany
Holding Company holds 75.00% of the equity share capital (also refer Note 3(a))	**Styrolution (Jersey) Limited** Channel Islands
2. Where transactions have taken place	
Fellow subsidiaries	**Styrolution India Private Limited** Mumbai **Styrolution Korea Ltd** Korea **Styrolution South East Asia Pte. Ltd.** Singapore **Styrolution Thailand Co., Ltd.** Thailand **Styrolution Group GmbH** Germany **Styrolution GmbH** Germany **Styrolution Koln GmbH** Germany
Companies in which a Director is interested	**Shiva Pharmachem Limited** Vadodara (India) (upto December 31, 2012) **SES Engineering Private Limited** Vadodara (India) (upto December 31, 2012)
Key Managerial Personnel	**Mr. Myung Suk Chi** Managing Director (w.e.f. 1 January, 2013) Executive Director (w.e.f. August 1, 2012 and upto December 31, 2012) **Mr. R.S. Agrawal** Managing Director (upto December 31, 2012)

Notes to the financial statements for the year ended December 31, 2013

Related Party Transactions: (continued) **(Rs. in Lakhs)**

	2013				2012			
	Holding Company	Other Related parties	Key managerial personnel	TOTAL	Holding Company	Other Related parties	Key managerial personnel	TOTAL
1. Purchase of raw materials								
Styrolution India Pvt. Ltd.	-	113.53	-	113.53	-	1,777.29	-	1,777.29
Styrolution Korea Ltd	-	637.72	-	637.72	-	143.27	-	143.27
Styrolution South East Asia Pte. Ltd.	-	29,737.65	-	29,737.65	-	167.79	-	167.79
Styrolution Thailand Co., Ltd.	-	1,479.09	-	1,479.09	-	-	-	-
Styrolution GmbH	-	568.17	-	568.17	-	170.42	-	170.42
	-	**32,536.16**	**-**	**32,536.16**	**-**	**2,258.77**	**-**	**2,258.77**
2. Receiving of services								
Shiva Pharmachem Limited	-	-	-	-	-	96.59	-	96.59
SES Engineering Pvt. Ltd	-	-	-	-	-	12.19	-	12.19
Styrolution Koln GmbH	-	-	-	-	-	52.97	-	52.97
Styrolution South East Asia Pte. Ltd.	-	640.70	-	640.70	-	488.12	-	488.12
Styrolution Group GmbH	-	1,066.73	-	1,066.73	-	813.72	-	813.72
	-	**1,707.43**	-	**1,707.43**	-	**1,463.59**	-	**1,463.59**
3. Rendering of services								
Styrolution Korea Ltd	-	105.41	-	105.41	-	30.01	-	30.01
Styrolution Thailand Co., Ltd.	-	0.73	-	0.73	-	-	-	-
Styrolution South East Asia Pte. Ltd.	-	29.68	-	29.68	-	5.16	-	5.16
	-	**135.82**	-	**135.82**	-	**35.17**	-	**35.17**
4. Sale of goods								
Styrolution India Pvt. Ltd.	-	121.02	-	121.02	-	14.07	-	14.07
	-	**121.02**	-	**121.02**	-	**14.07**	-	**14.07**
5. Intercorporate deposit given								
Styrolution India Pvt. Ltd.	-	6,000.00	-	6,000.00	-	6,000.00	-	6,000.00
	-	**6,000.00**	-	**6,000.00**	-	**6,000.00**	-	**6,000.00**
6. Interest on intercorporate deposit								
Styrolution India Pvt. Ltd.	-	582.21	-	582.21	-	372.63	-	372.63
	-	**582.21**	-	**582.21**	-	**372.63**	-	**372.63**
7. Director's Remuneration								
Mr. R. S. Agrawal	-	-	-	-	-	-	240.91	240.91
Mr. Myung Suk Chi	-	-	394.90	394.90	-	-	176.84	176.84
	-	-	**394.90**	**394.90**	-	-	**417.75**	**417.75**
8. Dividend payment								
Styrolution (Jersey) Limited	614.27	-	-	614.27	614.27	-	-	614.27
	614.27	-	-	**614.27**	**614.27**	-	-	**614.27**
9. Outstanding Balances								
As on December 31,2013								
Balances of Trade payables								
Shiva Pharmachem Limited	-	-	-	-	-	12.12	-	12.12
Styrolution GmbH	-	271.83	-	271.83	-	129.52	-	129.52
Styrolution South East Asia Pte. Ltd.	-	11,363.41	-	11,363.41	-	-	-	-
Styrolution Korea Ltd	-	532.85	-	532.85	-	125.48	-	125.48
Styrolution Thailand Co., Ltd.	-	315.49	-	315.49	-	-	-	-
Styrolution India Pvt. Ltd.	-	26.70	-	26.70	-	-	-	-
	-	**12,510.28**	**-**	**12,510.28**	**-**	**267.12**	**-**	**267.12**
Balances of Accrued expenses								
Styrolution Korea Ltd	-	113.00	-	113.00	-	-	-	-
Styrolution South East Asia Pte. Ltd.	-	723.18	-	723.18	-	488.12	-	488.12
Styrolution Group GmbH	-	1,276.44	-	1,276.44	-	813.72	-	813.72
	-	**2,112.62**	**-**	**2,112.62**	**-**	**1,301.84**	**-**	**1,301.84**

Notes to the financial statements for the year ended December 31, 2013

(Rs. in Lakhs)

	2013				2012			
	Holding Company	Other Related parties	Key managerial personnel	TOTAL	Holding Company	Other Related parties	Key managerial personnel	TOTAL
Balances of Accrued income								
Styrolution India Pvt. Ltd.	-	72.00	-	72.00	-	-	-	-
	-	**72.00**	**-**	**72.00**	**-**	**-**	**-**	**-**
Balance of Intercorporate deposit and interest accrued but not due thereon								
Styrolution India Pvt. Ltd.	-	6,000.00	-	6,000.00	-	6,044.92	-	6,044.92
	-	**6,000.00**	-	**6,000.00**	-	**6,044.92**	-	**6,044.92**
Balance of Trade receivables								
Styrolution India Pvt. Ltd.	-	5.36	-	5.36	-	7.00	-	7.00
Styrolution Group GmbH	-	42.68	-	42.68	-	-	-	-
Styrolution South East Asia Pte. Ltd.	-	10.77	-	10.77	-	-	-	-
Styrolution Korea Ltd	-	7.26	-	7.26	-	-	-	-
Styrolution Thailand Co., Ltd.	-	0.73	-	0.73	-	-	-	-
	-	**66.80**	-	**66.80**	-	**7.00**	-	**7.00**

	2013 Value (Rs. in Lakhs)	2012 Value (Rs. in Lakhs)
34. Consumption of Raw Materials :		
Acrylonitrile	17,340.35	16,935.09
Butadiene	9,100.62	12,613.84
Styrene	49,229.72	37,907.16
Others	8,491.94	6,712.28
	84,162.63	**74,168.37**
35. Sales :		
ABS Resins	112,229.25	97,704.08
SAN Resins	13,246.31	12,898.76
	125,475.56	**110,602.84**
36. A) Stock of Raw Materials :		
Opening Stock :		
Acrylonitrile	2,790.42	2,936.27
Butadiene	121.67	111.07
Styrene	1,429.95	1,330.32
Others	1,302.38	1,077.90
	5,644.42	5,455.56
Closing Stock :		
Acrylonitrile	2,820.06	2,790.42
Butadiene	433.35	121.67
Styrene	7,013.40	1,429.95
Others	3,120.42	1,302.38
	13,387.23	5,644.42

Notes to the financial statements for the year ended December 31, 2013

	2013 Value (Rs. in Lakhs)	2012 Value (Rs. in Lakhs)
B) Stock of Finished Goods :		
Opening Stock :		
ABS Resins	2,049.85	2,021.11
SAN Resins	516.73	642.12
	2,566.58	2,663.23
Closing Stock :		
ABS Resins	1,745.19	2,049.85
SAN Resins	319.44	516.73
	2,064.63	2,566.58
C) Stock of Work-in-progress		
Opening Stock :		
ABS Resins	247.74	294.65
SAN Resins	656.99	638.42
	904.73	933.07
Closing Stock :		
ABS Resins	901.49	247.74
SAN Resins	479.38	656.99
	1,380.87	904.73

37. Value of Imports on CIF basis

Raw Materials	76,993.13	54,937.92
Capital Goods	395.31	271.47
Stores and Spares	4.54	42.35
	77,392.98	55,251.74

38. Value of Imported and Indigeneous Raw Materials and Stores consumed

	2013 (Rs. in Lakhs)	2013 %	2012 (Rs. in Lakhs)	2012 %
(a) Raw Materials :				
Imported	74,682.70	88.74	59,736.46	80.54
Indigenous	9,479.93	11.26	14,431.91	19.46
	84,162.63	**100.00**	**74,168.37**	**100.00**
(b) Stores and Spares :				
Imported	6.11	1.90	54.64	11.66
Indigenous	316.15	98.10	414.12	88.34
	322.26	**100.00**	**468.76**	**100.00**

39. As on 31 December 2013, the Company has 13 forward contracts totaling to USD 338.32 Lakhs (Rs. 21,341.11 Lakhs) for the purposes of hedging its foreign currency exposure. The unamortized premium of Rs. 146.76 Lakhs pertaining to the same will be recognized subsequently. Foreign currency exposure that is not hedged as at 31 December 2013 is as follows:-

	2013 Payables Foreign Currency (Lakhs)	2013 Payables (Rs. in Lakhs)	2012 Payables Foreign Currency (Lakhs)	2012 Payables (Rs. in Lakhs)
EURO	24.14	2,060.74	0.56	40.24
USD	77.03	4,768.14	59.77	3,457.70
	Receivables		**Receivables**	
	Foreign Currency (Lakhs)	**(Rs. in Lakhs)**	**Foreign Currency (Lakhs)**	**(Rs. in Lakhs)**
EURO	0.50	42.68	-	-
USD	0.30	18.57	-	-

Notes to the financial statements for the year ended December 31, 2013

40. Expenditure in Foreign Currency (on accrual basis)

	2013 (Rs. in Lakhs)	2012 (Rs. in Lakhs)
Corporate cost sharing expenses	1,548.46	1,301.84
IT Charges	158.97	-
Salary Cost	84.87	28.13
Travelling Expenses	20.72	9.03
Professional fees	7.79	52.97
Others	28.66	-
	1,849.47	**1,391.97**

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	(Rs. in Lakhs) As at December 31,2013	(Rs. in Lakhs) As at December 31,2012
Not Later than one year	5.20	48.93
Later than one year but not later than five years	47.87	35.64
Later than five years	-	-

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

		2013 (Rs. in Lakhs)	2012 (Rs. in Lakhs)
(a)	The principal amount and interest due thereon remaining unpaid to suppliers		
	(i) Principal	-	-
	(ii) Interest due thereon	-	0.03
(b)	(i) The delayed payments of principal amount paid beyond the appointed date during the year	-	0.62
	(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	-	0.08
	(ii) Total Interest accrued during the year and remaining unpaid	-	0.08
(e)	Included in (d) above is Rs. 0.08 Lakhs (previous year:Rs. 0.05 Lakhs) being interest on amounts outstanding as at the beginning of year.	0.08	0.05

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 2013. The Management is of the opinion that the international transactions post 31 March 2013 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 year ended December 31, 2013

44. 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 year, the Company has recognised the following amounts in the Statement of Profit and Loss:

	2013 (Rs. in Lakhs)	2012 (Rs. in Lakhs)
- Employer's contribution to Provident Fund	92.65	107.93
- Employer's contribution to Superannuation Fund	36.02	36.66
- Employer's contribution to Employee's state insurance	4.37	5.81

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:

	2013	2012
Discount rate (per annum)	8.00%	8.00%
Rate of increase in compensation levels (per annum)	5.00%	5.00%
Rate of return on plan assets (for funded scheme)	7.93%	7.47%
A) Changes in the present value of obligation		
Present value of obligation as at January 1, 2013	495.72	445.18
Interest cost	39.66	35.61
Current service cost	28.63	27.39
Benefits paid	(46.42)	(36.19)
Actuarial (gain)/loss on obligations	5.93	23.73
Present value of obligation as at December 31, 2013	**523.52**	**495.72**
B) Changes in the fair value of plan assets		
(For funded scheme)		
Present value of plan assets as at January 1, 2013	549.87	477.20
Actual return on plan assets	48.97	68.86
Contributions	30.00	40.00
Benefits paid	(46.42)	(36.19)
Fair value of plan assets as at December 31, 2013	**582.42**	**549.87**
C) Reconciliation of present value of defined benefit obligation and the fair value of assets		
Present value of funded obligation as at December 31, 2013	523.52	495.72
Fair value of plan assets as at December 31, 2013	582.42	549.87
Funded status	58.90	54.15
Unrecognised actuarial (gains)/losses		
Unfunded liability/(Net asset) recognised in balance Sheet	(58.90)	(54.15)
Included in 'Others' under Short term loans and advances (Refer Note 20)		
D) Amount recognised in the Balance Sheet		
Present value of obligation as at December 31, 2013	523.52	495.72
Fair value of plan assets as at the end of the year	582.42	549.87
Liability/(Asset) recognised in the balance sheet	(58.90)	(54.15)
Included in 'Others' under Short term loans and advances (Refer Note 20)		

Notes to the financial statements for the year ended December 31, 2013

		2013	2012
E)	**Expenses recognised in the statement of profit and loss**		
	Current service cost	28.63	27.39
	Interest cost	39.66	35.61
	Actual return on plan assets	(48.97)	(68.86)
	Settlement Cost/(Credit)		
	Net actuarial (gain)/loss recognised in the year	5.93	23.73
	Total expenses recognised in the statement of profit and loss	**25.25**	**17.87**
	Included in contribution to Provident and Other Funds (Refer Note 26)		
F)	**Actual Return on Plan Assets**		
	Expected return on Plan Assets	48.97	68.86
	Actuarial gain/(loss) on plan assets	-	-
	Actual return on plan assets	48.97	68.86

G)	**Experience Adjustment**	**2013**	**2012**	**2011**	**2010**	**2009**
	On Plan liabilities	5.93	23.73	39.50	19.49	25.17
	On Plan assets	4.97	30.69	0.32	1.63	2.52
H)	**Expected employer's contribution for the next year**	9.40	26.31			
I)	**Investment details of plan assets**					
	Administered by LIC of India	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 Rs.82.96 (Lakhs) (Previous Year Rs. 108.66 (Lakhs)). Current year charge is included in Employee benefit expense (Refer Note 26).

45. Provision for contingencies

(Rs. in Lakhs)

Particulars	2013	2012
Provision for contingencies		
Carrying Amount at the beginning of the year	1,392.00	1,324.50
Additions during the year	47.72	67.50
Utilisation during the year	-	-
Carrying Amount at the close of the year	1,439.72	1,392.00

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.

Notes to the financial statements for the year ended December 31, 2013

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:

Values used in calculating EPS:	**2013**	**2012**
a) Numerator : Profit After Tax (Rs.in Lakhs)	5,050.30	6,313.01
b) Denominator : Number of equity shares	17,585,625	17,585,625
Earnings per share (Basic and Diluted) (Rs.)	**28.72**	**35.90**
Face value per share (Rs.)	10	10

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

47. Net dividend remitted in foreign exchange

Period to which dividend relates	1-1-2012 to 31-12-2012	1-1-2011 to 31-12-2011
Number of non-resident shareholders	One	One
Number of equity shares held on which dividend was due	15,356,780	15,356,780
Amount remitted (Rs. Lakhs)	614.27	614.27

48. Provision for current tax is based on the results for the year ended 31 December 2013, in accordance with the provisions of the Income Tax Act, 1961. The final tax liability will be determined on the basis of the operations for the year 1 April 2013 to 31 March 2014, being the tax year of the Company.

49. The Board of Directors of the company at their meeting held on November 20, 2013 approved the proposal of making Styrolution India Private Limited its Wholly Owned Subsidiary by acquiring 100% of its equity shares, subject to any mandatory approvals, which the Company is in the process of obtaining.

50. Figures for the previous year have been regrouped and reclassified wherever necessary, to conform to the current year's classification.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration Number : 101248W

Sanjay Aggarwal
Partner
Membership Number: 40780

Mumbai, Dated : February 17, 2014

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

H T Chang Chairman	S. M. Kulkarni Director	J. R. Patel Director
Myung Suk Chi Managing Director	Ravindra Kulkarni Director	Jit Teng Tan Director
Haresh Khilnani Company Secretary		

Mumbai, Dated : February 17, 2014

Styrolution ABS (India) Limited

Registered Office: 6th Floor, ABS Towers, Old Padra Road, Vadodara – 390007.

Proxy Form

41st Annual General Meeting – April 29, 2014

Registered Folio No. / DP Client ID

I / We _____

of _____

being a Member / Members of Styrolution ABS (India) Limited, hereby appoint _____

of _____

Or failing him/ her _____ of _____ as my / our proxy to attend and vote for me / us and on my / our behalf at the 41st ANNUAL GENERAL MEETING of the Company to be held at the Registered Office at 11.30 a.m. on Tuesday, 29th April, 2014 and at any adjournment(s) thereof.

Signed this _____ day of _____ 2014

Signature.....

Fifteen Paise Revenue Stamp

Note: This form, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the meeting.

Styrolution ABS (India) Limited

Registered Office: 6th Floor, ABS Towers, Old Padra Road, Vadodara – 390007.

Attendance Slip

41st Annual General Meeting – April 29, 2014

Registered Folio No. / DP Client ID

Number of shares held

I certify that I am a Member / Proxy of the Company.

I hereby record my presence at the 41st Annual General Meeting of the Company to be held at the Registered Office at 11.30 a.m. on Tuesday, April 29, 2014.

_____ _____

Name of the Member / Proxy (in BLOCK letters)

Signature of the Member / Proxy

Note: Please fill this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of Styrolution Annual Report 2013 for the meeting.

Styrolution ABS (India) Limited

Registered Office: 6th Floor, ABS Towers, Old Padra Road, Vadodara – 390 007, Gujarat.

BOOK-POST

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41st Annual Report
January-December, 2013

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