

31.05.2017

To,  
**BSE Limited**  
Dept. DSC\_CRD  
Phiroze Jeejeebhoy Towers,  
Dalal Street  
Bandra (E)  
Mumbai 400 001  
Stock code No. **506222**

**National Stock Exchange of India Limited**  
Exchange Plaza,  
Plot No. C/1, 'G' Block,  
Bandra- Kurla Complex,  
Bandra (E)  
Mumbai 400 051  
Stock code. **INEOSSTYRO**

**Subject: Investors Presentation**

Dear Sir,

In continuation to our letter dated 18.05.2017 informing about the earnings call organized by the Company on 2 June 2017, please find the attached Investor Presentation relating to the audited Financial Results for fourth quarter and year ended on 31 March 2017 .

The same is also available on the website of the Company.

You are requested to kindly take the above information on your records.

Thanking you.  
Yours Faithfully,  
For **INEOS Styrolution India Limited**  
(Formerly: Styrolution ABS (India) Limited)



**Haresh Khilnani**  
Company Secretary, Head – Legal & Compliance

# INEOS STYROLUTION INDIA LIMITED

(FORMERLY KNOWN AS STYROLUTION ABS (INDIA) LIMITED)

## INVESTOR PRESENTATION

Q4 2016-17 (January-March)

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# Notes

- These statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning April 1, 2016, the Company has for the first time adopted Ind AS with a transition date of April 1, 2015 and the impact has been given in opening reserves of that date. March 31, 2016 results have been restated accordingly.
- Pursuant to the Court approved Scheme of Amalgamation, Styrolution India Private Limited ('SIN') has been amalgamated with the Company w.e.f. the appointed date of April 1, 2015. The Company has followed the 'Pooling of Interest method' as per the court approved Scheme of Amalgamation for the accounting of Assets and Liabilities of SIN. Figures published under IGAAP for the quarter ended March 31, 2016 included 12 months figures of SIN on account of amalgamation. To give effect of amalgamation from April 1, 2015, figures for quarter ended March 31, 2016 published under IGAAP have been restated.
- The figures for the previous periods have been regrouped wherever necessary.
- Segment Information :  
Segment reporting in financial results: Based on the "management approach" as defined in Ind AS 108 - 'Operating Segments', the Chief Operating Decision Maker (CODM), as represented by Chairman, Managing Director and CFO, evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. The accounting principles used in the preparation of these financial results are consistently applied to record revenue and expenditure in individual segment.

# Contents

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Executive summary

Company information

Financial review

Outlook 2017

# Executive summary

## Jan-Mar 17 & YTD Performance summary

- Profit Before Tax (PBT) increased to 388 Mio INR in Jan-Mar 17 compared to 273 Mio INR in Jan-Mar 16 and 92 Mio INR in Oct-Dec 16.
- YTD Apr 16-Mar 17 PBT increased to 1,003 Mio INR compared to 602 Mio INR in the corresponding previous year's period.
- This increase in PBT was mainly driven by better margins and inventory gain.

## Jan-Mar 17 Market update

- Market recovered in current quarter after the impact of demonetization in previous quarter.
- Improved in utilization rates for Automotive and Household industries as compared to previous quarter.

## Jan-Mar 17 Business update

- Specialties growth in focus industries of Automotive, Household and Electronics was in line with market.
- We had a planned shutdown in this period.

# INEOS Styrolution at a glance



**3,200**  
EMPLOYEES



**9**  
COUNTRIES



**16**  
PRODUCTION SITES



**6** R&D  
CENTERS



**24** sales  
offices

**Nº1**  
GLOBAL  
LEADER  
in styrenics

**85+**  
YEARS  
of experience  
in styrenics

founded in  
**2011**

APPROX. **1,000**  
PATENTS



**4,000+**  
CUSTOMERS



**1,500+** PRODUCTS



**2,000+** APPLICATIONS ACROSS SEVEN INDUSTRIES



AUTOMOTIVE



ELECTRONICS



HOUSEHOLD



CONSTRUCTION



HEALTHCARE



PACKAGING

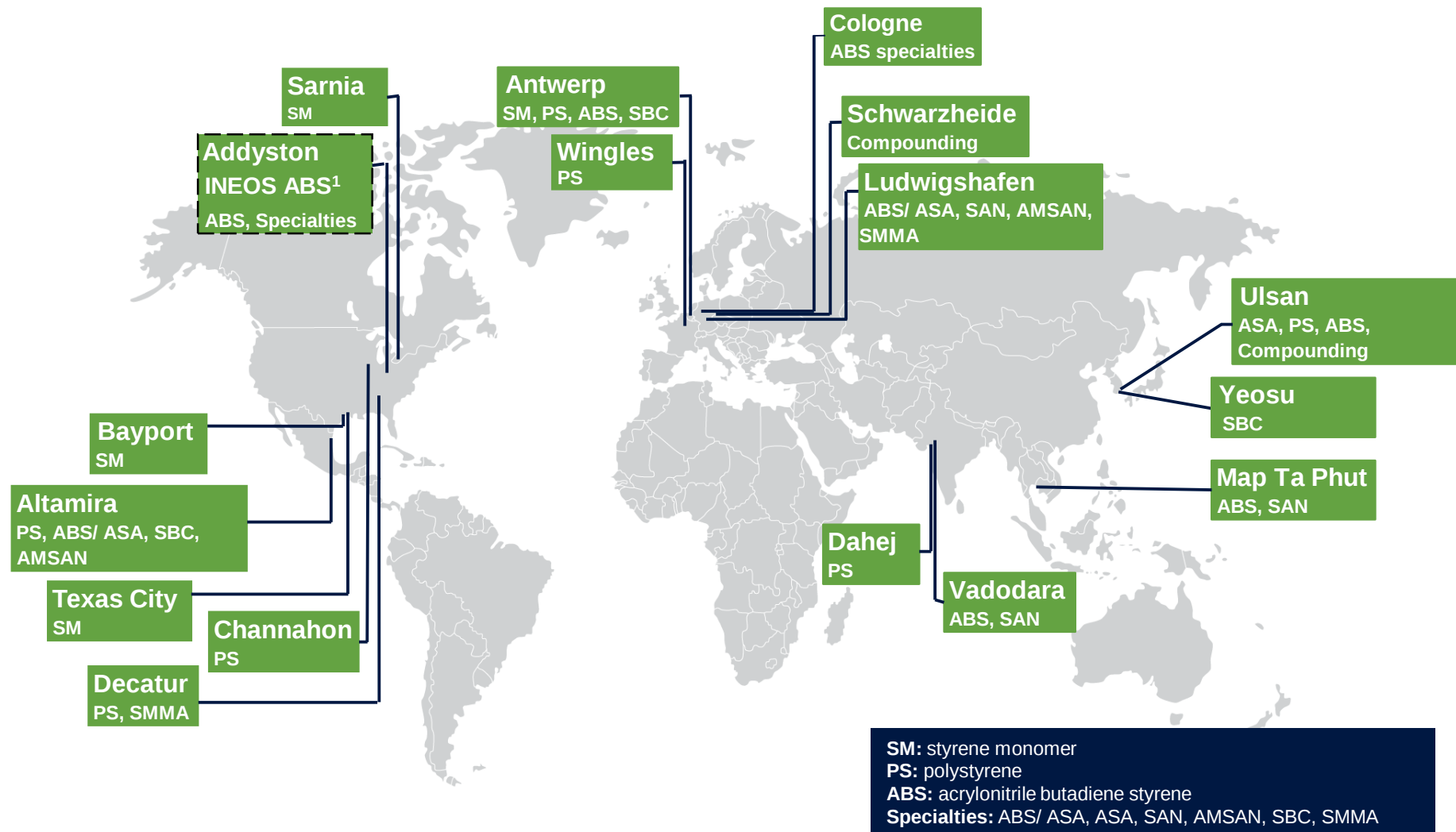


TOYS, SPORTS  
& LEISURE

**4.5** BILLION  
EUROS IN REVENUE  
IN 2016



# Global reach and proximity to customer markets



(1) INEOS Styrolution acts as exclusive distributor for the INEOS ABS plant in Addyston, Ohio.

# INEOS Styrolution (India) Limited

## Footprint in India



### Nandesari

- Graft rubber 27 kt/a
- Compounding 14 kt/a
- 45,000 m<sup>2</sup>



### Katol

- SAN 100 kt/a
- 45,000 m<sup>2</sup>



### Moxi

- Compounding 66 kt/a
- 37,700 m<sup>2</sup>



### Dahej

- GPPS 38 kt/a; HIPS 40kt/a
- 227,286 m<sup>2</sup>



### Moxi - R&D Centre



### Kandla - Shore tanks

- 11 tanks, 13.2 km<sup>3</sup>

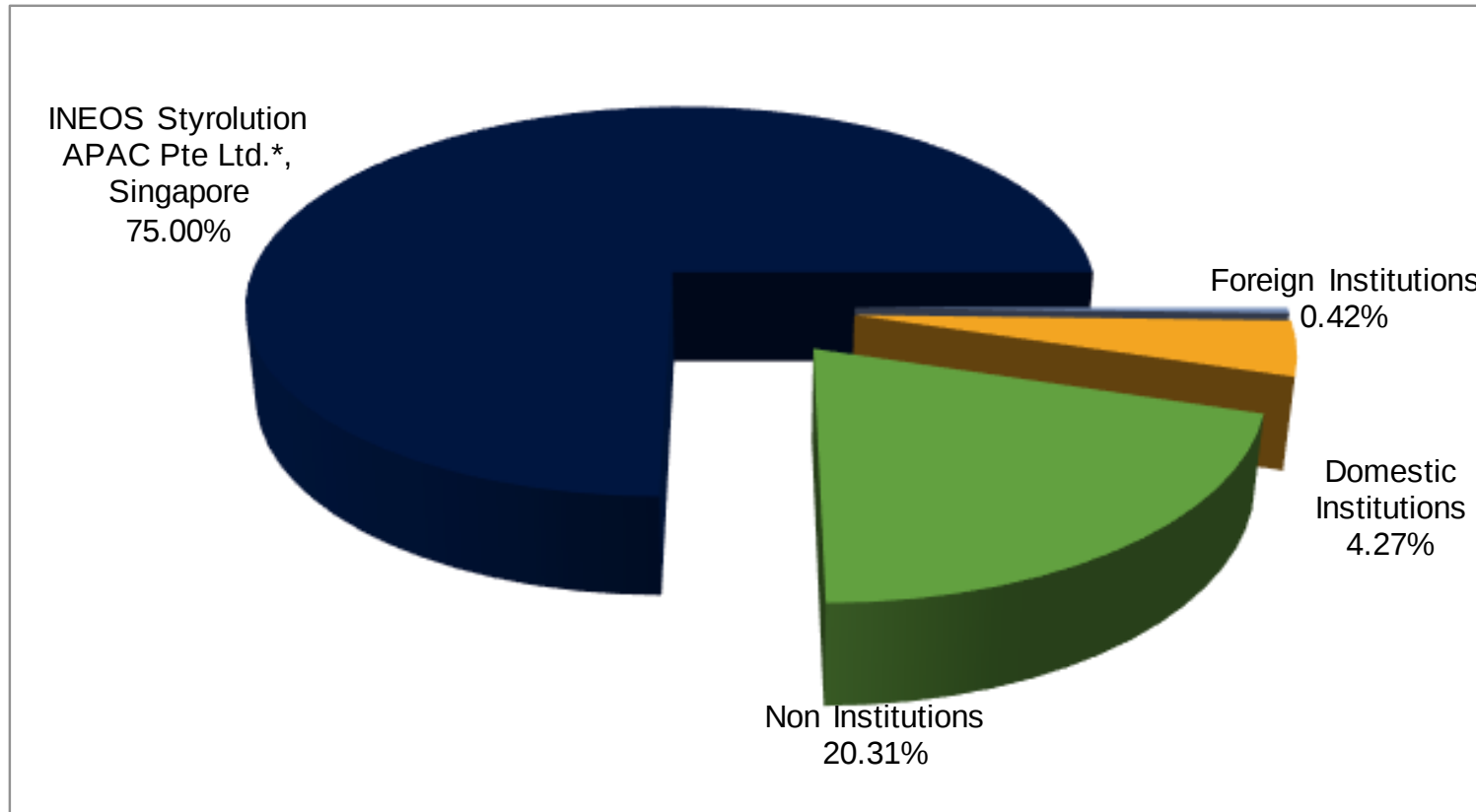


### Lamba, Dhank, Pransla - Windmills

- 40 wind turbines
- 8.6 MW

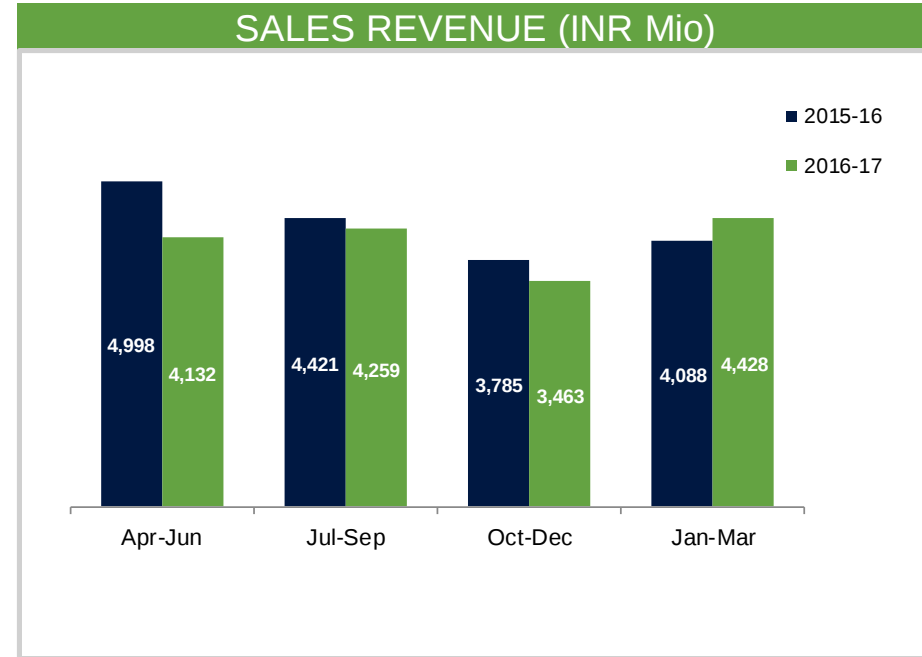
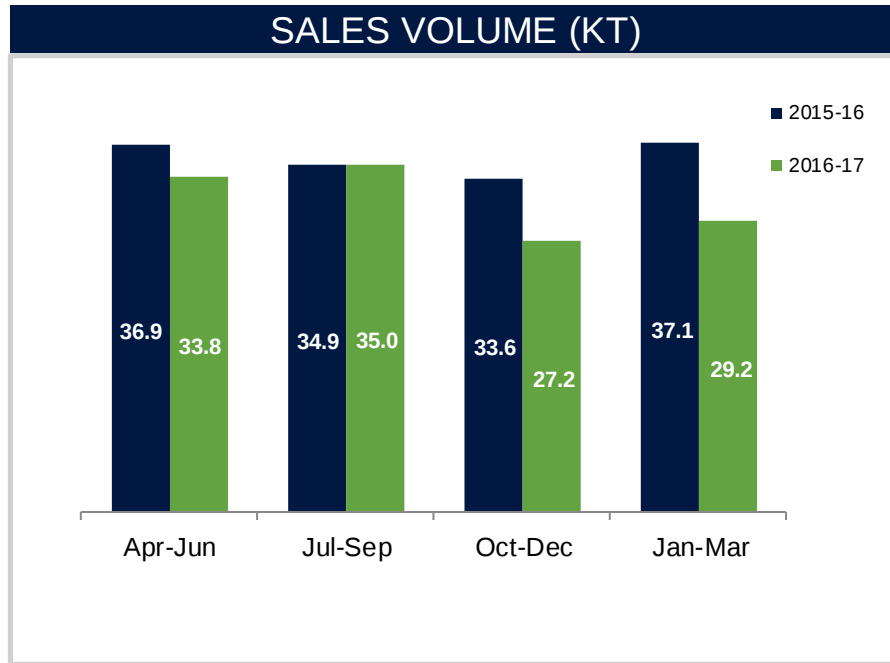
# Shareholding pattern

as at March 31, 2017



\* INEOS Styrolution APAC Pte Ltd. formerly known as Styrolution South East Asia Pte Ltd.

# Sales performance



- Sales volume increased as market recovered from demonetization.
- Sales revenue increased due to increase in prices of basic raw material and international finished goods.
- Continued to optimize product mix to improve the business.

# Financial review

## Q4 2016-17 (Jan-Mar) results highlights

(Unit : INR Mio except volumes & EPS)

| Particulars                 | Jan-Mar 17 | Oct-Dec 16 | Jan-Mar 16 | % vs<br>Oct-Dec 16 | % vs<br>Jan-Mar 16 |
|-----------------------------|------------|------------|------------|--------------------|--------------------|
| Volumes (kt)                | 29.2       | 27.2       | 37.1       | 7.5                | -21.3              |
| Sales Revenue               | 4,428      | 3,463      | 4,088      | 27.8               | 8.3                |
| Other Income                | 77         | 74         | 157        | 4.4                | -51.0              |
| Cost of goods sold          | 2,844      | 2,285      | 2,811      | 24.4               | 1.2                |
| Excise Duty                 | 517        | 411        | 455        | 25.7               | 13.6               |
| Depreciation & amortization | 63         | 63         | 67         | 0.0                | -6.3               |
| Other expenses              | 693        | 685        | 639        | 1.1                | 8.4                |
| Profit before tax           | 388        | 92         | 273        | 320.4              | 42.1               |
| Profit after tax            | 297        | 54         | 265        | 448.1              | 11.8               |
| Other comprehensive income  | 0.04       | -1.1       | -2.0       | -103.2             | -101.8             |
| Total comprehensive income  | 297        | 53         | 263        | 459.9              | 12.7               |
| EPS (Rs.)                   | 16.88      | 3.08       | 15.10      | 448.1              | 11.8               |

- Increase in profit before tax was mainly driven by better margins and inventory gain.

# Financial review

## YTD 2016-17 (Apr-Mar) results highlights

(Unit : INR Mio except volumes & EPS)

| Particulars                 | Apr 16-Mar 17 | Apr 15-Mar 16 | % vs<br>Apr 15-Mar 16 |
|-----------------------------|---------------|---------------|-----------------------|
| Volumes (kt)                | 125.2         | 142.5         | -12.2                 |
| Sales Revenue               | 16,282        | 17,293        | -5.8                  |
| Other Income                | 451           | 488           | -7.7                  |
| Cost of goods sold          | 10,929        | 12,151        | -10.1                 |
| Excise Duty                 | 1,868         | 1,914         | -2.4                  |
| Depreciation & amortization | 253           | 272           | -7.1                  |
| Other expenses              | 2,680         | 2,841         | -5.7                  |
| Profit before tax           | 1,003         | 602           | 66.5                  |
| Profit after tax            | 693           | 638*          | 8.5                   |
| Other comprehensive income  | -4.5          | -6.7          | -33.7                 |
| Total comprehensive income  | 688           | 632           | 9.0                   |
| EPS (Rs.)                   | 39.40         | 36.30         | 8.5                   |

\* Apr 15–Mar 16 : Profit after tax includes tax credit of 188 Mio INR pertaining to Styrolution India Private Limited consequent to amalgamation with the company w.e.f. April 1, 2015.

# Financial review

## Balance sheet

(Unit : INR Mio)

| Particulars                              | As at March 31,<br>2017 | As at March 31,<br>2016 | As at April 1,<br>2015 |
|------------------------------------------|-------------------------|-------------------------|------------------------|
| <b>I ASSETS</b>                          |                         |                         |                        |
| <b>1 Non-current assets</b>              |                         |                         |                        |
| (a) Property, plant and equipment        | 2,190.39                | 2,412.15                | 2,653.37               |
| (b) Capital work in progress             | 176.89                  | 21.32                   | 1.98                   |
| (c) Financial assets                     |                         |                         |                        |
| (i) Investments                          | 8.54                    | 5.19                    | 5.00                   |
| (ii) Loans                               | 1.03                    | 0.79                    | 0.78                   |
| (iii) Other financial assets             | 55.66                   | 55.59                   | 56.55                  |
| (d) Non-current tax assets               | 258.50                  | 296.32                  | 196.44                 |
| (e) Other non-current assets             | 39.32                   | 31.55                   | 32.13                  |
| <b>Total non-current assets</b>          | <b>2,730.31</b>         | <b>2,822.91</b>         | <b>2,946.25</b>        |
| <b>2 Current assets</b>                  |                         |                         |                        |
| (a) Inventories                          | 3,200.35                | 1,922.76                | 2,118.00               |
| (b) Financial assets                     |                         |                         |                        |
| (i) Trade receivables                    | 2,275.06                | 2,240.06                | 2,645.58               |
| (ii) Cash and cash equivalents           | 158.21                  | 245.05                  | 198.81                 |
| (iii) Bank balance other than (ii) above | 2.89                    | 2.68                    | 2.48                   |
| (iv) Loans                               | 2.47                    | 2.38                    | 2.71                   |
| (c) Other current assets                 | 2,182.72                | 2,016.34                | 2,117.84               |
| <b>Total current assets</b>              | <b>7,821.70</b>         | <b>6,429.28</b>         | <b>7,085.42</b>        |
| <b>TOTAL ASSETS</b>                      | <b>10,552.01</b>        | <b>9,252.19</b>         | <b>10,031.68</b>       |

# Financial review

## Balance sheet

(Unit : INR Mio)

| Particulars                          | As at March 31,<br>2017 | As at March 31,<br>2016 | As at April 1,<br>2015 |
|--------------------------------------|-------------------------|-------------------------|------------------------|
| <b>II EQUITY AND LIABILITIES</b>     |                         |                         |                        |
| <b>1 Equity</b>                      |                         |                         |                        |
| (a) Equity share capital             | 175.86                  | 175.86                  | 175.86                 |
| (b) Other equity                     | 5,694.63                | 5,090.95                | 4,551.83               |
| <b>Total equity</b>                  | <b>5,870.48</b>         | <b>5,266.81</b>         | <b>4,727.68</b>        |
| <b>2 Non-Current liabilities</b>     |                         |                         |                        |
| (a) Financial liabilities            | 16.34                   | 11.34                   | 5.67                   |
| (b) Provisions                       | 5.20                    | 5.20                    | 5.20                   |
| (c) Employee benefit obligations     | 38.23                   | 30.59                   | 22.62                  |
| (d) Deferred tax liabilities (net)   | 224.90                  | 181.54                  | 225.07                 |
| <b>Total non-current liabilities</b> | <b>284.67</b>           | <b>228.68</b>           | <b>258.55</b>          |
| <b>3 Current liabilities</b>         |                         |                         |                        |
| (a) Financial liabilities            |                         |                         |                        |
| (i) Borrowings                       | 2,088.66                | 1,698.09                | 1,696.14               |
| (ii) Trade payables                  | 1,667.70                | 1,570.94                | 2,966.63               |
| (iii) Other financial liabilities    | 568.81                  | 433.93                  | 308.09                 |
| (b) Employee benefit obligations     | 12.60                   | 10.69                   | 13.80                  |
| (c) Current tax liabilities          | 21.29                   | -                       | -                      |
| (d) Other current liabilities        | 37.80                   | 43.05                   | 60.80                  |
| <b>Total current liabilities</b>     | <b>4,396.86</b>         | <b>3,756.71</b>         | <b>5,045.45</b>        |
| <b>Total liabilities</b>             | <b>4,681.53</b>         | <b>3,985.39</b>         | <b>5,303.99</b>        |
| <b>TOTAL EQUITY AND LIABILITIES</b>  | <b>10,552.01</b>        | <b>9,252.19</b>         | <b>10,031.68</b>       |

# Segment revenue & results

Q4 2016-17 (Jan-Mar) results highlights

(Unit : INR Mio)

| Particulars                                            | Jan-Mar 17   | Oct-Dec 16   | Jan-Mar 16   | % vs<br>Oct-Dec 16 | % vs<br>Jan-Mar 16 |
|--------------------------------------------------------|--------------|--------------|--------------|--------------------|--------------------|
| <b>1. Segment revenue</b>                              |              |              |              |                    |                    |
| (Revenue from operations)                              |              |              |              |                    |                    |
| (a) Specialties                                        | 3,351        | 2,548        | 2,726        | 31.5               | 22.9               |
| (b) Polystyrene                                        | 1,076        | 915          | 1,362        | 17.6               | -21.0              |
| (c) Others                                             | 66           | 68           | 153          | -3.7               | -57.1              |
| <b>Total</b>                                           | <b>4,493</b> | <b>3,532</b> | <b>4,241</b> | <b>27.2</b>        | <b>5.9</b>         |
| <b>2. Segment results</b>                              |              |              |              |                    |                    |
| (Segment profit before interest and tax)               |              |              |              |                    |                    |
| (a) Specialties                                        | 372          | 155          | 221          | 139.9              | 68.2               |
| (b) Polystyrene                                        | 67           | -24          | 64           | 379.4              | 4.7                |
| (c) Others                                             | 13           | 5            | 22           | 165.1              | -41.5              |
| <b>Total segment profit before interest and tax</b>    | <b>452</b>   | <b>136</b>   | <b>307</b>   | <b>231.9</b>       | <b>47.2</b>        |
| (i) Interest expense                                   | 19           | 15           | 18           | 29.8               | 7.4                |
| (ii) Interest income                                   | 3.9          | 0.1          | 0.9          | 5,203              | 340.4              |
| (iii) Other unallocable expenditure<br>(Net of income) | 49           | 29           | 17           | 67.3               | 185.6              |
| <b>Profit before tax</b>                               | <b>388</b>   | <b>92</b>    | <b>273</b>   | <b>320.4</b>       | <b>42.1</b>        |

# Segment revenue & results

YTD 2016-17 (Apr-Mar) results highlights

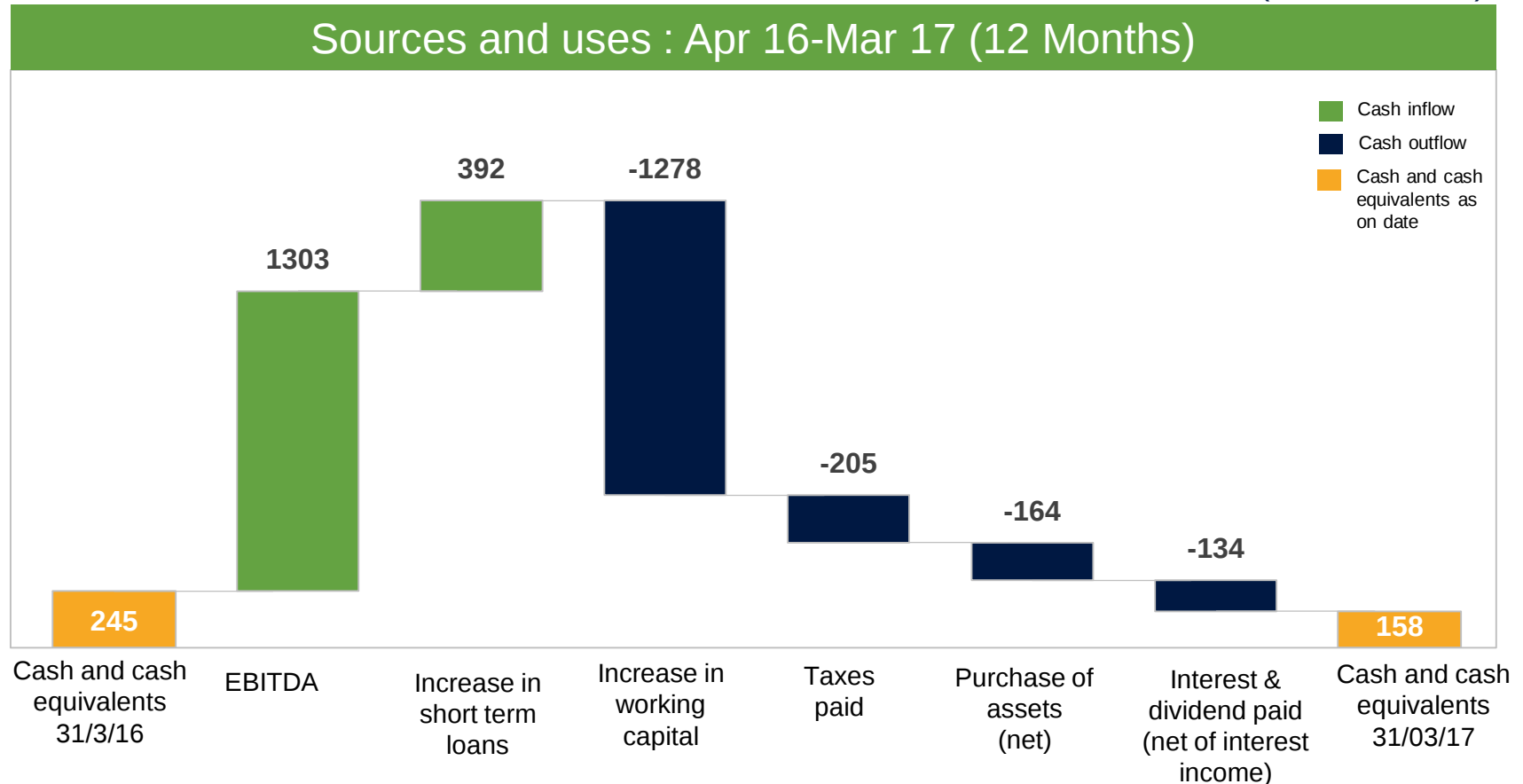
(Unit : INR Mio)

| Particulars                                            | Apr 16-Mar 17 | Apr 15-Mar 16 | % vs<br>Apr 15-Mar 16 |
|--------------------------------------------------------|---------------|---------------|-----------------------|
| <b>1. Segment revenue</b>                              |               |               |                       |
| (Revenue from operations)                              |               |               |                       |
| (a) Specialties                                        | 11,683        | 11,942        | -2.2                  |
| (b) Polystyrene                                        | 4,599         | 5,351         | -14.1                 |
| (c) Others                                             | 410           | 461           | -11.1                 |
| <b>Total</b>                                           | <b>16,692</b> | <b>17,753</b> | <b>-6.0</b>           |
| <b>2. Segment results</b>                              |               |               |                       |
| (Segment profit before interest and tax)               |               |               |                       |
| (a) Specialties                                        | 1,118         | 784           | 42.6                  |
| (b) Polystyrene                                        | 74            | 97            | -23.5                 |
| (c) Others                                             | 28            | 33            | -13.8                 |
| <b>Total segment profit before interest and tax</b>    | <b>1,220</b>  | <b>913</b>    | <b>33.5</b>           |
| (i) Interest expense                                   | 61            | 98            | -37.8                 |
| (ii) Interest income                                   | 14            | 9             | 50.0                  |
| (iii) Other unallocable expenditure<br>(Net of income) | 170           | 222           | -23.6                 |
| <b>Profit before tax</b>                               | <b>1,003</b>  | <b>602</b>    | <b>66.5</b>           |

# Financial profile

Sources and uses of cash and cash equivalents for the period Apr 16 to Mar 17

(Unit : INR Mio)



- Short-term increase in working capital driven by demonetization.

# Outlook 2017

## Assumptions for 2017

- We expect the new budget to enhance consumer spending.
- We expect a positive buying behavior by the consumers post demonetization.
- No major impact expected from implementation of GST.
- We do not expect abnormal movement in currency rates and raw material prices.

## Target 2017

- Continue to strengthen our position in specialties, drive product mix to maximize margins and addition of new grades to our product portfolio.
- Continue to optimize distribution network through third party logistics.
- Ensure stable operations.
- Successful GST transition.

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# THANK YOU

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