

July 30, 2024

To,
BSE Limited
Dept. DSC_CRD
Phiroze Jeejeebhoy Towers,
Dalal Street
Mumbai 400 001
BSE Scrip Code: **506222**

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

Sub.: Notice of 51st Annual General Meeting and Annual Report of the Company for the Financial Year 2023-24.

Dear Sir / Madam,

We wish to inform that in accordance with the applicable circulars issued by the Ministry of Corporate Affairs, Government of India and the Securities and Exchange Board of India, the 51st Annual General Meeting ('AGM') of the members of the Company will be held on **Wednesday, August 21, 2024 at 11:30 A.M. (IST) through Video Conferencing (VC) / Other Audio Visual Means (OAVM)**, to transact the business as set out in the Notice of the AGM.

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), as amended from time to time, we hereby submit, through e-filing mode, the 51st Annual Report of the Company for the financial year ended March 31, 2024 comprising of, inter-alia, Notice of the 51st AGM of the Company, Board's Report along with its annexes, Management Discussion & Analysis, Report on Corporate Governance, Business Responsibility and Sustainability Report, Independent Auditors' Report, Audited Financial Statements, including Cash Flow Statements on Standalone basis and relevant Notes attached thereto.

Further, the record date for the purpose of determining the members eligible to attend and vote on the resolutions set out in the Notice of the AGM and to receive the final dividend of Rs. 28/- per equity share of face value Rs.10/- each (280%), has been fixed as **August 12, 2024**, subject to the approval of the members at the AGM.

We request you to kindly take the above information on your record.

Thanking you.

Yours faithfully,
For **Styrenix Performance Materials Limited**

Chintan Doshi
Manager Legal & Company Secretary

Encl.: As above

Styrenix Performance Materials Limited
(formerly known as INEOS Styrolution India Ltd.)

Registered Office

9th Floor, 'SHIVA', Sarabhai Compound, Dr. Vikram
Sarabhai Marg, Vadiwadi, Vadodara - 390 023. Gujarat, India.

+91 265-2303201/02

secshare@styrenix.com

www.styrenix.com

CIN : L25200GJ1973PLC002436



ANNUAL REPORT 2023-24





Our Mission

To continuously add capabilities and strengths in the organization which can generate greater value for all our customers, employees and partners.

Exceed expectations with respect to innovation, development and delivery of value in all spheres of activity.

To provide a safe and vibrant environment for all our employees while upholding the highest commitment of ethics and responsibility towards all stakeholders.

Our Vision

Building an organization which is continuously evolving for creating greater value for all stakeholders. Maintaining highest commitment to human values and dignity, improving quality of life, and adherence to highest ethical standards will always remain the pillars of the organization.

◀ Chairman's Message



Dear Shareholders & Stakeholders,

The 51st year of your Company, has been the year of growth and strategic transformation where we had announced and started de-bottlenecking capex & brown field projects in Oct'23 to enhance our production capacity of ABS from 85 KT to 210 KT and PS capacity from 66 KT to 150 KT over the next few years. These strategic steps are aimed at expanding our market share in the domestic market and creating value for our esteemed shareholders and investors. All these expansions are crucial to meet the growing domestic demand and strengthening our market presence. We are confident that these initiatives will also create significant value for our all shareholders and investors.

Our strategic emphasis on developing more value-added products is expected to drive significant growth in the coming years. During the year, we have introduced two new brands, STYROLOY and ASALAC, which are aimed at providing customized solutions and import substitution. These new product lines are anticipated to add substantial value to our customers. We remain committed to delivering sustainable value and fostering growth in our business operations.

The engineering polymers market continues to present vast opportunities, driven by the rising demand. We have been at the forefront of these trends by developing environmentally friendly polymer resins that reduce waste and carbon footprints. Our ongoing research and development efforts continue to focus on creating innovative solutions & materials that not only meet but exceed the stringent standards expected by our customers and regulators.

During the Financial year 2023-24, the sales volume was 165 KT compared to 149 KT in previous year i.e. increase of 10.74%. Our production has also increased by 12.2% in FY 2023-24 compared to previous year. We are pleased to report that our capacities for ABS and PS are almost fully utilised.

The high tide of margins which was visible during COVID period continued till June 2022 and this got normalized from July 2022. Your Company was also able to mitigate various market risks and achieve stable EBITDA year over year because of operational efficiency and cost optimization.

We continue to strengthen our position in key industries, particularly automotive and household, while also penetrating other growing sectors. Our focus remains on optimizing costs and maximizing business value, ensuring we deliver sustainable growth and profitability.

Safety and Sustainability continue to remain at the core of our business strategy. We have also implemented measures to reduce energy consumption, optimize our supply chain and ensured that our operations are both ethical and environmentally responsible.

In conclusion, I am confident that your company's pioneering spirit, unwavering dedication, and resolute vision will propel us to reach greater heights in the future. Together, we will continue to shape the engineered polymer industry, not only as a market leader but as a responsible corporate citizen.

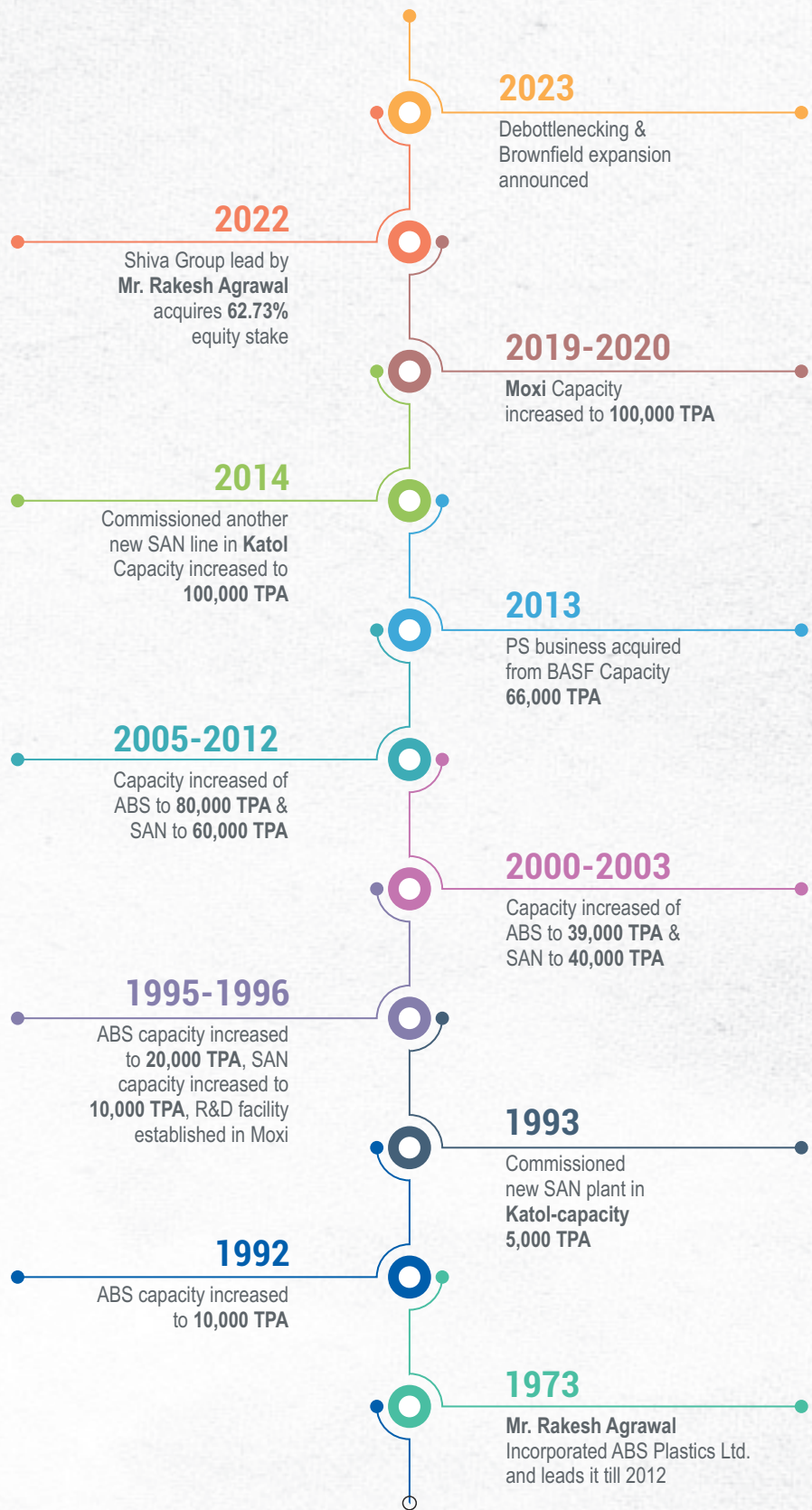
Our achievements this year would not have been possible without the unwavering dedication and hard work of our employees, faith of our customers, support of our vendors, the trust of our shareholders and investors.

I extend my heartfelt gratitude to each of you for your contributions and trust in our vision.

Sincerely,

Rakesh S. Agrawal
Chairman

ROAD to SUCCESS



A Leader in **ABS & SAN**...

Growing in polystyrene & other polymer segments



PRODUCER

Unique product
innovation capabilities
Committed to maintain
highest **quality &**
performance standards



PRODUCTS

ABSOLAC (ABS)
ASALAC
STYROLOY
ABSOLAN (SAN)
POLYSTYRENE



PAN INDIA PRESENCE

Catering to all regions of India through:

- **R & D**
- **4 Production units**
- **6 Sales Offices**
- **450+ Employees**



INDUSTRY CATERED

Automotive
Electronics
Households
Construction
Healthcare
Packaging
Toys



EXCELLENCE

- **50+ years** pioneering experience
- **Customized & innovative solutions**
- **Styrenics applications for everyday products**



BOARD OF DIRECTORS



Mr. Rakesh S. Agrawal
Chairman

Mr. Rakesh S. Agrawal is the Chairman of Shiva Group of Companies promoted by the family, having business interests in Acid Chlorides, Alkyl Chlorides, Polymers, Engineering Services, Trading etc. and having manufacturing facilities in India and Europe.

He is Master of Engineering (Chemistry) from Stevens Institute of Technology, New Jersey.

A first-generation entrepreneur, Mr. Agrawal introduced Engineering Thermoplastics in India by setting up ABS Plastics Ltd. (now known as Styrenix Performance Materials Limited), the first plant in the country to manufacture ABS and SAN resins and pioneered the technology, product range & applications and market for these products in India. He built up a strong R&D also for the same. During his reign as Managing Director from 1973 to 2012, the Company had grown many folds in capacity and various other aspects.

Mr. Agrawal plays a major role in various Industries Associations and he is currently associated with Federation of Gujarat Industries, where he also served as President for 2 years. He has also served as an Executive Committee Member of FICCI for several years. He is also involved with various educational, social and charitable activities and he is a Trustee of United Way of Baroda where he also served as Chairman. He was also on the Board of Governors of GSFC University for 6 years and had served as Senate Member of the MS University of Baroda for 4 years.



Mr. Rahul R. Agrawal
Managing Director

Mr. Rahul Rakesh Agrawal is the Director and Promoter of Shiva Pharmachem Limited, a Company situated in Vadodara, Gujarat. Shiva Pharmachem Limited is a global supplier and one of the leading manufacturers of multi-functional intermediates in pharmaceuticals and agrochemicals and performance chemicals and has three manufacturing sites and exports various products globally.

He holds a Bachelor's degree of science in chemical engineering from the University of Michigan, Ann Arbor and a Masters' degree in Business Administration from Harvard Business School, Harvard University.

He has an experience in the field of Chemical Manufacturing Industry for almost 24 years. He has also promoted Shiva Performance Materials Pvt. Ltd., a Company situated in Vadodara, Gujarat, which is actively engaged in producing specialty polymers such as acrylic resins used in ink, coating, semiconductor and optical fibre industry. Shiva Performance Materials is one of the largest suppliers globally in the graphic arts and toner industries and provides a clean alternative to hazardous solvent based chemistries used in packaging industry.



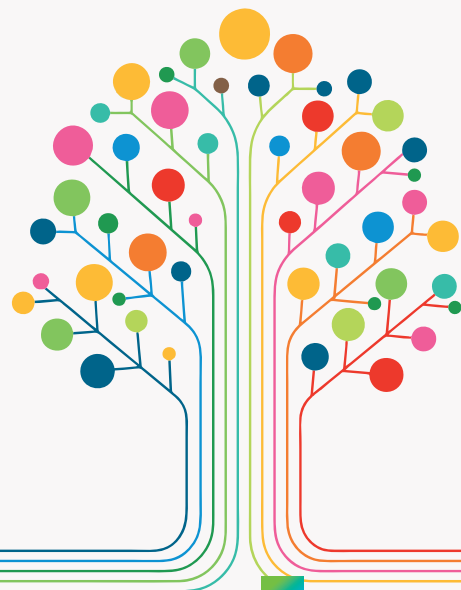
Mr. Vishal R. Agrawal
Joint Managing Director

Mr. Vishal Rakesh Agrawal is the Managing Director and Promoter of Shiva Pharmachem Limited, a company situated in Vadodara, Gujarat. Shiva Pharmachem Limited is a global supplier and one of the leading manufacturers of multi-functional intermediates in pharmaceuticals and agrochemicals and performance chemicals and has three manufacturing sites and exports various products globally. He holds a bachelor's degree in chemical engineering and a masters' degree in Information Management from Stevens Institute of Technology. He has an experience in the field of Chemical Manufacturing Industry for over 24 years. Post qualifications he started Shiva Pharmachem Limited, with a focus on chlorination chemistry, which now is a multiproduct company practicing multiple chemistries. He also acquired a chemical company in Europe in 2015, which manufactures speciality chemicals, and is now a part of Shiva Pharmachem Ltd.



Mr. Ravishankar Kompalli
Whole-time Director

Mr. K. Ravishankar has over 46 years' experience in manufacturing of Styrenic polymers i.e. ABS, SAN, PS and Styrene Acrylics and managed multiple chemical plant sites involving highly hazardous process. He graduated in Chemical engineering from Andhra University in 1977 and started his career in Polystyrene Plant of Polychem Ltd. During his more than four decades of working in polymer industry he has worked in companies with UB group, Bayer ABS Ltd, Sumitomo (Indonesia), INEOS Styrolution and Shiva Performance Materials Ltd. Till recently he was with Supreme Petrochem Ltd as consultant for their upcoming mass ABS project. Technology is his core strength and had hands on experience with JSR, Bayer, Sumitomo, Monsanto and BASF processes in Styrenic polymers. He has co-patented High Rubber Graft ABS powder technology for INEOS Styrolution presently in operation at Nandesari Plant, Gujarat. He also holds safety management diploma from Central Labour Institute, Mumbai of Govt of India and is well versed in advanced process safety concepts.



BOARD OF DIRECTORS



Mr. Milin Mehta
Independent Director

Mr. Milin Mehta leads the practice of the firm K C Mehta & Co. LLP, Chartered Accountants for over three decades. Mr. Mehta is a fellow member of the Institute of Chartered Accountants of India, Masters of Commerce and a Law Graduate. Mr. Mehta, apart from having meritorious academics has vast experience to serve clients in the areas of accounting, tax, valuation, mergers and acquisitions, strategies and governance. He has earlier led the tax practice of the firm and was responsible in setting up the international tax and transfer pricing practice. He presently focuses on the Transaction Advisory Services of the firm, while also providing technical leadership to the Tax practice. He cherishes arguing and articulating in complex tax litigation and has to his credit several reported decisions, some of which are path breaking. He was invited by the Finance Ministry, Government of India, through CBDT to be member of the committee appointed for formulation of ICDS as well as MAT Computation under Ind-AS scenario. He has been actively participating in the activities of the Institute of Chartered Accountants of India and other professional bodies in the seminars and conferences throughout the country and has developed an excellent network amongst the professionals. He serves as Independent / Non-Executive Director in various listed and unlisted companies and chairs their Audit Committees. He is a prolific speaker and has presented papers and delivered talks in seminars at national level. Mr. Mehta has also been actively involved in non profit organisations carrying their activities in education, healthcare and services to the poor and deprived sections of the society.



Mr. Premkumar Taneja
Independent Director

Mr. Premkumar Taneja has more than four (4) decades of rich and varied experience in the field of Governance, Administration and Business Management. He was Additional Chief Secretary (ACS) Industries & Mines Department, Home Department, Forest & Environment Department and at several other senior administrative positions with Govt. of Gujarat and also Director with Govt. of India. He has also led many Govt. of Gujarat promoted companies as a Chairman/Managing Director/ Director for more than a decade. Some of them are - GSFC, GACL, GSECL, GIPCL, GNFC, GUVNL and erstwhile BECL. As a Chairman/Managing Director/ Director, he has gained rich experience in all facets of Business Management. He was instrumental in turning around GACL and the erstwhile GEB, which was unbundled into seven State owned corporations. He was also awarded "Outstanding Manager of the Year Award" by Ahmedabad Management Association (AMA) in 2005 as MD, GACL. Further, other business enterprises were also bestowed with awards instituted by Govt. of India and other reputed organisations when he was heading these Govt. promoted companies.



Mr. P. N. Prasad
Independent Director

Mr. P. N. Prasad, is a professional banker with more than 37 years of experience. He joined State Bank of India (SBI) in 1983 as Probationary Officer and retired as Deputy Managing Director of SBI in 2020. At the time of superannuation, he was heading the Commercial Clients Group, the Corporate Banking Vertical of State Bank of India. He was also heading the Project Finance & Structuring SBU of the Bank, the only such SBU focused on Project and infrastructure finance among all the banks in India.

At SBI, he had handled leadership roles for more than 25 years in India and abroad in multiple fields of banking with specialization in corporate banking, project finance & structuring, infrastructure lending, debt syndication, small scale industries, agriculture and rural economy, human resources development, international banking, trade finance operations, treasury management, risk management, audit compliance, stressed asset management and resolution. He was the Chief Executive Officer of SBI's overseas operations in Belgium covering Belgium, Netherlands, and Luxemburg from 2008 to 2012.

Mr. Prasad is an Independent Director on the board of Axis Bank Limited since 20.10.2022 and serves as Independent Director on the boards of National E-Governance Services Limited (NeSL) and Insolvency Professional Agency of Institute of Cost Accountants of India Ltd. (IPAICMAI). He served as a Shareholder Director in Bank of India from October 25, 2020 to October 12, 2022. He was a member of the Committee constituted by Reserve Bank of India in April 2021 on functioning of Asset Reconstruction Companies (ARCs) and regulatory guidelines. Mr. Prasad was also the Chairman of the Co-Ordination Committee appointed by the Ministry of Commerce, Govt. of India, to address the issues faced by the Gems & Jewellery Sector in India.

He holds a master's degree in science and is a Certified Associate of Indian Institute of Bankers. He is a Rank holder in CAIIB examination conducted by Indian Institute of Bankers.



Mrs. Radhika Nath
Independent Director

Mrs. Radhika Nath is a Trustee on the Governing Council, overseeing educational initiatives across all Mahindra schools. She is an Executive Board member of Mumbai First, a nonpartisan body working with civil society, professionals, and captains of industry to improve the quality of life and investment in the city.

She started and led the Synergies division at the Mahindra Group, a platform to coordinate non-core product sourcing and requirement as a strategic enabler of business agility, to raise the Group's capabilities, performance and value. She has about 30 years of experience in the retail industry, export and trade. She has played a pioneering role in developing the Mahindra Group's retail strategy and was a part of the management team for Mom & Me, the Maternity Division of the Mahindra Retail company. Prior to this, she led the Apparel Division for Mahindra Exports and served as a Director for Avex Pvt. Ltd, a garment export company for the Mahindra Group. Under her leadership as Brand Manager for Mahindra Intertrade, she secured key partnerships for the Group's retail division with International Childrenswear Brands such as Disney and Ladybird, establishing the group's global presence. She is a Director on the board of Merchant Commercial and Holdings Pvt. Ltd. a finance and investment company of Naath Exim (India) Pvt. Ltd.

She is also the former President of the Indian Merchants Chamber-Ladies Wing (2016-2017) and led the Chamber's 50 year commemorations, attended by Shri Narendra Modi, the Prime Minister of India. Mrs. Nath graduated with a BA in Political Science and Economics from Elphinstone College in Mumbai. She is a qualified Nursery Teacher with a diploma from Sophia Polytechnic, Mumbai and is currently a Master in Business Administration degree student at Bombay University. She is an alumna of the Cathedral & John Connon School and St. Hilda's, Ooty. She is an avid reader, enjoys travel and is a keen wildlife conservationist. She is an accomplished Bharatnatyam dancer and has completed her Arangetram.

PRODUCT PROFILE

ABSOLAC® (ABS)

- ABSOLAC® is a plastic resin produced from acrylonitrile butadiene styrene (ABS). The products are available pre-coloured and can be tailored to your needs. STYRENIX specialty Acrylonitrile Butadiene Styrene (ABS) copolymers feature grades characterized by easy processing ease, high aesthetic colorful surfaces and excellent paint ability, as well.
- As good impact strength and heat resistance, they also exhibit high adhesion strength required for electroplating, as well as good mechanical strength and chemical resistance.
- It has applications diverse from Automotive Exterior: radiator grilles, light housing spoiler, helmets and Automotive Interior: loudspeaker grilles. Housing for electronic devices, household applications and office equipment.
- It has very wide range of ABS grades suitable in all type of application like Injection Molding, Extrusion, Blow Molding having additional features of super paint ability, electroplating, UV resistant, antistatic, precools - proven as excellent product among the product available in market.



ABSOLAN® (SAN)

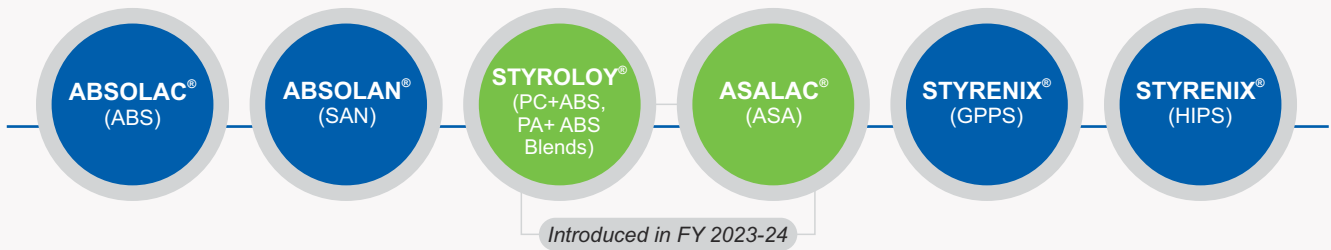
- STYRENIX's styrene acrylonitrile polymer (SAN) having trade name ABSOLAN grades feature a very well-balanced property profile ranging from excellent transparency and good chemical resistance to high stiffness, and good dimensional stability. It has applications diverse from industrial goods, stationery, electrical appliances, household applications and cosmetic jars.
- SAN GF (ABSOLAN®) is one of the proved product in air conditioner fan application across all OEMs having very good stiffness, mechanical strength among the product available in market.



STYROLOY® (Blends)

- STYRENIX's STYROLOY® is a blended product either in ABS, ASA, HIPS blends with other polymer like PC, PMMA, Nylon, PPO and other co polymers.
- The grades in the STYROLOY® portfolio feature high impact strength, super flow, excellent aesthetics, very good chemical resistance including enhanced color fastness and superior long-term performance when exposed to UV irradiation and heat. It has applications diverse from automotive exterior, interior, household applications, electronics applications.
- These products have unique characteristics than the traditional Styrene polymers, which gives an added choice to designer for higher dimensional parts, ultra thin components with better durability.





STYRENIX® PS General Purpose Polystyrene (GPPS)

- STYRENIX® PS-General Purpose Polystyrene (GPPS) resins are transparent polymers suitable for injection molding and extrusion applications. Uses for these products vary from food service and food packaging to refrigerator components, healthcare and diagnostic and lab ware as well as XPS insulation. Flexible property makes it ideal for toys, cases, hangers, plastic cups, IT equipment, jewel boxes, disposable medical products, bath accessories and garden equipment.
- It is having excellent transparency, moldability and easy processing product, suitable across all segments and applications.



STYRENIX® PS-High Impact Polystyrene (HIPS)

- STYRENIX® PS-High Impact Polystyrene (HIPS), impact modified PS resins are a line of robust grades designed to fulfil a variety of customer's needs. Whether the application is intended for a single use yogurt cup or a durable refrigerator liner, STYROLUTION PS HIPS resins can meet the demands of technically challenging applications. Key applications are Electronic goods housings, Refrigerator liners and parts, Toys and Stationery products, household items, Food packaging products like cups, dishes, containers, yogurt bottles etc.
- STYRENIX® PS-High Impact Polystyrene (HIPS) is now also available in precolour portfolio in wide range of applications.



ASALAC® (ASA)

- STYRENIX's Acrylonitrile Atyrene Acrylate (ASA) polymers are the superior styrenic polymers for weather resistance. The grades in the ASALAC® portfolio feature high surface quality, excellent chemical resistance and good impact strength, including enhanced color fastness and superior long-term performance when exposed to UV irradiation and heat. It has applications diverse from Automotive Exterior: radiator grilles, mirror housings and Automotive Interiors: overhead compartments. Household applications, PVC cap stock for sheets, sidings, roof tiles and gardening equipment.

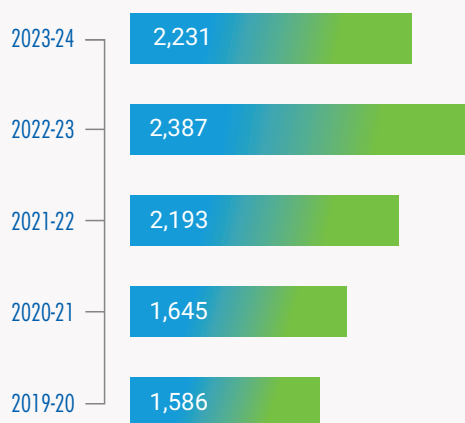


5 YEARS STATISTICAL INFORMATION

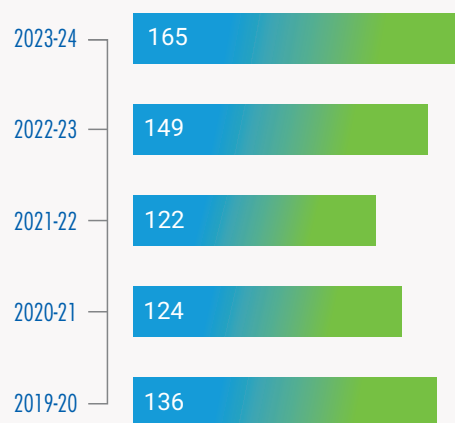
(₹ in Crore)

| YEAR | 2023-24 | 2022-23 | 2021-22 | 2020-21 | 2019-20 |
|---------------------------------|---------|---------|---------|---------|---------|
| SOURCES OF FUNDS | | | | | |
| Equity Share Capital | 17.6 | 17.6 | 17.6 | 17.6 | 17.6 |
| Other Equity | 705.2 | 697.2 | 838.8 | 871.2 | 591.7 |
| Total Equity | 722.7 | 714.7 | 856.4 | 888.8 | 609.3 |
| Borrowings- Long Term | 9.7 | 9.6 | 9.5 | 33.2 | 63.0 |
| Funds Employed | 732.5 | 724.4 | 866.0 | 922.0 | 672.3 |
| Net Worth per equity share (Rs) | 411.0 | 406.4 | 487.0 | 505.4 | 346.5 |
| Current Ratio | 2.7 | 2.3 | 3.0 | 3.0 | 1.8 |
| INCOME AND PROFITS | | | | | |
| Total Income | 2,231.4 | 2,387.4 | 2,192.9 | 1,644.5 | 1,585.8 |
| PBDITA | 272.8 | 290.3 | 488.4 | 426.7 | 71.9 |
| Profit Before Tax | 233.3 | 247.0 | 442.6 | 376.1 | (13.5) |
| Tax | 60.1 | 64.0 | 120.0 | 95.9 | (4.0) |
| Profit After Tax | 173.2 | 183.0 | 322.5 | 280.2 | (9.5) |
| Earning Per Share (Rs) | 98.5 | 104.1 | 183.4 | 159.3 | (5.4) |
| Dividend Per Share (Rs) | 94.0 | 185.0 | 202.0 | 10.0 | - |
| Return on Net worth (%) | 24.1% | 23.4% | 37.0% | 37.4% | -1.5% |

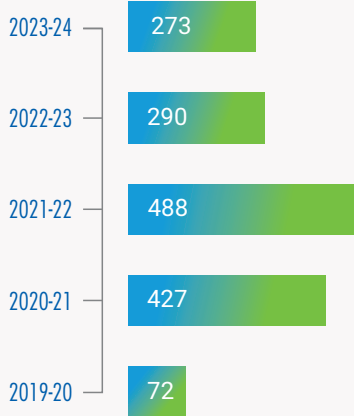
Total Income, INR Crore



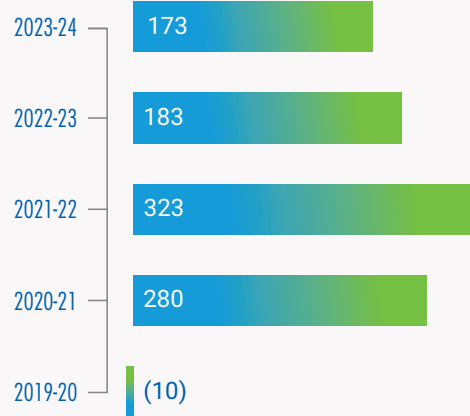
Sales Volume, KT



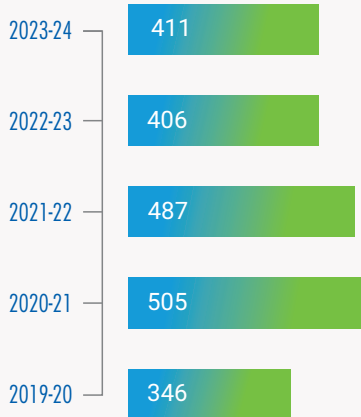
PBDITA, INR Cr



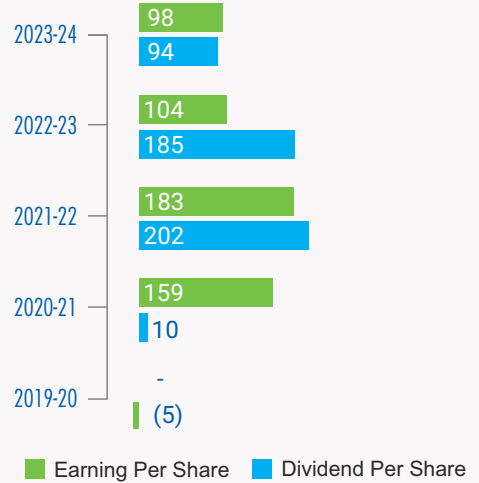
PAT, INR Cr



Net Worth per Share

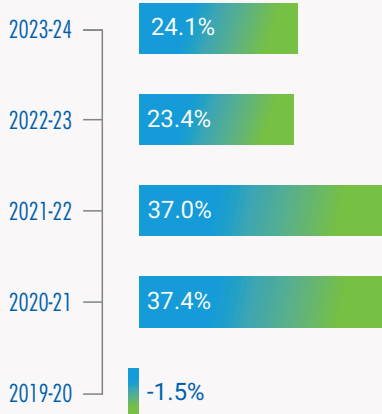


EPS & DPS, INR per Share

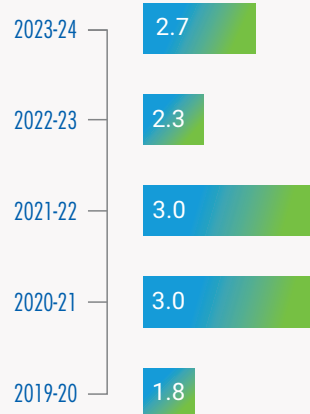


■ Earning Per Share ■ Dividend Per Share

Return on Net worth %



Current Ratio



INSPIRING GROWTH AND SUSTAINABILITY



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Styrenix Performance Materials Limited

(formerly known as INEOS Styrolution India Ltd.)

CORPORATE INFORMATION

Board of Directors

| | |
|--------------------------|--------------------------------|
| Mr. Rakesh S. Agrawal | Chairman & Whole-time Director |
| Mr. Rahul R. Agrawal | Managing Director |
| Mr. Vishal R. Agrawal | Joint Managing Director |
| Mr. Milin K. Mehta | Independent Director |
| Mr. Premkumar Taneja | Independent Director |
| Mr. P. N. Prasad | Independent Director |
| Mrs. Radhika Nath | Independent Director |
| Mr. Ravishankar Kompalli | Whole-time Director |

Key Managerial Personnel

| | |
|-----------------------|-------------------------------------|
| Mr. Bhupesh P. Porwal | Chief Financial Officer |
| Mr. Chintan Doshi | Manager - Legal & Company Secretary |

Board Committees

| Audit Committee | Nomination and Remuneration Committee | Stakeholders' Relationship Committee | CSR Committee | Risk Management Committee |
|----------------------|---------------------------------------|--------------------------------------|--------------------|---------------------------|
| Mr. Milin Mehta | Mr. Milin Mehta | Mr. Premkumar Taneja | Mr. Rakesh Agrawal | Mr. Rakesh Agrawal |
| Mr. Premkumar Taneja | Mr. Premkumar Taneja | Mr. P. N. Prasad | Mr. Milin Mehta | Mr. Milin Mehta |
| Mr. P. N. Prasad | Mrs. Radhika Nath | Mr. Rakesh Agrawal | Mrs. Radhika Nath | Mr. Premkumar Taneja |
| Mrs. Radhika Nath | Mr. Rakesh Agrawal | Mr. Rahul Agrawal | Mr. Rahul Agrawal | Mr. P. N. Prasad |
| Mr. Rakesh Agrawal | | Mr. Vishal Agrawal | Mr. Vishal Agrawal | Mrs. Radhika Nath |
| | | | | Mr. Rahul Agrawal |
| | | | | Mr. Vishal Agrawal |

Statutory Auditors

M/s. Talati & Talati, LLP

Registrar and Share Transfer Agent

M/s. Link Intime India Private Limited
"Geetakunj" 1, Bhakti Nagar Society,
Behind ABS Tower, Old Padra Road,
Vadodara - 390015
Phone No.: 0265 - 3566768
E mail: vadodara@linkintime.co.in

Bankers

- The Hong Kong and Shanghai Banking Corporation Limited (HSBC)
- ICICI Bank Limited
- The Federal Bank Limited
- HDFC Limited

Registered Office

9th Floor, "Shiva", Sarabhai Complex,
Dr. Vikram Sarabhai Marg, Vadiwadi,
Vadodara - 390 023
Tel : +91 265 2303201/2
Website: www.styrenix.com
E-mail: secshare@styrenix.com
CIN No: L25200GJ1973PLC002436

Nandesari Plant

51, GIDC Industrial Estate, Nandesari - 391 340,
Dist. Vadodara, Gujarat
Phone No.: +91 265 2840319, 2840285, 2840559, 2841010

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

Katol Plant

Halol-Kalol Road, Katol - 389 330,
Taluka Kalol, Dist. Panchmahal, Gujarat
Phone No.: +91 2676 235980, 235891, 235802, 235803.

Dahej Plant

Dahej Village, Vaghra Taluka, Dist.: Bharuch - 392 130
Phone No.: +91 2641 273318, 256021



NOTICE

To,
The Member(s),
Styrenix Performance Materials Limited

Notice is hereby given that the 51st Annual General Meeting (AGM) of the Members of **Styrenix Performance Materials Limited** will be held on Wednesday, **August 21, 2024 at 11.30 a.m.** through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”). The venue of the meeting shall be deemed to be the registered office of the Company at 9th Floor, “Shiva”, Sarabhai Complex, Dr. Vikram Sarabhai Marg, Vadiwadi, Vadodara - 390023:

Ordinary business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2024, along with the reports of the Board of Directors and of Auditors thereon.
2. To declare a final dividend of Rs. 28 per equity share for the financial year ended March 31, 2024.
3. To appoint a director in place of Mr. Vishal Rakesh Agrawal (DIN: 00056800), who retires by rotation, and being eligible, offers himself for re-appointment as a Director liable to retire by rotation and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Vishal Rakesh Agrawal (DIN: 00056800), who retires by rotation at this meeting, be and is, hereby re-appointed as a Director of the Company, liable to retire by rotation.”

4. To appoint M/s. Talati & Talati LLP, Chartered Accountants (Firm Registration No. 110758W/W100377) as Statutory Auditors of the Company and to fix their remuneration and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**.

“**RESOLVED THAT** pursuant to provisions of sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) for the time being in force] and pursuant to the recommendations of Audit Committee and Board of Directors of the Company, M/s. Talati & Talati LLP, Chartered Accountants (Firm Registration No. 110758W/W100377) be and are hereby appointed as the Statutory Auditors of the Company, to hold office for a period of five years from the conclusion of this Annual General Meeting till the conclusion of 56th Annual General Meeting of the Company to be held in year 2029, at such remuneration as may be decided by the Board of Directors of the Company (or any committee thereof) in consultation with the Statutory Auditors.

RESOLVED FURTHER THAT any one Director, the Chief Financial Officer and Company Secretary of the Company be and are hereby severally authorized to all such acts, deeds, matters and things as may be necessary and expedient to give effect to this resolution.”

Special business:

5. To ratify the payment of remuneration to the Cost Auditors of the Company for the Financial Year 2024-25 and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and pursuant to the recommendation of the Audit Committee, the remuneration payable to the Cost Auditors M/s. Kailash Sankhlecha and Associates, Cost Accountants (Firm's Registration No. 100221), appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending March 31, 2025, amounting to Rs. 400,000/- (Rupees Four Lacs only) per annum plus applicable taxes and reimbursement of out of pocket expenses of Rs. 25,000/- (Rupees Twenty Five thousand only), that may be incurred during the course of audit, be and is hereby ratified;

RESOLVED FURTHER THAT the Board of Directors (including its Committee thereof) and the Company Secretary be

and are, hereby severally authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Registered Office:

9th Floor, “Shiva”, Sarabhai Complex,
Dr. Vikram Sarabhai Marg,
Vadiwadi, Vadodara - 390023

Date: May 06, 2024
Place: Vadodara

By Order of the Board of Directors:

For **Styrenix Performance Materials Limited**

Chintan Doshi
Manager - Legal and Company Secretary

Notes:

- The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”), setting out material facts concerning the business under Item No. 4 & 5 of the accompanying Notice, is annexed hereto and forms part of this Notice. The Board of Directors of the Company at its meeting held on May 06, 2024 considered that the business under Item No. 4 & 5, being considered unavoidable, be transacted at the 51st AGM of the Company.
- The Ministry of Corporate Affairs, Government of India (“MCA”) vide its General Circular Nos. 20/2020, 10/2022, 09/2023 dated May 05, 2020, December 28, 2022, September 25, 2023 respectively, and other circulars issued in this respect (“MCA Circulars”) has permitted, inter-alia, holding of the AGM through Video Conferencing/ Other Audio-Visual Means (“VC/ OAVM”) facility on or before September 30, 2024, in accordance with the requirements provided in paragraphs 3 and 4 of the MCA General Circular No. 20/2020. In compliance with the provisions of the Companies Act, 2013 (‘Act’), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’) and MCA Circulars, the 51st AGM of the Company is being held through VC / OAVM. The deemed venue for the 51st AGM shall be the Registered Office of the Company.
- In terms of the MCA Circulars, physical attendance of members has been dispensed with and therefore, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by members under Section 105 of the Act will not be available for the 51st AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the members, who are Bodies Corporate / Institutional shareholders, may attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting. Institutional / Corporate shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF / JPG Format) of their respective Board or governing body Resolution / Authorization etc., authorizing their representative to attend the AGM through VC / OAVM on their behalf and to vote through remote e-voting. The said Resolution / Authorization shall be sent to the Company by e-mail on its registered e-mail address at secshare@styrenix.com with a copy marked to evoting@nsdl.com.
- Since the AGM is being held through VC/ OAVM facility, the Route Map is not annexed in this Notice.
- Members may join the 51st AGM through VC/ OAVM facility, by following the procedure as mentioned in the notice and the facility for participation shall be kept open for the members from 11:00 a.m. i.e. 30 minutes before the time scheduled to start the AGM and the Company may close the window for joining the VC/ OAVM facility 30 minutes after the scheduled time to start the AGM.
- Members may note that the VC/ OAVM facility provided by NSDL, allows participation of 1000 members on a first-come-first-served basis. The large members (i.e. members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. can attend the 51st AGM without any restriction on first-come-first-served basis.
- Attendance of the members participating in the AGM through VC/ OAVM facility using their login credentials shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

- Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (“ICSI”) and Regulation 44 of Listing Regulations read with MCA Circulars, as amended, the Company is providing remote e-Voting facility to its members in respect of the business to be transacted at the 51st AGM and facility for those members participating in the 51st AGM to cast vote through e-Voting system during the 51st AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency and NSDL will be providing facility for voting through remote e-Voting, for participation in the 51st AGM through VC/ OAVM facility and e-Voting during the 51st AGM. Members may note that NSDL may use third party service provider for providing participation of the members through VC/ OAVM facility.
- In terms of the MCA Circulars, the Notice of the 51st AGM and Annual Report for the financial year 2023-24, will be available on the website of the Company at www.styrenix.com, on the website of BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and also on the website of National Securities Depositories Limited (“NSDL”) at www.evoting.nsdl.com.
- Electronic copy of the Annual Report for the financial year 2023-24 is being sent to all the members whose email addresses are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same.

Electronic copy of the Notice of the 51st AGM of the Company, inter-alia, indicating the process and manner of electronic voting (“e-voting”) is being sent to all the members whose email addresses are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same.

In case any member is desirous of obtaining hard copy of the Annual Report for the financial year 2023-24 and Notice of the 51st AGM of the Company, may send request to the Company’s email address at secshare@styrenix.com mentioning the folio no./ DP ID and Client ID.

- The details required under Regulation 36(3) of the SEBI Listing Regulations, 2015 and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment / re-appointment at this AGM form part of the Notice.
- The Company has appointed Mr. Devesh A. Pathak (FCS 4559) of M/s. Devesh Pathak & Associates, Practising Company Secretaries, to act as the Scrutinizer for conducting the e-voting process in a fair and transparent manner. The Scrutinizer will submit his report to the Chairman of the Company (‘the Chairman’) or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes casted during the AGM and votes casted through remote e-voting). The result declared along with the Scrutinizer’s report shall be communicated to the stock exchanges, NSDL and will also be displayed on the Company’s website at, www.styrenix.com.

REGISTRATION OF EMAIL IDs AND UPDATION OF DETAILS

- Members, whose email address, bank account details or mobile number is not registered with the Company or with their respective Depository Participant(s) [‘DPs’], and who wish to receive the Notice of the 51st AGM and the Annual Report for the financial year 2023-24 and all other communication sent by the Company, from time to time, can get their email address, bank account details and mobile number registered by following the steps as given below:

For members holding in physical mode - Members are requested to either dematerialise their holdings or furnish relevant Investor Service Request Forms (ISR-1 and ISR-2) for registering their email addresses and mobile numbers and to update their bank details for receiving dividend, with the Company’s Registrar and Share Transfer Agent, M/s. Link Intime India Private Limited. The above forms are available on the Company’s website at <https://styrenix.com/2506-2/> and on RTA’s website at <https://liiplweb.linkintime.co.in/KYC-downloads.html>

For members holding in dematerialized mode - Member has to enter the demat account number (DP ID & Client ID) to register Email & Mobile. **Updation of Bank details for members holding shares in dematerialized mode is not permitted and the same has to be routed through their concerned depository participant.**

- Members are requested to note that the Company's equity shares are under compulsory demat trading for all class of investors, as per the provisions of SEBI circular dated May 29, 2000. In view of above, members are advised in their own interest to dematerialize the shares held by them in physical form to avoid inconvenience and avail various benefits of dematerialization.

As per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed unless the securities are held in the dematerialized form with the depositories. The Equity Shares of the Company are eligible for transfer only in dematerialized form. Therefore, the Shareholders are requested to take action to dematerialize their Equity Shares held in the Company promptly.

- As per SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021, and clarification vide Circular No. SEBI/HO/MIRSD/MIRSD-RTAMB/P/CIR/2021/687 dated December 14, 2021, read with SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, SEBI has mandated furnishing of PAN, Address with PIN code, Email address, Mobile No., Bank Account details, Specimen Signature and Nomination by holders of physical securities to the RTA at the earliest. Subject to these circulars, until submission and verification of the above details of such physical shareholders, RTAs are not allowed to process any request for physical holding.

In this regard, separate communications were sent to respective shareholders in May 2023. The sample communication and relevant forms can be downloaded from the website of the RTA as well. (<https://www.linkintime.co.in> - Resource - Download - General - Format of KYC). Further, as per requirement the relevant forms are also available on the website of the Company (<https://www.styrenix.com> – Investors – Investor Info) and can also be accessed at the following link: <https://styrenix.com/2506-2/>

- The members holding shares in physical mode in the Company's earlier names such as **INEOS Styrolution India Limited, Styrolution ABS (India) Limited, INEOS ABS (India) Limited, LANXESS ABS Limited, Bayer ABS Limited, ABS Industries Limited or ABS Plastics Limited** are requested to surrender the same at the Company's registered office at 9th Floor, "Shiva", Sarabhai Complex, Dr. Vikram Sarabhai Marg, Vadiwadi, Vadodara - 390023 to get their share certificates with changed name of the Company i.e. **Styrenix Performance Materials Limited**.
- Members are requested to notify any change in their address immediately, to their respective depository participants (DPs) in respect of their shares in electronic form quoting Client ID No.

INSPECTION OF DOCUMENTS:

- The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained in terms of Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM on the Company's website www.styrenix.com in the Investors' section.

All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to secshare@styrenix.com.

- The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) for participating in the securities market. Members holding shares in electronic form are therefore requested to submit their self-attested PAN to their Depository Participant (DP) with whom they are maintaining demat accounts, if not submitted already. Members holding shares in physical form are required to complete their KYC related formalities as per SEBI circulars by submission of applicable Investor Service Request (ISR) Forms to M/s. Link Intime India Pvt. Ltd., if not submitted already.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF) RELATED INFORMATION:

- Pursuant to the provisions of Sections 124 and 125 and other relevant provisions of the Act, the dividend which remains unpaid / unclaimed for 7 (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 year 2016-17 and all subsequent years must be claimed as early as possible, failing which it would be transferred to IEPF as per the (tentative) dates mentioned herein below. In terms of Section 124 of the Act, no claim shall lie against the Company after the said transfer.

| Financial Year | Date of Declaration of Dividend | Due date for transfer to IEPF |
|--|---------------------------------|-------------------------------|
| 2016-17 | 10-Aug-17 | 14-Sept-24 |
| 2017-18 | 14-Aug-18 | 18-Sept-25 |
| 2018-19 | 08-Aug-19 | 12-Sept-26 |
| 2019-20 | No dividend | N.A. |
| 2020-21 | 13-Aug-21 | 17-Sept-28 |
| 2021-22 (Special Interim dividend) | 14-Oct-21 | 18-Nov-28 |
| 2021-22 (2 nd Interim dividend) | 26-May-22 | 30-Jun-29 |
| 2022-23 (Interim dividend) | 16-March-23 | 20-Apr-30 |
| 2022-23 (Final dividend) | 10-Aug-23 | 14-Sep-30 |
| 2023-24 (Interim dividend) | 20-Oct-23 | 26-Nov-30 |
| 2023-24 (2 nd Interim dividend) | 3-Feb-23 | 12-Mar-31 |

The Members are requested to note that unpaid / unclaimed dividends for the years upto 2015-16 have been transferred to IEPF. Members wishing to claim dividends, which remain unclaimed, are requested to correspond with secretarial and legal department of the Company, at the Company’s registered office. Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company’s Unpaid Dividend Account will be transferred to the Investor Education and Protection Fund in accordance with provisions of Section 124 of the Act. The details of the unclaimed dividends are available on the Company’s website at www.styrenix.com and Ministry of Corporate Affairs at www.mca.gov.in.

Further, pursuant to the provisions of Sections 124(5) and 124(6) of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”) and amendments thereto, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to the demat account of the IEPF authority.

The Members / claimants whose shares, unclaimed dividends, have been transferred to the fund may claim the shares and apply for refund by making an application to the IEPF Authority in Form IEPF 5 (available on www.iepf.gov.in) along with requisite fee as decided by the authority from time to time. The Member / claimant can file only one consolidated claim in a financial year as per the IEPF Rules and amendments thereto.

GENERAL INSTRUCTIONS FOR ACCESSING AND PARTICIPATING IN THE 51ST AGM THROUGH VC/ OAVM FACILITY AND VOTING THROUGH ELECTRONIC MEANS INCLUDING REMOTE E-VOTING:

The remote e-voting period shall begin on August 18, 2024 at 9:00 A.M. and end on August 20, 2024 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. August 12, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being August 12, 2024.

How do I vote electronically using NSDL e-voting system?





The way to vote electronically on NSDL e-voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-voting system

A) Login method for e-voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

| Type of shareholders | Login Method |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL. | <ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p>  </div> <div style="text-align: center;">  <p>Google Play</p>  </div> </div> |

| Type of shareholders | Login Method |
|--|--|
| Individual Shareholders holding securities in demat mode with CDSL | <ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing Myeasi username & password. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also link provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers. |
| Individual Shareholders (holding securities in demat mode) login through their depository participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

| Login type | Helpdesk details |
|--|--|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000 |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33 |

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDeAS, you can log-in at <https://eservices.nSDL.com/> with your existing IDeAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|--|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12***** |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12***** |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
- c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ID’s are not registered.**

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:

- a) Click on “Forgot User Details/Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nSDL.com.
- b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on www.evoting.nSDL.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nSDL.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.

8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to pcsdeveshpathak@rediffmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request at evoting@nsdl.com

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL IDs ARE NOT REGISTERED WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF E-MAIL IDs FOR E-VOTING FOR THE RESOLUTIONS SET OUT IN THIS NOTICE:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to secshare@styrenix.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to secshare@styrenix.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A)

i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR SHAREHOLDERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “**VC/OAVM**” placed under “**Join meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at secshare@styrenix.com. The same will be replied by the Company suitably.

EXPLANATORY STATEMENT

The following explanatory statement pursuant to Section 102(1) of the Act, sets out all material facts relating to the special business mentioned in the accompanying notice of the AGM.

Item No. 4

This explanatory statement is in terms of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), though, the same is strictly not required as per Section 102 of the Act.

The shareholders of the Company passed ordinary resolution through postal ballot on September 30, 2023, and approved the appointment of M/s. Talati & Talati LLP, Chartered Accountants (Firm Registration No. 110758W/W100377) as Statutory Auditors of the Company with effect from August 22, 2023, until the conclusion of the 51st Annual General Meeting, to be held in 2024 filling up casual vacancy caused by resignation of M/s. Deloitte Haskins and Sells, Chartered Accountants (Registration No. 117365W).

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company, based on the recommendation of the Audit Committee, at its meeting held on May 06, 2024, has recommended the further appointment of M/s. Talati & Talati LLP, Chartered Accountant (Firm Registration No. 110758W/W100377), as the Statutory Auditors of the Company, for a term of five consecutive years from the conclusion of 51st Annual General Meeting till the conclusion of 56th Annual General Meeting of the Company to be held in the year 2029.

The proposed remuneration to be paid to M/s. Talati & Talati LLP, Chartered Accountant, for Financial Year 2024-25 is Rs. 15,00,000 (Rupees Fifteen Lacs Only) plus out of pocket expenses and applicable taxes as approved by the Board of Directors of the Company. The remuneration for the subsequent year(s) of their term shall be fixed by the Board of Directors of the Company based on the recommendation of the Audit Committee.

None of the Director(s) and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 4 of the Notice.

The Board recommends the Ordinary Resolution as set out at Item No. 4 of the accompanying notice for the approval of the Members by way of Ordinary Resolution.

Item No. 5

The Board of Directors, at its Meeting held on May 06, 2024, upon the recommendation of the Audit Committee, approved the appointment of Kailash Sankhlecha and Associates, Cost Accountants (Firm's Registration No. 100221), as Cost Auditors of the Company for conducting the audit of the cost records of the Company, for the Financial Year ending March 31, 2025, at a remuneration of Rs. 400,000/- (Rupees Four Lacs only) per annum plus applicable taxes and reimbursement of out of pocket expenses of Rs. 25,000/- (Rupees Twenty five thousand only), that may be incurred during the course of audit. Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, members of the Company are required to ratify the remuneration to be paid to the Cost Auditors of the Company.

The Board recommends and seeks your approval to the resolution as set out at Item No. 5 of the accompanying notice by way of Ordinary Resolution.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution, mentioned at Item No. 5 of the Notice.

ANNEXURE TO ITEM NO. 3 OF THE NOTICE

Details of Director seeking appointment/re-appointment at the 51st Annual General Meeting (Pursuant to Regulation 36(3) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with clause no. 1.2.5 of Secretarial Standards.

Item no. 3

Profile of Director:

| Name of Director | Mr. Vishal Rakesh Agrawal |
|--|---|
| DIN | 00056800 |
| Nationality | Indian |
| Date of Birth/age | 01/10/1974 / 49 years |
| Date of first Appointment | 17/11/2022 |
| Experience (Years) | 24 years |
| Terms and Conditions of appointment / re-appointment including remuneration, if any | Re-appointment as a retiring Director as per item no. 3 of the notice. |
| No. of Board meetings attended during the year | 4 |
| Nature of Expertise in specific functional areas | Business Management, Information Management, Chemical Manufacturing |
| Qualification | Bachelor's degree in chemical engineering, Masters' degree in Information Management from Stevens Institute of Technology |
| Disclosure of relationship with other Directors, Manager and other Key Managerial Personnel of the Company | Son of Mr. Rakesh Agrawal and Brother of Mr. Rahul Agrawal |
| Directorship held in other public companies in India | - Shiva Pharmachem Limited - Ankshree Investments & Trading Company Limited |
| Membership of committees held in other public companies in India | - Shiva Pharmachem Limited |
| No. of equity shares held in the Company | NIL |

Registered Office:

9th Floor, "Shiva", Sarabhai Complex,
Dr. Vikram Sarabhai Marg, Vadiwadi,
Vadodara - 390023

Date: May 06, 2024
Place: Vadodara

By Order of the Board of Directors:
For **Styrenix Performance Materials Limited**

Chintan Doshi
Manager - Legal & Company Secretary

MANAGEMENT DISCUSSION & ANALYSIS

The Management Discussion and Analysis Report has been prepared in accordance with the provisions of Regulation 34(2) (e) of Listing Regulations, read with Schedule V (B) thereto, with a view to provide an analysis of the business and Financial Statements of the Company for FY 2023-24 and should be read in conjunction with the respective Financial Statements and notes thereon.

Styrenix Performance Materials Limited (formerly known as INEOS Styrolution India Limited) is the number one producer of Absolac[®] ABS and Absolan[®] SAN & Styrenix[®] PS in India. With 51 years of pioneering experience, Styrenix Performance Materials Limited has been the most preferred supplier to its customers and helps them succeed by offering innovative and sustainable best-in-class solutions, designed to give them a competitive edge in their markets.

ECONOMIC OVERVIEW:

GLOBAL ECONOMY:

The baseline forecast is for the world economy to continue growing at 3.2 percent during 2024 and 2025, at the same pace as in 2023.

The global economy remains remarkably resilient, with steady growth and inflation slowing almost as quickly as it rose. The journey has been eventful, starting with -

- a) supply-chain disruptions in the aftermath of the pandemic,
- b) an energy and food crisis triggered by Russia's - Ukraine conflict,
- c) Israel – Palestine conflict,
- d) a considerable surge in inflation, which soared to its peak in 2022, and is now declining.
- e) globally synchronized monetary policy tightening.

However, above events didn't have any material impact on the Company's performance as it has been mitigated through various actions taken by the Company.

Source: <https://www.imf.org>

INDIAN ECONOMY:

The Indian economy showcased resilience in the fiscal year 2023-24, achieving a robust GDP growth rate of 7.6%, surpassing the 7% growth recorded in the previous fiscal year (ref: business standard Apr 16, 2024).

Overall Polymer demand has grown approx. 8~10% in FY 23-24. Growth in the Automotive Segment is approx. 10%, large appliances have grown approx. 5~7%, and other misc. industry has grown by approx. 12% y-o-y.

According to the World Bank, the Indian economy is anticipated to maintain its strength in the next financial year, driven by robust investment and service activities. Financial conditions have remained supportive, with domestic credit issuance growing at a rapid pace and financial soundness indicators showing improvement, including a notable decline in the nonperforming-loan ratio.

Inflation has largely remained within the Reserve Bank of India's target range, while tax collection targets have been met due to strong economic activity and enhanced compliance.

The growth of industries such as automotive, electronics, and packaging will contribute to the increase in demand for ABS and Polystyrene. Government initiatives promoting manufacturing and infrastructure development can boost the demand for these materials. The government's policy to improve logistics infrastructure, incentives to facilitate industrial production and measures to improve farmers' income will support the country's efforts to grow at a faster pace. India's ABS and Polystyrene markets continue to be influenced by global market trends and trade dynamics. Changes in international prices, demand from other countries, and geopolitical factors can have indirect effects on the Indian market. The government is expected to continue its focus on infrastructure development and attract foreign investment under the "Ease of doing business" program. There is a push towards local manufacturing and being self-reliant as a country.

Economic growth has benefitted the Company to achieve higher sales volume during the financial year FY 2023-24 and we expect the growth story to continue in financial year FY 2024-25.

REVIEW OF OPERATIONS:

During the FY 2023-24, the sales volume was 165 KT compared to 149 KT in previous year i.e. increase of 10.74%. We are pleased to report that our capacities for ABS and PS are almost fully utilised, and we are working to enhance capacity via various de-bottlenecking projects and proposed capacity expansion plan.

During FY2023-24, revenue from operations stood at Rs. 2,222.17 Crore vs. Rs. 2,372.27 Crores in FY 2022-23. PBITDA for FY 2023-24 is INR 272.80 Crore (12.3%) vs. INR 290.31 Crore (12.2%) in previous year.

Despite increase in volume, the decline in revenue and profit is attributed by Global feedstock and Polymer prices. However, the Company has mitigated relevant risk and achieved stable PBITDA %.

PRODUCTS:

The Company provides styrenics applications for many everyday products across a broad range of industries, apart from automotive, electronics, household, construction and healthcare and includes packaging and toys, sports & leisure. With best-in-class production technology, advanced R&D skills, your Company is perfectly equipped to ensure the highest level of quality, efficiency, and innovation.

Your Company's product portfolio includes ABSOLAC® ABS, ABSOLAN® SAN, STYRENIX® PS, which continue to have a preferred market status amongst user industries such as automotive, construction, healthcare, household and electronics. Research and Development towards new product and grade development and processes is yielding good results and has helped the Company to add differentiated and value added products in its portfolio.

The Company has also been augmenting its capacities by de-bottlenecking the process in all its plants and expects to yield results in near future.

Your Company continues to focus on innovative solutions to create more value for its customers.

Through relentless research and development efforts, we continually introduce new products, blends and other value added grades, enhancing our portfolio with differentiated and value-added offerings.

RATINGS:

Care Edge Ratings reported "Stable" outlook on Long-term / Short-term bank facilities of the Company (Rs. 650 crores). The "Stable" outlook on the rating of the Company reflects CARE Ratings Limited's expectation of sustenance of its comfortable financial risk profile on the back of stable operations and healthy demand prospects in the near to medium term.

The credit rating as received by the Company from Credit Rating Agency for long term / short term bank facilities, as of March 31, 2024, is CAREA+, STABLE / CAREA1+ [Single A Plus; Outlook: Stable/A One Plus].

Styrenix Performance Materials Limited

(formerly known as INEOS Styrolution India Ltd.)

CAPEX:

In October 2023, we unveiled our strategic de-bottlenecking and capital expenditure (CAPEX) initiative, as follows:

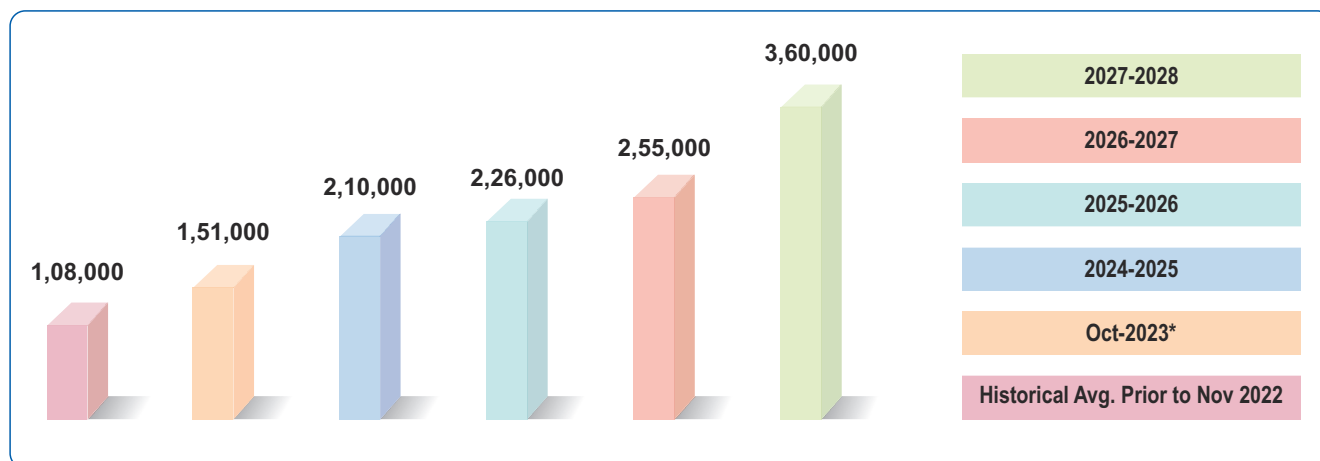
ABS:

- Carry out various de-bottlenecking projects to improve capacity from **85 KT to 105 KT** by Oct 2024.
- Increase Capacities from **105 KT to 210 KT** in subsequent **36 months** time frame.

PS:

- Carry out various de-bottlenecking projects to improve capacity from **66 KT to 105 KT** by Oct 2024.
- Increase Capacities from **105 KT to 150 KT** in subsequent **24 months** time frame.

Volume in MT



INDUSTRY STRUCTURE & DEVELOPMENTS:

In an ever-changing economic and business landscape, characterized by evolving consumer preferences, rapid technological advancements, and globalization, the Company operates across various sectors, including automotive, home appliances, electrical and electronics, construction, packaging, and healthcare. This dynamic environment fosters intense competition, prompting our clients to prioritize cost-effective and innovative solutions. With a steadfast commitment to empowering our customers, we strive to be their trusted partner in achieving success in their respective markets. By offering superior product solutions tailored to their needs, we aim to equip them with the tools necessary to maintain a competitive edge and drive growth.

OPPORTUNITIES:

The current landscape presents significant opportunities for the polymer industry, particularly in India. With a burgeoning population, an expanding middle class and increasing per capita income, the demand is also on the rise. Initiatives like "Make in India" and the "Smart Cities Mission" are driving the need for polymer-based products across various sectors.

Moreover, India's automotive sector, one of the largest globally, is poised for further growth, presenting opportunities for styrenics manufacturers to supply components and materials. The anticipated surge in demand for household appliances like air conditioners and refrigerators further adds to the potential for market participation.

The packaging industry continues to thrive due to urbanization, lifestyle changes, and the surge of e-commerce. Polystyrene manufacturers stand to benefit by offering innovative and sustainable packaging solutions to meet this demand.

Furthermore, the increasing demand for consumer electronics in developing countries, fueled by rising disposable incomes and urbanization, presents another avenue for growth. As digitization activities continue to grow, the consumption of electronics products is expected to rise, contributing to the expansion of the target market.

Overall, the combination of evolving consumer preferences, infrastructure development initiatives, and technological advancements presents a promising landscape for the polymer industry to capitalize on various opportunities for growth and innovation.

THREATS:

Polymer manufacturing continues to rely heavily on the availability and prices of key imported raw materials like Styrene and Acrylonitrile which in turn depends on crude oil, natural gas and other backward value chain feedstocks. Therefore, fluctuations in raw material prices can significantly impact the costs and margins. Also, since India imports a significant amount of polymer resins to meet its increasing domestic demand, it creates pressure on domestic manufacturers which may result in lower prices and margins.

Being key player in Polymer segment, one of the major risks is waste management and environmental pollution for which careful attention and proactive measures to mitigate related risks have been taken.

The BRSR report also mentions actions taken by the Company on other ESG matters.

The depletion of fossil-fuel-based raw materials also threatens our sustainability. Fluctuations in raw material prices, particularly crude oil and natural gas, pose challenges for domestic manufacturers, especially in regions heavily reliant on imports. Furthermore, increasing global concerns and regulations around plastic waste compel us to adapt to sustainable alternatives and stricter environmental standards.

Therefore, to address these threats effectively, we invest in research and development, explore sustainable options, and maintain a proactive stance to capitalize on opportunities and ensure long-term viability in the face of these challenges.

OUTLOOK:

Your Company continues to monitor changes in general economic situation and is prepared to take measures to safeguard its business operations. Our close association with key OEMs in automotive and household segments has enabled us to drive profitable growth and we expect it to continue in the coming year. Our organizational focus on key industry segments ensures a deep understanding of their needs and will enable new product introductions for the specific industry. Your Company utilizes its R&D capabilities to develop new products for the automotive, household and healthcare segments and maintains a strong intellectual property position.

Indian household items penetration in Urban and Rural is growing much faster due to increase in per capita income and spending. Overall, Polymer demand is likely to grow much higher than GDP growth.

We expect the automotive business, both for two-wheelers and four wheelers including EV segment, to remain strong for the coming year and grow approx. 7-10% y-o-y. Apart from demand growth, the increase in size of the product like larger refrigerator, TV, washing machine also helps increase sales volume.

Average polymer growth expected to be around 9~10% looking to demand growth.

In FY 2023-24, the ABS market in India has reached approximately 300 KT and we expect it to grow at a CAGR (Compound Annual Growth Rate) of approx. 9% until the fiscal year 2030.

India's Polystyrene market demand stood at 280 KT in FY 2023-24 and is projected to grow at a CAGR (Compound Annual Growth Rate) of approx. 5% until the fiscal year 2030.

RISK MANAGEMENT REPORT:

Your Directors wish to state that risk management and control practices have been deployed across all the functions and functional evaluation of rating probability and impact is being constantly monitored under the guidance of the Risk Management Committee. The critical / high ranking risks and mitigating steps and measures applied or to be applied, are discussed internally with functional leaders and then discussed by the Risk Management Committee before being presented to the Board.

Company has integrated its risk monitoring procedures in accordance with prudent business practices. The objectives of the Company's risk management framework comprise the following:

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

The Chairman and the Managing Director carry out the risk assessment on an ongoing basis and take measures and effective steps to mitigate / reduce impact and control the same from time to time. They provide overall directions in controlling / mitigating risks generally and are in complete know of the organizational risk's 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:

Your Company's internal control systems are adequate and commensurate with the size of operations. These controls ensure that transactions are authorized, recorded and reported on time. They ensure that assets are safeguarded and protected against loss or unauthorized disposal.

The internal auditors of the Company, M/s. Sharp & Tannan Associates, carried out audits in different areas of your Company's operations. Post-audit reviews were carried out to ensure that audit recommendations were implemented. The audit committee reviews the adequacy and effectiveness of the internal control systems, significant audit observations and monitors the sustainability of remedial measures.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

Financial performance and review of operations form part of the Board's report which details the Company's financial and operational performance.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:

Our employees are our most important assets. As of March 31, 2024, the Company employed 404 permanent employees, 47 employees on fixed term contracts and 552 employees on contractual basis, through contractors. Our culture and reputation as a global leader in the styrenics industry enables us to recruit and retain some of the best available talent in India. Our Human Resource (HR) division acts both as a service provider and as a governance unit in the various employee-related fields of work. The scope of activity includes attraction, selection and talent development and rewarding of employees, while also overseeing organizational leadership and culture and ensuring compliance with employment and various applicable labour laws. Company's HR fosters a trusting and open culture by promoting mutual respect and fairness throughout the entire organization.

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

KEY FINANCIAL RATIOS:

| Sr. No. | Particulars | March 31, 2024 | March 31, 2023 | Explanation for Significant Change (Above 25%) |
|---------|-----------------------------|----------------|----------------|--|
| 1 | Operating Profit (EBITDA) % | 12.30% | 12.20% | |
| 2 | Net Profit Margin % | 7.79% | 7.71% | |
| 3 | Return on Net worth % | 24.10% | 23.30% | |
| 4 | Debtors Turnover Ratio | 8.52 | 8.95 | |
| 5 | Inventory Turnover Ratio | 7.24 | 8.39 | |
| 6 | Current Ratio | 2.71 | 2.30 | |
| 7 | Long Term Debt Equity Ratio | 0.01 | 0.01 | |
| 8 | Interest Coverage Ratio | 85.89 | 50.71 | Change is driven by reduction in lease liability |

ACCOUNTING TREATMENT :

The financial statements of the Company for the financial year ended March 31, 2024 were prepared in accordance with IND-AS, which are the prescribed Accounting Standards.

SAFETY, HEALTH & ENVIRONMENT ('SHE'):

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

Styrenix Performance Materials Limited

(formerly known as INEOS Styrolution India Ltd.)

BOARD'S REPORT

Dear Members,

Your Directors have the pleasure in presenting the 51st Annual Report of your Company together with audited financial statements for the year ended on March 31, 2024.

FINANCIAL PERFORMANCE

Your Company's financial performance during the year ended March 31, 2024 as compared to previous financial year is summarized below:

(₹ in crores)

| Particulars | 2023-24 | 2022-23 |
|---|------------------|------------------|
| Period | 12 months | 12 months |
| Revenue from Operations | 2,222.17 | 2,372.27 |
| Other Income | 9.26 | 15.10 |
| Profit before Depreciation, Interest and Tax expense | 272.80 | 290.31 |
| Profit / (Loss) before Tax | 233.26 | 246.96 |
| Tax Credit / (Expense) | (60.09) | (63.95) |
| Profit / (Loss) for the year | 173.17 | 183.01 |
| Other Comprehensive Income | 0.12 | 0.64 |
| Total Other Comprehensive Income for the year | 173.29 | 183.65 |
| Retained Earnings | | |
| Opening Balance | 600.97 | 742.66 |
| <i>Add:</i> | | |
| Total comprehensive income for the year | 173.29 | 183.65 |
| <i>Less:</i> | | |
| Dividends including dividend tax | 165.30 | 325.34 |
| Closing Balance | 608.96 | 600.97 |
| EPS (Basic ₹) | 98.47 | 104.07 |
| EPS (Diluted ₹) | 98.47 | 104.07 |

OPERATING RESULTS AND PROFIT

During FY 2023-24, revenue from operations stood at Rs. 2,222.17 Crore vs. Rs. 2,372.27 Crores in FY 2022-2023. PBITDA for FY 23-24 is INR 272.80 Crore (12.3%) vs. INR 290.31 Crore (12.2%) in previous year.

Your Company's profit before tax in financial year 2023-24 was ₹ 233.26 Crores as compared to a profit before tax of ₹ 246.96 Crores in previous year and the Total Comprehensive Income for the financial year 2023-24 was ₹ 173.29 Crores as compared to ₹ 183.65 Crores in the previous year.

DIVIDEND

Considering the performance of the Company and to appropriately reward the members, two interim dividends of ₹ 22/- per equity share (220%) and ₹ 48/- per equity share (480%) during the financial year ended 31st March 2024 were declared by the Board of Directors on October 20, 2023 and on February 3, 2024 and the same was paid to shareholders in November 2023 and February 2024, respectively.

During the financial year ended March 31, 2024, the Members of the Company had also declared a Final dividend (for the financial year 2022-23) of ₹ 24/- per equity share (240%) on August 10, 2023, which was paid in August 2023.

The Board of Directors is pleased to recommend a final dividend of ₹ 28/- (280%) per share of Rs. 10 each on the paid up equity share capital of the Company, for consideration and approval of the shareholders at the forthcoming Annual General Meeting which shall be subject to deduction of applicable income tax at source and if approved, members whose name appear on the register of Members on August 12, 2024, will be entitled to the dividend.

The above dividend declared by the Company is in accordance with the dividend distribution policy of the Company.

The Dividend Distribution Policy of the Company is available on the Company's website and can be accessed at <https://styrenix.com/wp-content/uploads/2023/02/Dividend-Distribution-Policy-2023.pdf>

TRANSFER TO RESERVES

The Company is not required to transfer any amount to its reserves and accordingly no amount is transferred to reserves during the year under review.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of business during the financial year 2023-24.

CHANGE OF NAME AND REGISTERED OFFICE OF THE COMPANY

During the year, there is no change in name and registered office of the Company. However, in the previous year 2022-23, consequent to the change of ownership and control, by virtue of acquisition of entire promoter shareholding from INEOS Styrolution APAC Pte Ltd by Shiva Performance Materials Private Limited, the name of the Company was changed from INEOS Styrolution India Limited to **Styrenix Performance Materials Limited** with effect from **January 05, 2023**.

The Company, later, also shifted its registered office to the new office premises at **9th Floor, 'Shiva', Sarabhai Complex, Dr. Vikram Sarabhai Marg, Vadiwadi, Vadodara 390023** with effect from **May 26, 2023**.

MANAGEMENT DISCUSSION AND ANALYSIS

As required by Regulation 34(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), a Management Discussion and Analysis Report forms part of this Report and is annexed hereto.

A review of the performance and future outlook of the Company and its businesses, as well as the state of the affairs of the business, along with the financial and operational developments have been discussed in detail in the Management Discussion and Analysis Report, which forms part of this Report.

CASH FLOW AND CONSOLIDATED FINANCIAL STATEMENTS

As required under Regulation 34 of the Listing Regulations, a Cash Flow Statement forms part of the Annual Report. The Company does not have any subsidiaries and hence is not required to publish Consolidated Financial Statements.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

➤ Appointments/Re-appointments

During the year under review

- Board of Directors at their meeting held on February 3, 2024, upon recommendation of Nomination and Remuneration Committee, approved the re-appointment of Mr. Ravishankar Balakoteswararao Kompalli (DIN: 06458292) as a Whole-time Director of the Company, for a further term of 2 years beginning from April 1, 2024 to March 31, 2026, which was subject to approval of shareholders by Special Resolution. Later, the shareholders of the Company, approved the re-appointment of Mr. Ravishankar Balakoteswararao Kompalli (DIN: 06458292) as Whole-time Director of the Company, liable to retire by rotation and payment of remuneration for further term of 2 (Two) years starting from April 1, 2024 to March 31, 2026, by passing the Special Resolution through postal ballot on April 13, 2024.

Styrenix Performance Materials Limited

(formerly known as INEOS Styrolution India Ltd.)

- Mr. Bhupesh P. Porwal was appointed as the Chief Financial Officer with effect from November 10, 2023, consequent to resignation of Mr. Sanjeev Madan as a Chief Financial Officer of the Company w.e.f. September 19, 2023, and Mr. Chintan Doshi has been appointed as a Company Secretary & Compliance Officer of the Company with effect from December 22, 2023 consequent to resignation of Mr. Abhijaat Sinha as the Head - Legal & Company Secretary of the Company w.e.f. December 8, 2023.

➤ Retirement by rotation

Mr. Vishal Agrawal - Jt. Managing Director (DIN: 00056800), the Executive and Non-Independent Director, who retires by rotation at the ensuing 51st Annual General Meeting and being eligible, offers himself for re-appointment in terms of the Articles of Association of the Company.

➤ Policy on Directors' appointment and remuneration

The policy on Director's appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of Director and also remuneration for key managerial personnel and other employees, forms part of the Corporate Governance Report annexed hereto.

MEETINGS OF BOARD OF DIRECTORS OF THE COMPANY

During the year, 8 (eight) Board meetings were convened and held. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of all Board/ Committee meetings held are given in the Corporate Governance Report.

DECLARATION BY INDEPENDENT DIRECTORS

Mr. Milin Mehta, Mr. Premkumar Taneja, Mr. P. N. Prasad and Mrs. Radhika Nath are the Independent Directors on the Board of Directors of the Company as on March 31, 2024.

The Board of Directors of the Company hereby confirms that all the Independent Directors duly appointed by the Company, had given a certificate stating that they met the criteria of independence as provided under the Act and the Listing Regulations and they have registered their names in the Independent Directors' Databank.

PERFORMANCE EVALUATION

The details of performance evaluation of Directors are stated in the section on Nomination and Remuneration Committee in the Corporate Governance Report annexed hereto.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(c) and 134(5) of the Act, the Board of Directors of the Company confirms that:

- i) in the preparation of the annual accounts for the financial year ended March 31, 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- 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 at the end of financial year and of the profit of the Company for that period;
- iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act 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;
- v) they had laid down internal finance controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

AUDIT COMMITTEE

The Audit Committee of the Board of Directors comprises of atleast 2/3rd of its members as Independent Directors and is constituted as under, as on March 31, 2024:

| Name of the Director | Position in Committee |
|--|-----------------------|
| Mr. Milin Mehta, Independent Director | Chairman |
| Mr. Premkumar Taneja, Independent Director | Member |
| Mr. P. N. Prasad, Independent Director | Member |
| Mrs. Radhika Nath, Independent Director | Member |
| Mr. Rakesh Agrawal, Executive Director | Member |

The terms of reference of the Audit Committee, details of meetings held during the year and attendance of members are set out in the Corporate Governance Report.

During the year under review, the Board has accepted all recommendations of the Audit Committee and accordingly no disclosure is required to be made in respect of non-acceptance of any recommendation of the Audit Committee by the Board.

FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

The Directors are regularly informed during meetings of the Board and its Committees on the activities of the Company, its operations and issues faced by the industry. The details of familiarization programs provided to the Directors of the Company are available on the Company's website.

https://styrenix.com/wp-content/uploads/2024/04/Familiarization_Programme_-Independent_Directors_2024.pdf

CHANGE IN SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES DURING THE YEAR

Neither the Company has any subsidiary /associate/ joint venture, nor any other company has become/ceased to be subsidiary/ joint venture/ associate company during the year under review.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and operations of the Company in future.

DEPOSITS

The Company has not accepted any deposit, within the meaning of Sections 73 and 74 of the Act, read with the Companies (Acceptance of Deposits) Rules, 2014 during the year under review.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186 of the Act.

TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the applicable provisions of the Act, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules') as amended, all unpaid or unclaimed dividends which were required to be transferred by the Company to the IEPF were transferred to IEPF Authority. The Company has also transferred shares in respect of which dividend amount remained unpaid/unclaimed for a consecutive period of 7 (Seven) years or more to IEPF Authority within stipulated time. The details of unpaid/unclaimed dividend and the shares transferred to IEPF Authority are available on the Company's website at <https://styrenix.com/investor-dividend-info/>

The Company has already transferred unclaimed dividends and respective shares to the IEPF Authority upto the year 2015-16. Now, the next transfer would be due in the month of September 2024 and the Company would be making necessary announcements in this regard as per the prescribed timelines. All those shareholders who have not claimed dividends for the year 2016-17 onwards are requested to contact the Company regarding unclaimed dividends at the earliest.

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 under the Listing Regulations, a detailed report on Corporate Governance along with the compliance certificate from MD & CFO and a compliance certificate thereon from a Practicing Company Secretary forms part of this report as **Annexure - I**.

CORPORATE SOCIAL RESPONSIBILITY

In compliance with the requirements of Section 135 of the Act, the Company has constituted a 'Corporate Social Responsibility (CSR) Committee' and has also framed a CSR Policy. The details of the policy, composition of the Committee, CSR initiatives, CSR spending during the year etc., have been provided as **Annexure - II** to this report, as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.

The amount required to be spent on CSR activities during the year ended March 31, 2024 in accordance with the provisions of Section 135 of the Act was ₹ 7,09,32,008 (Rupees Seven Crore Nine Lakh Thirty Two Thousand Eight Only) and your Company had spent an amount of ₹ 70,01,004 (Rupees Seventy Lakh One Thousand Four Only) towards CSR expenses and has transferred an amount of ₹ 6,39,31,004 (Rupees Six Crore Thirty Nine Lakh Thirty One Thousand Four Only) to the Unspent CSR Account for FY 2023-24 in respect of an ongoing project. The details of CSR expenditure are provided in **Annexure - II**.

The Company considers CSR as a part of its corporate philosophy and will continue to ensure that the amounts are adequately spent to ensure compliance in true spirit.

PARTICULARS OF EMPLOYEES

Disclosures with respect to the remuneration of Directors, KMPs and employees as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in **Annexure - III** to this Report. Statement containing Particulars of Employees pursuant to Section 197 of the Act and Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, forms part of the Annual Report. As per the provisions of Section 136 of the Act, the Reports and Financial Statements are being sent to shareholders of the Company and other stakeholders entitled thereto, excluding the Statement containing Particulars of Employees. Any shareholder interested in obtaining such details may write to the Company Secretary.

RISK MANAGEMENT POLICY

The details of the Risk Management Policy adopted by the Board of Directors and details of the Risk Management Committee of the Board of Directors are mentioned in the Corporate Governance Report.

PARTICULARS OF CONTRACTS AND AGREEMENTS MADE WITH RELATED PARTIES

All related party transactions which were entered into during the year under review were on arm's length basis and in the ordinary course of business. There were no materially significant related party transactions entered into by the Company with the Promoters, Directors or the Key Managerial Personnel, which may have a potential conflict with the interests of the Company.

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act in the prescribed Form AOC-2, is provided as **Annexure-IV** forming part of this report.

CONSERVATION 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 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014 is annexed hereto as **Annexure-V** and forms part of this report.

REPORTING OF FRAUDS

There have been no instances of fraud reported by the auditors under Section 143(12) of the Act and rules framed thereunder, either to the Company or to the Central Government.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TILL THE DATE OF THE REPORT

There have been no material changes which have occurred between the end of financial year till the date of this report affecting the financial position of the Company.

ANNUAL RETURN

As required under Section 92(3) of the Act, the Company has placed a copy of the annual return on its website and the same is available in the Investors Section on the Company's website (www.styrenix.com). The Annual Return for the year will be updated once the same is filed with the Registrar of Companies in due course.

BOARD DIVERSITY

Your Company recognizes and embraces the importance of a diverse Board in its success. We believe that a truly diverse Board will leverage differences in thought, perspective, knowledge, regional and industry experience, age, ethnicity, race and gender, which will help retain our competitive advantage. The Board of Directors has adopted the 'Board Diversity Policy', which sets out the approach to diversity of the Board. The Board diversity policy is available on our website <https://styrenix.com/wp-content/uploads/2023/04/Board-Diversity-Policy.pdf>

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, compliance 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.

The Audit Committee of the Board of Directors, comprising of at least 2/3rd of its members as Independent Directors, regularly reviews the audit plans, significant audit findings, adequacy of internal controls, compliance with accounting standards as well as reasons for changes in accounting policies and practices, if any.

SAFETY, HEALTH, AND ENVIRONMENT

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

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

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

Apart from employees, the contractors and workmen are also given exhaustive training on safety, first-aid and firefighting. The Company has appointed and trained safety stewards to promote safety in all divisions. A green belt in and around all factory premises has been maintained to enhance the eco-friendliness. We conduct our operations responsibly with a sustainable approach towards the environment.

As required in terms of the IS 14489 for Safety Audit for Industries, the SHE Policy of the Company is annexed hereto as **Annexure-VI** and forms part of this report.

POLICY ON PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has in place a policy on prevention of sexual harassment at workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules framed thereunder and Internal Complaints Committees have also been set up at all locations to redress complaints received regarding sexual harassment. During the year, no complaint with allegations of sexual harassment was received by the Company.

STATUTORY AUDITORS

M/s. Talati & Talati LLP, Chartered Accountants (Firm Registration No. 110758W/W100377) were appointed as Statutory Auditors of the Company with effect from August 22, 2023, to fill up casual vacancy caused by the resignation of M/s. Deloitte Haskins & Sells, Chartered Accountants (Registration No. 117365W) until the conclusion of the 51st Annual General Meeting, to be held in 2024. Hence at this 51st Annual General Meeting, Board of Directors of the Company recommends the Ordinary Resolution for appointment of M/s. Talati & Talati LLP, Chartered Accountants (Firm Registration No. 110758W/W100377) as Statutory Auditors of the Company, for a term of five consecutive years beginning from the conclusion of 51st Annual General Meeting till the conclusion of 56th Annual General Meeting of the Company, to be held in the year 2029.

AUDITORS' REPORT

The observations made by the auditors in their report read with the relevant notes to the financial statements for the year ended March 31, 2024, are self-explanatory and are devoid of any reservation, qualification or adverse remarks.

SECRETARIAL AUDITOR

M/s. Devesh Pathak & Associates, Practicing Company Secretaries, Vadodara, were appointed as Secretarial Auditor to conduct the secretarial audit of the Company for the financial year 2023-24, in terms of the requirements of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, framed there under. The secretarial audit report received from M/s. Devesh Pathak & Associates is annexed as **Annexure - VII**.

COST RECORDS

The Company is required to maintain the cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and accordingly such accounts and records are prepared and maintained by the Company.

COST AUDITORS

Pursuant to Section 148 of the Companies Act 2013, the Board of Directors, based on the recommendation of the Audit Committee and upon receipt of their consent to act as Cost Auditors and their confirmation regarding the appointment being in accordance with Section 148 of the Act has appointed M/s. Kailash Sankhlecha and Associates, (Firm's registration no. 100221), Cost Accountants, as Cost Auditors of the Company, for the Financial Year 2024-25, for conducting the audit of the cost records maintained by the Company for the various products as mandated by the Central Government at a remuneration as mentioned in the notice convening the annual general meeting of the Company.

The Audit Committee has also received a certificate from the Cost Auditor certifying their independence and arm's length relationship with the Company.

A resolution seeking members' ratification for the remuneration payable to the Cost Auditors for the Financial Year 2024-25 forms part of the notice of the 51st Annual General Meeting of the Company and the same is recommended for your consideration and approval.

VIGIL MECHANISM

As per the provisions of Section 177(9) of the Act read with clause 22(1) of the Listing Regulations, the Company is required to establish an effective vigil mechanism for Directors and employees to report genuine concerns. The Company has a policy for prevention, detection and investigation of frauds and protection of whistleblowers ("Whistleblower Policy") in place and the details of the Company's Whistleblower Policy are provided in the Corporate Governance Report annexed hereto.

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 have 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 ("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.
- Talent Management initiatives encouraging job rotation to enhance employee engagement.
- Evolution of performance-based compensation packages to attract and retain talent within the organization.
- Development of comprehensive training programs to impart and continuously upgrade the industry / function specific skills, etc.

EMPLOYEE BENEFIT MEASURES UNDERTAKEN DURING THE YEAR

In order to achieve a highly streamlined and productive organization, a transparent and uniform HR policy with a well-defined reporting structure and clear roles and responsibilities has been put in place.

Necessary training based on identified needs have been set-up across all functions by the respective heads of departments to enhance the knowledge and competencies of our employees and are being updated and upgraded on a continuous basis. Other initiatives include an improvement of the working environment, the automation of HR processes including the outsourcing of the payroll processor and the implementation of a new Human Resource Management System have been initiated. Initiatives on improving employee engagement have been implemented with primary focus on employee health and welfare by enhancing the medical and term insurance facilities.

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STATEMENT ON COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS

The Company has complied with all the applicable provisions of mandatory Secretarial Standards, SS-1 and SS-2 issued by the Institute of Company Secretaries of India, during the year under review.

INSOLVENCY AND BANKRUPTCY CODE 2016

Neither any application is made, nor any proceeding is pending in respect of the Company under the Insolvency and Bankruptcy Code 2016.

CODE OF CONDUCT

The Company has suitably laid down the Code of Conduct for all Board members and senior management personnel of the Company. The declaration by MD of the Company relating to the compliance of aforesaid Code of Conduct forms part of the Annual Report.

ACKNOWLEDGEMENTS

We thank our customers, vendors, dealers, investors, business partners and bankers for their continued support during the year. We also place on record our appreciation of the contribution made by our employees at all levels, whose hard work, solidarity, cooperation, and support helped the transition of the Company's management and business during the year.

For and on behalf of the Board

May 06, 2024
Vadodara

Mr. Rakesh Agrawal
Chairman
DIN: 00057955

ANNEXURE - I TO BOARD'S REPORT

Corporate Governance Report

[Pursuant to requirements of Regulation 34 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Your Directors present the Company's report on Corporate Governance for the year ended on March 31, 2024.

I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's corporate governance philosophy is founded on 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 consistently practices good corporate governance. The Company constantly strives towards the betterment of these aspects and thereby perpetuates it into generating long-term economic value for its shareholders, customers, employees, other associated persons, and the society as a whole.

II. BOARD OF DIRECTORS

Composition and size of the Board

The Board of Directors ('the Board') has the ultimate responsibility for the management, direction, performance, general affairs, and long-term success of business as a whole. The Board serves its primary role of trusteeship and strives to protect and enhance the 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 composition of the Board of Directors as on March 31, 2024 is as under:

| Name of Directors | DIN | Category | Date of Appointment |
|--------------------------|----------|---|---------------------|
| Mr. Rakesh Agrawal | 00057955 | Promoter, Executive and Non-Independent Director | November 17, 2022 |
| Mr. Rahul Agrawal | 01226996 | Promoter, Executive and Non-Independent Director | November 17, 2022 |
| Mr. Vishal Agrawal | 00056800 | Promoter, Executive and Non-Independent Director | November 17, 2022 |
| Mr. Ravishankar Kompalli | 06458292 | Executive and Non-Independent Director (re-appointed w.e.f. April 1, 2024) | November 17, 2022 |
| Mr. Milin Mehta | 01297508 | Non-executive and Independent Director | November 17, 2022 |
| Mr. Premkumar Taneja | 00010589 | Non-executive and Independent Director | November 17, 2022 |
| Mr. P. N. Prasad | 07430506 | Non-executive and Independent Director | January 04, 2023 |
| Mrs. Radhika Nath | 03006980 | Non-executive and Independent Director | January 05, 2023 |

The aforesaid appointments were made pursuant to a detailed evaluation by the Nomination and Remuneration Committee members and their unanimous recommendation to the Board.

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The details of the number of Directorship(s) / Directorships in Listed Companies / Committee Membership(s) / Chairmanship(s) as on March 31, 2024 are provided below:

| Name of Directors | Category | DIN | Number of Directorship in listed entities (including this entity) | Number of memberships* in Committee(s) including this listed entity and other public listed/ unlisted entities | Number of posts of Chairperson in Committee(s) in listed entities including this listed entity and other public listed/ unlisted entities | Name of the Listed Entity (including this entity) | Category of Directorship |
|--------------------------|--|----------|---|--|---|---|--|
| Mr. Rakesh Agrawal | Whole-time Director and Chairman | 00057955 | 2 | 6 | 2 | - Styrenix Performance Materials Limited - Shri Dinesh Mills Limited | - Executive (Chairman of the Board & Whole-time Director) - Non-Executive & Independent |
| Mr. Rahul Agrawal | Managing Director | 01226996 | 2 | 3 | 0 | - Styrenix Performance Materials Limited - Control Print Limited | - Executive (Managing Director) - Non-Executive & Independent |
| Mr. Vishal Agrawal | Jt. Managing Director | 00056800 | 1 | 1 | 0 | Styrenix Performance Materials Limited | Executive (Joint Managing Director) |
| Mr. Ravishankar Kompalli | Non-Executive & Non Independent Director | 06458292 | 1 | 0 | 0 | Styrenix Performance Materials Limited | Executive (Whole-time Director) |
| Mr. Milin Mehta | Non-Executive & Independent Director | 01297508 | 4 | 7 | 5 | - Styrenix Performance Materials Limited - VA Tech Wabag Limited - Shaily Engineering Plastics Limited 5 paisa Capital Limited | Non-Executive & Independent |
| Mr. Premkumar Taneja | Non-Executive & Independent Director | 00010589 | 1 | 5 | 3 | Styrenix Performance Materials Limited | Non-Executive & Independent |
| Mr. P N Prasad | Non-Executive & Independent Director | 07430506 | 2 | 3 | 0 | - Styrenix Performance Materials Limited - Axis Bank Limited | Non-Executive & Independent |
| Mrs. Radhika Nath | Non-Executive & Independent Director | 03006980 | 1 | 1 | 0 | Styrenix Performance Materials Limited | Non-Executive & Independent |

* The number of memberships include Committees where the Director is a Chairperson.

Note:

- (1) Mr. Rakesh Agrawal, Mr. Rahul Agrawal and Mr. Vishal Agrawal are related to each other in accordance with the definition of 'Relative' given under section 2(77) of the Act, read with rule 4 of the Companies (Specification of definitions details) Rules, 2014.
- (2) The Directorships include directorships in all Public companies. All private companies, Section 8 Companies, LLPs and other partnership / proprietary firms are excluded from this list.
- (3) The Membership and Chairmanship in Committees include Membership in Audit Committee and Stakeholders Relationship Committee of public limited companies.

The number of Directorship(s), Committee Membership(s) / Chairmanship(s) of all Directors is within respective limits prescribed under the Companies Act, 2013 and the Listing Regulations.

As on March 31, 2024, the Board of Directors of the Company comprises of eight Directors drawn from diverse fields. It has an optimum combination of independent directors, woman director, executive as well as non-executive directors, which is in conformity with the provisions of Regulation 17 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”).

The Chairman of the Company is an executive Chairman. The Board believes that based on the present circumstances, the current size is appropriate.

None of the Directors on the Board is a member of more than 10 committees or Chairman of more than 5 committees (as stipulated in Regulation 26 of the Listing Regulations), across all the Indian public companies, in which he / she is a director.

As on March 31, 2024, Mr. Ravishankar Kompalli, Whole-time Director, holds 25 equity shares in the Company.

On an annual basis, the Company obtains from each Director, details of the Board and Board Committee positions he / she occupies in other Companies and changes, if any, regarding their Directorships. In addition, the Independent Directors provide an annual confirmation that they meet the criteria of independence as defined under Section 149(6) of the Companies Act, 2013 ('the Act') read with Regulation 16(1)(b) of the Listing Regulations. In the opinion of the Board, the Independent Directors fulfill the conditions specified in these Regulations and are independent of the management.

Appointment and Tenure

The Directors of the Company are appointed / re-appointed by the Board based on recommendations of the Nomination and Remuneration Committee and with approval of the Members at the General Meetings. In accordance with the provisions of the Act and the Articles of Association of the Company, all the Directors of the Company, except the Independent Directors and Mr. Rahul Agrawal, Managing Director, are liable to retire by rotation at the AGM each year and, if eligible, offer themselves for re-election. The Executive Directors on the Board have been appointed in accordance with the provisions of the Act and serve in accordance with the terms of their contract of service with the Company.

As regards the appointment and tenure of the Independent Directors, following is the policy adopted by the Board:

- The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which are consistent with the Act and the Listing Regulations.
- The Independent Directors serve a maximum of two terms of five years each.
- The Company does not have any upper age limit of retirement of Independent Directors from the Board and their appointment and tenure is governed by provisions of the Act, and the Listing Regulations.
- None of the Independent Directors of the Company has attained the age of 75 years as at March 31, 2024.
- Independent Directors Databank Registration

Further, pursuant to a notification dated October 22, 2019 issued by the Ministry of Corporate Affairs, all Independent Directors have completed registration with the Independent Directors Databank. Requisite disclosures have been received from the Directors in this regard.

Board meetings procedure

Board meetings are generally 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 and 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 responsibilities effectively, are circulated in advance to the Directors. The Chairman and Managing Director brief the Board at every meeting on the overall performance of the Company. The Board is briefed on all the relevant matters of the Company at its meeting. The important matters discussed at the meeting of the Audit Committee are also highlighted to the Board. The Board is free to recommend inclusions of any matter in the agenda for discussion.

Number of Board meetings and the attendance of Directors during the financial year 2023-24

During the Financial Year 2023-24, Eight (8) Board meetings were held on May 26, 2023, June 28, 2023, August 10, 2023, August 22, 2023, October 20, 2023, November 10, 2023, December 22, 2023 and February 03, 2024.

The maximum interval between any two meetings was well within the maximum allowed gap of 120 days.

Attendance record of each of the Directors at the Board meetings during the financial year 2023-24 and at the last annual general meeting is given below:

| Name of Directors | No. of meetings held during the tenure of the Director | Number of Board meeting attended | Attendance at last AGM |
|--------------------------|--|----------------------------------|------------------------|
| Mr. Rakesh Agrawal | 8 | 8 | Yes |
| Mr. Milin Mehta | 8 | 8 | Yes |
| Mr. Premkumar Taneja | 8 | 8 | Yes |
| Mr. P.N. Prasad | 8 | 8 | Yes |
| Mrs. Radhika Nath | 8 | 8 | Yes |
| Mr. Rahul Agrawal | 8 | 7 | Yes |
| Mr. Vishal Agrawal | 8 | 4 | Yes |
| Mr. Ravishankar Kompalli | 8 | 5 | Yes |

Profile of Directors seeking appointment / re-appointment / continuation of the appointment

The names of the Directors, who are proposed to be appointed / re-appointed at the ensuing Annual General Meeting, are as per the details stated herein below. Further, the resolution(s) for their appointment / re-appointment along with their profile/ necessary information have been appropriately included in the notice of AGM forming part of this annual report.

| | |
|--------------------|---|
| Mr. Vishal Agrawal | <p>Section 152 (6) and (7) of the Act</p> <p>As per the provisions of the Act, two third of the Directors (excluding Independent Directors) should be retiring Directors. One third of these retiring Directors are required to retire every year and upon being eligible, they qualify for re-appointment.</p> <p>Accordingly, Mr. Vishal Agrawal retires by rotation and is eligible and has offered himself for re-appointment at the ensuing AGM.</p> |
|--------------------|---|

Familiarization program for Independent Directors

Independent Directors inducted to the Board are introduced to our Company's policies and culture through appropriate orientation sessions and are familiarized with their roles, rights, responsibility in the Company pursuant to Regulation 25 of the Listing Regulations. Presentations are made by the Managing Director and the members of Senior Management to provide an overview and to familiarize the Independent Directors with our operations. They are also introduced to our organizational structure, our services, company structure, constitution, Board procedures, matters reserved for the Board, and risks faced by the Company and risk management policy. The details of the familiarization program for the Independent Directors have been placed on the website of the Company and can be accessed from following URL: https://styrenix.com/wp-content/uploads/2024/04/Familiarization_Programme_-Independent_Directors_2024.pdf

Skills, expertise and competencies of the Board of Directors

The Board emphasizes that a member of the Board of the Company should have adequate experience and expertise in areas like leadership and management, strategy and strategic planning, finance and accounting, risk and compliance management, commercial experience, corporate governance.

Following are the core skills, expertise and competencies that are identified and available within the existing Board of the Company for effective functioning:

| Areas of Skills/Expertise/Competence | Rakesh Agrawal | Milin Mehta | Prem kumar Taneja | P.N. Prasad | Radhika Nath | Rahul Agrawal | Vishal Agrawal | Ravishankar Kompalli |
|--------------------------------------|----------------|-------------|-------------------|-------------|--------------|---------------|----------------|----------------------|
| Strategy and strategic planning | Y | Y | Y | Y | Y | Y | Y | Y |
| Finance & Accounting | Y | Y | - | Y | - | - | - | - |
| Risk and compliance management | Y | Y | Y | Y | Y | Y | Y | Y |
| Leadership | Y | Y | Y | Y | Y | Y | Y | Y |
| General management | Y | Y | Y | Y | Y | Y | Y | Y |
| Commercial experience | Y | Y | Y | Y | Y | Y | Y | - |
| International business management | Y | Y | Y | Y | Y | Y | Y | - |
| Community and stakeholder engagement | Y | Y | Y | - | Y | Y | Y | Y |
| Corporate Governance | Y | Y | Y | Y | Y | Y | Y | Y |

III. AUDIT COMMITTEE

Composition & meetings

The Audit Committee of the Board of Directors comprises of four (4) Independent Directors and one (1) Whole-time Director and the composition is in accordance with the provisions of the Listing Regulations and the Act.

During the financial year, the Audit Committee met Six (6) times i.e. on May 26, 2023, August 10, 2023, August 22, 2023, October 20, 2023, November 10, 2023 and February 03, 2024.

The constitution of the Audit Committee as on March 31, 2024 and attendance details during the financial year 2023-24 were as under:

| Name of the Member | Designation and Category | Date of appointment / cessation as member of Audit Committee | No. of meetings held during the tenure of the Director | Attendance |
|----------------------|-----------------------------------|--|--|------------|
| Mr. Milin Mehta | Chairperson, Independent Director | November 17, 2022 | 6 | 6 |
| Mr. Premkumar Taneja | Member, Independent Director | November 17, 2022 | 6 | 6 |
| Mr. Rakesh Agrawal | Member, Executive Director | November 17, 2022 | 6 | 6 |
| Mr. P. N. Prasad | Member, Independent Director | February 01, 2023 | 6 | 6 |
| Mrs. Radhika Nath | Member, Independent Director | February 01, 2023 | 6 | 6 |

The details of the composition of the Audit Committee are available on the Company's website.

The Managing Director, Chief Financial Officer, Statutory Auditors and Internal Auditors are permanent invitees to the meeting and attend and participate at the meetings of Committee. The minutes of each Audit Committee meeting are placed in the next meeting of the Board. The Audit Committee also communicates with the internal and external auditors separately, without the presence of the management representatives.

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Mr. Chintan Doshi, Manager - Legal and Company Secretary, acts as the Secretary to the Audit Committee.

The Chairman of the Audit Committee, Mr. Milin Mehta was present at the 50th Annual General Meeting of the Company held on August 10, 2023.

The Audit Committee is governed by the terms of reference, which are in compliance with the regulatory requirements mandated by Section 177 of the Act and Regulation 18 read with Part C of Schedule II to the Listing Regulations.

Terms of reference

The terms of reference of the Audit Committee include examination of Financial Statements and Statutory Auditors' report thereon and discussion of any related issues with the Internal & Statutory Auditors and the management of the Company; approval or any subsequent modification of arrangements / transactions of the Company with related parties; evaluation of internal financial controls; evaluation of risk management system; review of Company's financial reporting processes and the disclosure of financial information to ensure that the Financial Statements are correct, sufficient and credible.

The Audit Committee mandatorily reviews the following information:

- a. Management discussion and analysis of financial conditions and results of operations;
- b. Statement of significant related party transactions, (as defined by the Audit Committee), submitted by management;
- c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d. Internal audit reports relating to internal control weaknesses;
- e. The appointment, removal and terms of remuneration of the chief internal auditor; and
- f. Statement of deviations:
 - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations.
 - annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice in terms of Regulation 32(7) of the Listing Regulations.

IV. STAKEHOLDERS' RELATIONSHIP COMMITTEE

Composition & meetings

The Board has constituted a Stakeholders' Relationship Committee to attend and redress the stakeholders' grievances and maintain harmonious relations with all stakeholders of the Company.

During the financial year, the committee met Four (4) times i.e. on May 26, 2023, August 10, 2023, October 20, 2023 and February 03, 2024.

The constitution as on March 31, 2024 and the attendance details of the members of Stakeholders' Relationship Committee during the financial year 2023-24 were as under:

The constitution as on March 31, 2024 and the attendance details of the members of Stakeholders' Relationship Committee during the financial year 2023-24 were as under:

| Name of the Member | Designation and Category | Date of appointment / cessation as member of Audit Committee | No. of meetings held during the tenure of the Director | Attendance |
|----------------------|-----------------------------------|--|--|------------|
| Mr. Premkumar Taneja | Chairperson, Independent Director | November 17, 2022 | 4 | 4 |
| Mr. P. N. Prasad | Member, Independent Director | February 01, 2023 | 4 | 4 |
| Mr. Rakesh Agrawal | Member, Executive Director | November 17, 2022 | 4 | 4 |
| Mr. Rahul Agrawal | Member, Managing Director | November 17, 2022 | 4 | 4 |
| Mr. Vishal Agrawal | Member, Jt. Managing Director | February 01, 2023 | 4 | 3 |

The details of the composition of the Stakeholders' Relationship Committee are available on the Company's website.

The role of Stakeholders' Relationship Committee includes resolving the grievances of Members expeditiously and evaluating performance and service standards of the Registrar and Share Transfer Agent of the Company.

Mr. Chintan Doshi is designated as the Company Secretary & Compliance Officer of the Company.

Investors complaints

During the financial year under review, two (02) investor complaints were received through SEBI Complaints Redress System (SCORES) and were duly resolved, and the respective Action Taken Reports were submitted on the SEBI SCORES platform in a timely manner. There were no investor complaints, which remained unresolved at the end of the year. The Company receives several requests, either directly or through its RTA, such as revalidation of dividend warrants, exchange of share certificates, issue of duplicate share certificates, transmission of shares, dematerialization of shares etc. and such requests are addressed and resolved within the prescribed timelines, subject to completion of required formalities by the shareholders.

Link Intime India Private Limited, registrar and share transfer agent of the Company attends to all the grievances of the stakeholders.

The details of complaints received, cleared, and pending during the financial year 2023-24 are given as under:

| No. of Complaints | | |
|-------------------|---------|---------|
| Received | Cleared | Pending |
| 6 | 6 | 0 |

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

V. RISK MANAGEMENT COMMITTEE

Composition & meetings

Pursuant to the provisions under Regulation 21 of LODR, the Board has constituted its Risk Management Committee, to assist the Board in overseeing the responsibilities with regard to the identification, evaluation and mitigation of operational, strategic and environmental risks. The Committee has the overall responsibility of monitoring and approving the risk policies and associated practices of the Company.

During the financial year, the Committee met Three (3) times i.e. on May 26, 2023, August 10, 2023 and February 03, 2024.

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The constitution as on March 31, 2024 and the attendance details of the members of Risk Management Committee during the financial year 2023-24 are given below :

| Name of the Member | Designation and Category | Date of appointment / cessation as member of Audit Committee | No. of meetings held during the tenure of the Director | Attendance |
|----------------------|---------------------------------|--|--|------------|
| Mr. Rakesh Agrawal | Chairperson, Executive Director | November 17, 2022 | 3 | 3 |
| Mr. Milin Mehta | Member, Independent Director | November 17, 2022 | 3 | 3 |
| Mr. Premkumar Taneja | Member, Independent Director | November 17, 2022 | 3 | 3 |
| Mr. P. N. Prasad | Member, Independent Director | February 01, 2023 | 3 | 3 |
| Mrs. Radhika Nath | Member, Independent Director | February 01, 2023 | 3 | 3 |
| Mr. Rahul Agrawal | Member, Managing Director | November 17, 2022 | 3 | 3 |
| Mr. Vishal Agrawal | Member, Jt. Managing Director | February 01, 2023 | 3 | 2 |

Terms of reference

The terms of reference of the Committee are in line with the requirements of Regulation 21 of the Listing Regulations.

The terms of reference of the Committee include:

1. To formulate a detailed Risk Management Policy,
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company,
3. To monitor and oversee implementation of the Risk Management Policy, including evaluating the adequacy of risk management systems,
4. To keep the Board of Directors informed about the nature and contents of its discussions, recommendations and actions to be taken,
5. To review the appointment, removal, and terms of remuneration of the Chief Risk Officer, if and when appointed, and
6. To co-ordinate its activities with other Committees, in instances where there is any overlap with activities of such Committees, as per the framework laid down by the Board of Directors.

VI. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Composition & meetings

During the financial year, the Committee met Two (2) times i.e. on May 26, 2023 and February 03, 2024. The constitution of the CSR Committee as on March 31, 2024 and attendance details during the financial year 2023-24 are given below:

| Name of the Member | Designation and Category | Date of appointment / cessation as member of CSR Committee | No. of meetings held during the tenure of the Director | Attendance |
|--------------------|---------------------------------|--|--|------------|
| Mr. Rakesh Agrawal | Chairperson, Executive Director | November 17, 2022 | 2 | 2 |
| Mr. Milin Mehta | Member, Independent Director | November 17, 2022 | 2 | 2 |
| Mrs. Radhika Nath | Member, Independent Director | February 01, 2023 | 2 | 2 |
| Mr. Rahul Agrawal | Member, Managing Director | November 17, 2022 | 2 | 2 |
| Mr. Vishal Agrawal | Member, Jt. Managing Director | February 01, 2023 | 2 | 0 |

The details of the composition of the CSR Committee are available on the Company's website.

Terms of reference

The CSR Committee provides guidance on various CSR activities to be undertaken by the Company and monitors its progress.

The terms of reference for the CSR Committee include:

1. Formulation of a CSR policy which shall indicate activities to be undertaken by the Company.
2. Recommendation of the CSR policy to the Board.
3. Recommendation of the amount of expenditure to be incurred on the activities.
4. Monitoring the policy from time to time as per the CSR policy.

The details of the CSR policy, CSR initiatives and activities undertaken during the year are given in the Annual Report on CSR activities in Annexure-II to the Board's Report.

The CSR Policy and Annual Action Plan can also be accessed from following URLs as well:

CSR Policy –

<https://styrenix.com/wp-content/uploads/2023/02/Corporate-Social-Responsibility-Policy-2023.pdf>

CSR Projects as on March 31, 2024 –

<https://styrenix.com/wp-content/uploads/2024/04/CSR-projects-2023-24.pdf>

VII. NOMINATION AND REMUNERATION COMMITTEE

Composition

Pursuant to provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations, a 'Nomination and Remuneration Committee' of the Board has been constituted. The Committee acts as a link between the Management team and the Board of Directors.

During the financial year, the Committee met Three (3) times i.e. on November 10, 2023, December 22, 2023 and February 03, 2024.

The composition of the Nomination and Remuneration Committee as on March 31, 2024 and attendance details during the financial year 2023-24 were as follows:

| Name of the Member | Designation and Category | Date of appointment / cessation as member of Nomination and Remuneration Committee | No. of meetings held during the tenure of the Director | Attendance |
|----------------------|-----------------------------------|--|--|------------|
| Mr. Milin Mehta | Chairperson, Independent Director | November 17, 2022 | 3 | 3 |
| Mr. Premkumar Taneja | Member, Independent Director | November 17, 2022 | 3 | 3 |
| Mrs. Radhika Nath | Member, Independent Director | February 01, 2023 | 3 | 3 |
| Mr. Rakesh Agrawal | Member, Executive Director | November 17, 2022 | 3 | 3 |

The details of the composition of the Nomination and Remuneration Committee are available on the Company's website.

The terms of reference of the Committee are in line with the requirements of the Act and Regulation 19 read with Paragraph A of Part D of Schedule II to the Listing Regulations.

The terms of reference of the Committee include:

1. Formulation of the remuneration policy, for the Directors, Key Managerial Personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board Diversity; and
4. Identifying persons for Board and senior management positions.

Performance evaluation criteria for Independent Directors

Pursuant to the provisions of the Act and the Listing Regulations, the formal annual evaluation has been carried out by the Board of its own performance and that of its Committees, Chairman of the Board and individual Directors through assessment as well as collective feedback in accordance with the Company's Board Evaluation policy. The Board members were requested to evaluate the effectiveness of the Board dynamics and relationships, the constitution and role of the Board, meetings and decision-making of the Directors, relationship with management, Company performance and the effectiveness of the whole Board and its various committees.

Independent Directors were evaluated on the following performance indicators:

- Attendance and active participation in meetings;
- Ability to contribute experience to provide the necessary insights / guidance on Board / Committee discussions;
- Guidance / support to management outside Board meetings
- Ability to contribute by best practices and bringing different perspective;

VIII. SENIOR MANAGEMENT

The details of senior management including changes therein since the close of the previous financial year is as under:

| Names | As on March 31, 2023 | As on March 31, 2024 |
|-----------------------|----------------------|----------------------|
| Mr. Bhupesh P. Porwal | x | ✓ |
| Mr. Niraj Bhale | ✓ | ✓ |
| Mr. Sanjeev Mehta | ✓ | ✓ |
| Mr. Sanjay Parida | ✓ | ✓ |
| Mr. Chintan Doshi | x | ✓ |
| Mr. Sanjeev Madan | ✓ | x |
| Mr. Abhijaat Sinha | ✓ | x |

IX. REMUNERATION TO DIRECTORS

Remuneration policy:

The Nomination and Remuneration Committee determines and recommends to the Board, the remuneration payable to Directors. The remuneration of the Executive Directors is approved by the Nomination and Remuneration Committee as well as the Board and placed before the shareholders at the shareholders' meeting for approval at the time of the respective appointment. Currently, remuneration to the Executive Directors consists of a fixed component only.

The commission / remuneration payable to the Independent Directors is limited to a fixed amount per year as determined and approved by the Board and subject to the limits approved by the shareholders from time to time.

The details of the remuneration policy adopted by the Company has been disclosed on the website of the Company and can be accessed at the following URL:

<https://styrenix.com/wp-content/uploads/2023/02/Styrenix-Remuneration-Policy.pdf>

Remuneration to Executive Directors:

The details of remuneration paid / payable to the executive directors Mr. Rakesh Agrawal, Chairman and Whole-time Director, Mr. Rahul Agrawal, Managing Director and Mr. Ravishankar Kompalli, Whole-time Director for financial year 2023-24 is as under:

(₹ in Crores)

| Name | Mr. Rakesh Agrawal | Mr. Rahul Agrawal | Mr. Ravishankar Kompalli |
|---|--------------------|-------------------|--|
| Salary | 1.38 | 1.38 | 0.5 |
| Perquisites | 1.38 | 1.38 | 0.5 |
| Retiral benefits | - | - | - |
| Commission, bonus and performance linked incentives | - | - | - |
| Other benefits (medical plan) | - | - | - |
| Stock Options | Nil | Nil | Nil |
| Tax consulting and retirement management fees | Nil | Nil | Nil |
| Tax adjustments | Nil | Nil | Nil |
| Total | 2.76 | 2.76 | 1 |
| Tenure | 5 years | 5 years | Upto 31 March 2024 (re-appointed w.e.f April 1, 2024, to March 31, 2026) |
| From | 17 November 2022 | 17 November 2022 | 17 November 2022 |
| To | 16 November 2027 | 16 November 2027 | 31 March 2024 (re-appointed w.e.f April 1, 2024, to March 31, 2026) |
| Notice period | 3 months | 3 months | 3 months |
| Equity shares of INR 10 held as on 31.03.2024 | Nil | Nil | 25 equity shares |

Note: No commission is paid to the Executive Directors. Mr. Vishal Agrawal, Jt. Managing Director does not draw any remuneration from the Company.

Remuneration to Non-Executive Directors:

In terms of the approval granted by the shareholders on February 08, 2023, the Independent Directors are being paid commission / remuneration with effect from April 01, 2023.

The details of commission paid for attending Board / committee meetings paid to them for the financial year 2023-24 is as follows:

(Amount in INR)

| Name of the Member | Commission / Remuneration | Sitting fees for Board / committee meetings attended | Total | No. of equity shares held as on March 31, 2024 |
|----------------------|---------------------------|--|------------------|--|
| Mr. Milin Mehta | 15,00,000 | Nil | 15,00,000 | Nil |
| Mr. Premkumar Taneja | 15,00,000 | Nil | 15,00,000 | 85 |
| Mr. P.N. Prasad | 15,00,000 | Nil | 15,00,000 | Nil |
| Mrs. Radhika Nath | 15,00,000 | Nil | 15,00,000 | Nil |
| Total | 60,00,000 | - | 60,00,000 | |

*inclusive of TDS

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.

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Apart from drawing remuneration, none of the Independent Directors have any other material pecuniary relationship or transactions with the Company, its promoters, its management or its subsidiaries and in the judgment of the Board, their independence and judgment remain unaffected.

X. GENERAL BODY MEETINGS

Details of the last three AGMs and details of special resolutions passed at the AGMs are given below:

| Financial Year | Meeting and Venue | Day, Date and Time | Special Resolutions passed |
|----------------|---|--|--|
| 2020-21 | 48 th Annual General Meeting held through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"). Deemed venue to be the registered office of the Company at 5 th Floor, Ohm House-2, Ohm Business Park, Subhanpura, Vadodara - 390 023, Gujarat | Friday, August 13, 2021 at 11.30 a.m. | <ul style="list-style-type: none"> Appointment of Mr. Sanjeev Madan as a Director liable to retire by rotation and Whole-time Director of the Company, designated as Whole-time Director and Chief Financial Officer, for a period of 3 years w.e.f. January 01, 2021. |
| 2021-22 | 49 th Annual General Meeting held through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"). Deemed venue to be the registered office of the Company at 5 th Floor, Ohm House-2, Ohm Business Park, Subhanpura, Vadodara - 390 023, Gujarat | Wednesday, August 10, 2022 at 11.30 a.m. | <ul style="list-style-type: none"> Appointment Ms. Sandra Martyres as an Independent Director of the Company. Re-appointment and consideration of the payment of remuneration to Mr. Sanjiv Vasudeva as Managing Director & CEO of the Company for the period of 3 years w.e.f. March 01, 2022. <p><i>The resolution proposing the appointment of Mr. Ramesh Chandak as an Independent Director for a period of 3 years was treated as infructuous since he had withdrawn his candidature.</i></p> <p><i>Except for resolution related to the appointment of Mr. Ramesh Chandak as an Independent Director of the Company in 2022, as stated above, all the resolutions set out in the Notice were passed by the Shareholders.</i></p> |
| 2022-23 | 50 th Annual General Meeting held through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"). Deemed venue to be the registered office of the Company at 9 th Floor, "Shiva", Sarabhai Complex, Dr. Vikram Sarabhai Marg, Vadiwadi, Vadodara - 390023 | Thursday, August 10, 2023 at 3.00 p.m. | - |

During the financial year under review, no extra ordinary general meeting was held.

During the financial year 2023-24 the following Resolutions were passed through following Postal Ballots:

- A. Postal Ballot dated September 30, 2023:
Appointment of M/s. Talati & Talati LLP as statutory auditors of the Company to fill up casual vacancy caused by resignation of M/s. Deloitte Haskins and Sells, Chartered Accountants - Ordinary Resolution
- B. Postal Ballot dated April 13, 2024:
To re-appoint and consider the payment of remuneration to Mr. Ravishankar Balakoteswararao Kompalli (DIN: 06458292), as a Director liable to retire by rotation and Whole-time Director of the Company, for a further period of 2 (Two) years effective from April 01, 2024 up to March 31, 2026 - Special Resolution.

At the forthcoming Annual General Meeting, there are no special resolutions for which the Listing Regulations or the Act has recommended / mandated postal ballot and there is no proposal to pass any resolution through postal ballot. Special resolutions by way of Postal Ballot, if required to be passed in the future, will be decided at the relevant time.

XI. DISCLOSURES:

- a) There were no transactions of material nature with its promoters, the Directors or the Management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large.
- (i) The Audit Committee has granted omnibus approval for related party transactions in the ordinary course of business. The same are reviewed on a quarterly basis by the Audit Committee.
- (ii) Transactions with related parties are disclosed under notes to accounts and in Form AOC-2 forming part of the Board's report.
- (iii) In accordance with the requirements of the Listing Regulations, the Company has formulated a policy on materiality of related party transactions and on dealing with related party transactions and the same has been put up on the website of the Company and can be accessed at the following URLs :

https://styrenix.com/wp-content/uploads/2023/02/Styrenix_Related-Party-Transaction-Policy.pdf

https://styrenix.com/wp-content/uploads/2023/02/Styrenix_Policy-for-determination-of-materiality-for-disclosure.pdf

- b) The Company had received a letter no. NSE/LIST-SOP/COMB/FINES/0190 dtd. 21st February, 2023 from NSE as well as e-mail dated 21st February, 2023 from BSE in respect of delay in compliance of Regulation 17(1) as well as Regulation 18(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR') for the quarter ended 31st December, 2022.

Consequently, the Company made representation to NSE, the designated stock exchange vide its letter dated 23rd February, 2023 in the regard for waiver. However, the same was not considered favorably by NSE. Accordingly, NSE imposed a fine of Rs. 3,24,500 (including GST of Rs. 49,500 @ 18%) in respect of violation of Regulation 17 of LODR only (i.e. no penalty on Regulation 18 of LODR). BSE, however imposed a fine of Rs. 3,38,660 (including GST of Rs. 51660 @ 18%), in respect of violation of Regulation 17 and 18 of LODR. Nonetheless, the default had already been made good by the Company and relevant fines imposed by both the stock exchanges have been duly paid.

- c) In line with the requirements of the Regulation 17(9) of the Listing Regulations, the Board reviewed the Management's perception of the risks facing the Company and measures taken to minimize the same.
- d) The Company has established a vigil mechanism to provide for the safeguard against victimization of Directors and employees who follow such mechanism and to report concerns about unethical behavior, actual or suspected fraud, or violation of the Company's code of conduct and ethics. The Board has approved the Vigil Mechanism / Whistle blower policy pursuant to provisions of Act and Regulation 22 of the Listing Regulations and affirms that the access to the Chairman of the Audit Committee is available at all times and no person has approached the Audit Committee or the Chairman during the year in terms of the mechanism. The policy adopted has been put up on the website of the Company and can be accessed at the following URL:

https://styrenix.com/wp-content/uploads/2023/02/Styrenix_Vigil-Mechanism-Whistle-blower-Policy.pdf

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- e) As on March 31, 2024, the Company is in full compliance with the mandatory requirements as contained in the Listing Regulations.
- f) The disclosures required pursuant to the provisions of Section II Part II of Schedule V of the Companies Act, 2013 are provided in the Section VII of this Report pertaining to Remuneration to Directors.
- g) The Company has complied with the Corporate Governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations as detailed below:

| Sr. No. | Particulars | Regulation | Compliance Status as on March 31, 2024 Yes/No/N.A. |
|---------|--|-----------------------|---|
| 1 | Board of Directors | 17 | YES |
| 2 | Maximum Number of Directorships | 17A | YES |
| 3 | Audit Committee | 18 | YES |
| 4 | Nomination and Remuneration Committee | 19 | YES |
| 5 | Stakeholders' Relationship Committee | 20 | YES |
| 6 | Risk Management Committee | 21 | YES |
| 7 | Vigil Mechanism | 22 | YES |
| 8 | Related Party Transactions | 23 | YES |
| 9 | Subsidiaries of the Company | 24 | N. A |
| 10 | Secretarial Audit report | 24A | YES |
| 11 | Obligations with respect to Independent Directors | 25 | YES |
| 12 | Obligations with respect to employees including Senior Management, Key Managerial Personnel, Directors and Promoters | 26 | YES |
| 13 | Other Corporate Governance requirements | 27 | YES |
| 14 | Website | 46(2)(b) to (i) & (t) | YES |
| 15 | Schedule V | Para C, D & E | YES |

- h) To determine 'material subsidiary', the Company has adopted a 'Policy on Determination of Material Subsidiary' and the same is available on the website of the Company and can be accessed at the following URL:

https://styrenix.com/wp-content/uploads/2023/02/Styrenix_Policy-on-material-subsiary.pdf

- i) The Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

(i) Accordingly, an Internal Committee has been set up for each location to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

(ii) The status of the complaints received during the year are as under:

| No. of complaints received during the year. | No. of complaints redressed during the year. | Any complaint remaining unattended at the end of year. | Remarks |
|---|--|--|--|
| 0 | 0 | 0 | No complaint was received during the year. |

- j) The details of total fees for all services paid by the Company to the statutory auditors and all entities in the network firm/network entity of which the Statutory Auditor is a part, are stated below:

| Firm Name | Nature of services | INR in Crores |
|--|---------------------------------------|---------------|
| Deloitte Haskins & Sells | Audit, Limited review & certification | 0.02 |
| Talati & Talati LLP, Chartered Accountants | Audit, Limited review & certification | 0.19 |
| Total | | 0.21 |

- k) During the year under report, the Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the Listing Regulations.
- l) The Company does not have any long-term debt instruments or any fixed deposit program or any scheme or proposal involving mobilization of funds, in India or abroad. Hence, no credit rating is obtained in relation to the same. However, due to the working capital facilities that the Company utilizes from its bankers, a general credit rating is required to be obtained by the Company. The credit rating as received by the Company from Credit Rating Agency for long term / short term bank facilities, as of March 31, 2024, is CARE A+, STABLE / CARE A1+ [Single A Plus; Outlook: Stable/A One Plus].
- m) None of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such Statutory authority during the year under report. The certificate from M/s. Devesh Pathak & Associates, Practicing Company Secretaries, verifying and confirming the same, has already been obtained and is annexed to this report.
- n) During the year under report, there was no incident / occasion where the Board had not accepted any recommendation of any committee of the Board, which is mandatorily required.
- o) List of Commodity price risks and Commodity hedging activities is as under:
 The Company faces commodity price risks such as foreign currency fluctuations, volatility in product / raw material prices etc. For risk mitigation, the Company usually enters into price formulas based on internationally accepted market price publications like IHS, ICIS & Platts etc.
 The Company has not done any commodity hedging during financial year 2023-2024.
- p) During the year under reporting, the Company has not given any loans and/ or advances in the nature of loans to firms/ companies in which directors are interested.

XII. DISCRETIONARY REQUIREMENTS AS PER REGULATION 27(1) OF SEBI LISTING REGULATIONS (PART E OF SCHEDULE II):

- (A) **The Board:** The Company has an executive Chairman related to the Promoter.
- (B) **Audit Qualification:** There has been no audit qualification / modified opinions in the audit report by the auditor for the financial year 2023-24.
- (C) **Separate Posts of Chairman and Managing Director / CEO:** The posts of Chairman and Managing Director / CEO are held by two different individuals with vast experience and expertise.
- (D) **Reporting of Internal Auditor:** The internal auditors of the Company present their report and observations to the Audit Committee on a regular basis.

Risk Management Framework

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

Code of Conduct

The Company has in place a Code of Conduct in compliance with the provisions of Regulation 17 of the Listing Regulations. The matters covered in this Code are of utmost importance to the Company, its Directors and Senior Management. This Code of Conduct aims at maintaining the highest standard of business conduct & ethics for the Company, provides guidance in difficult situations involving conflict of interest & moral dilemma and ensures compliance with all applicable laws. It further attempts to set forth the guiding principles on which the Company shall operate and conduct its daily business.

The Code of Conduct applicable to Board members and senior management of the Company is available 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. A certificate from the Managing Director to this effect is attached to this Report.

XIII. 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, as required by Regulation 17(8) of the Listing Regulations, for the financial year ended March 31, 2024.

XIV. MEANS OF COMMUNICATION

The quarterly, half-yearly and annual financial results of the Company are published in leading English and vernacular newspapers viz. Business Standard and Vadodara Samachar. Additionally, the results, other important information and official news, releases, including presentations made for investors or analysts are also periodically updated on the Company's website viz. www.styrenix.com

The Company organizes investor conference calls at relevant intervals, where investors' queries are answered by the executive management of the Company. The investor presentations, call recordings and the transcripts of the calls are also uploaded on the website of the Company.

Further, the related information is uploaded / submitted to stock exchanges (BSE Limited and National Stock Exchange of India Limited) from time to time.

Management Discussion and Analysis Report forms a part of this Annual Report.

Annual Report

Annual Reports, notice of the meetings and other communications to the Shareholders are sent through e-mail, post or courier.

As directed by the Ministry of Corporate Affairs ("MCA") vide General Circular Nos. 09/2023 dated September 25, 2023, General Circular Nos. 14/2020 dated April 8, 2020, 3/2022 dated May 5, 2022, 10/2022 and 11/2022 dated December 28, 2022 read with other relevant circulars, issued by the Ministry of Corporate Affairs ("MCA Circulars"), read with Circular no. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/001, the Companies are allowed to send the Annual Report only by e-mail to all its Members. Therefore, the Annual Report for FY 2023-24 and Notice of 51st AGM of the Company is only being sent to the Members at their registered e-mail addresses in accordance with MCA and SEBI Circulars.

The Annual Report, once dispatched, shall also be available on the website of the Company and the websites of BSE and NSE.

XV. GENERAL SHAREHOLDER INFORMATION

- **51st AGM (Date, Time and Venue):** August 21, 2024 (Wednesday) at 11:30 A.M. IST through Video Conferencing (“VC”)/Other Audio-Visual Means (“OAVM”)
- **Financial year** 1 April to March 31.

- **Dividend for the year 2023-24**

Considering the performance of the Company and to appropriately reward the members in view of excellent profits, the Company has declared the following dividends during the year in compliance with the Dividend Distribution Policy:

| Particulars | Interim Dividend (FY 2023-24) | |
|---|-------------------------------|-----------------|
| | 1 st | 2 nd |
| Date of Declaration | 20 Oct, 2023 | 3 Feb, 2024 |
| Record Date | 31 Oct, 2023 | 12 Feb, 2024 |
| Date of Payment | 8 Nov, 2023 | 20 Feb, 2024 |
| Rate of Dividend per share (Face Value of Rs. 10 per share) | Rs. 22 | Rs. 48 |
| % | 220% | 480% |
| Total Payout (In crores) | 38.69 (approx.) | 84.41 (approx.) |

The Board of Directors have recommended a final dividend of ₹ 28 per equity share of INR 10 each (280%). This dividend is subject to the approval of the Members at the forthcoming annual general meeting and if approved, Members whose name appear on the register of Members on August 12, 2024 will be entitled to the dividend.

The total dividend for FY 2023-24 amounts to ₹ 98/- per equity share and would involve a total cash outflow of ₹ 172 Crores (approx.).

- **Record Date:** August 12, 2024
- **Corporate Identity Number (CIN):** L25200GJ1973PLC002436
- **ISIN for NSDL & CDSL:** INE189B01011
- **Listing on Stock Exchanges:** BSE Limited (BSE)
Scrip Code: 506222

National Stock Exchange of India Limited (NSE)
Scrip Symbol: STYRENIX

Listing fees, as applicable, has been paid to both the stock exchanges within stipulated time.

Styrenix Performance Materials Limited

(formerly known as INEOS Styrolution India Ltd.)

- Distribution of shareholding as on March 31, 2024:

| No. of shares ranging From - To | No. of Shareholders | % to Total | No. of Shares | % to Total |
|---------------------------------|---------------------|---------------|-----------------|---------------|
| 1 - 500 | 39862 | 96.4178 | 2185125 | 12.4256 |
| 501 - 1000 | 795 | 1.9229 | 607680 | 3.4555 |
| 1001 - 2000 | 363 | 0.8780 | 531599 | 3.0229 |
| 2001 - 3000 | 109 | 0.2636 | 269516 | 1.5326 |
| 3001 - 4000 | 66 | 0.1596 | 234116 | 1.3313 |
| 4001 - 5000 | 36 | 0.0871 | 168654 | 0.9590 |
| 5001 - 10000 | 64 | 0.1548 | 451993 | 2.5702 |
| 10001 - Above | 48 | 0.1161 | 13136942 | 74.7027 |
| Total | 41343 | 100.00 | 17585625 | 100.00 |

- Dematerialization of shares as on March 31, 2024:

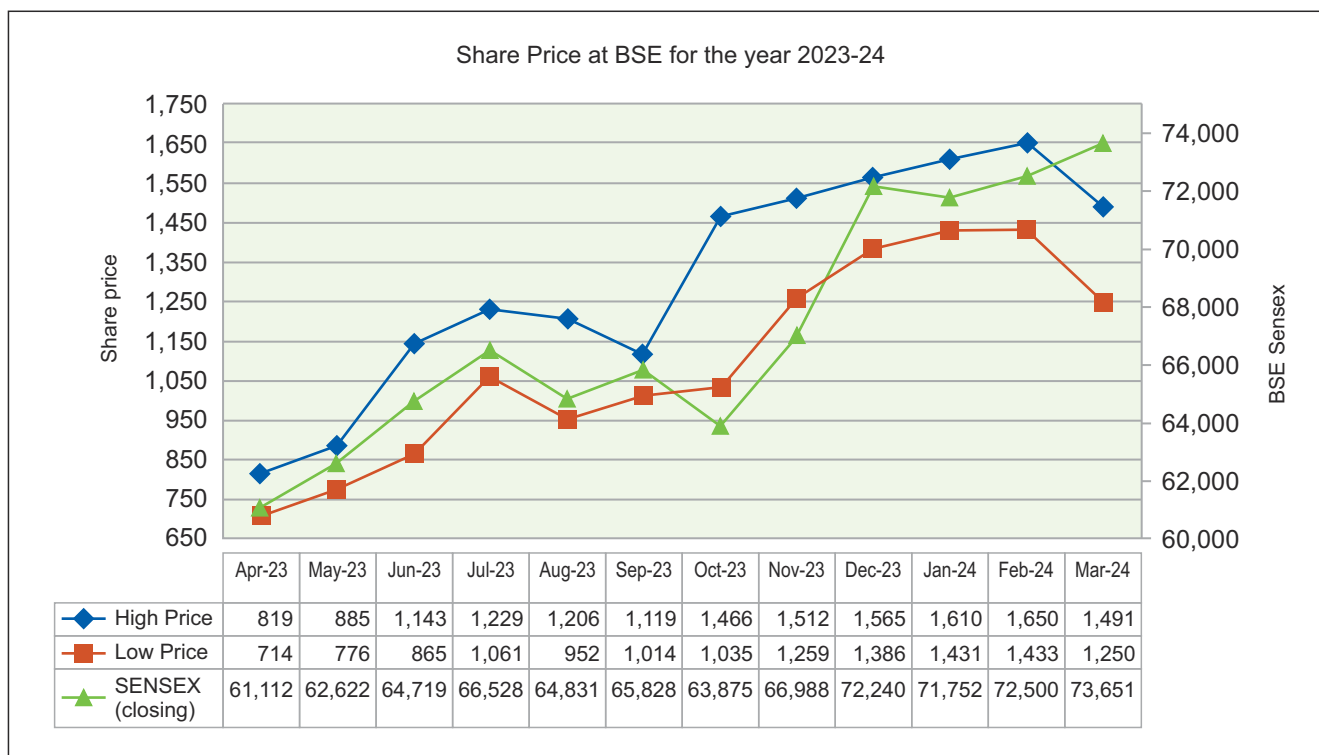
| Particulars Category | March 31, 2024 | | March 31, 2023 | |
|-------------------------|--------------------|---------------|--------------------|---------------|
| | No. of shares | % to total | No. of shares | % to total |
| No. of Demat Shares | | | | |
| - NSDL | 1,54,65,663 | 87.94 | 1,50,10,794 | 85.36 |
| - CDSL | 20,10,562 | 11.43 | 24,49,980 | 13.93 |
| No. of physical shares | 1,09,400 | 0.62 | 1,24,851 | 0.71 |
| Total | 1,75,85,625 | 100.00 | 1,75,85,625 | 100.00 |

- An annual certificate, pursuant to Regulation 40(9) of the Listing Regulations, has been issued by a Company Secretary-in-practice for due compliance of share transfer formalities by the Company. The Company Secretary-in-practice carried out a reconciliation of share capital audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. The audit confirms that the total issued / paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).
- High / low of market price of the Company's shares traded along with the volumes at BSE and NSE during the financial year 2023-24 is furnished below:

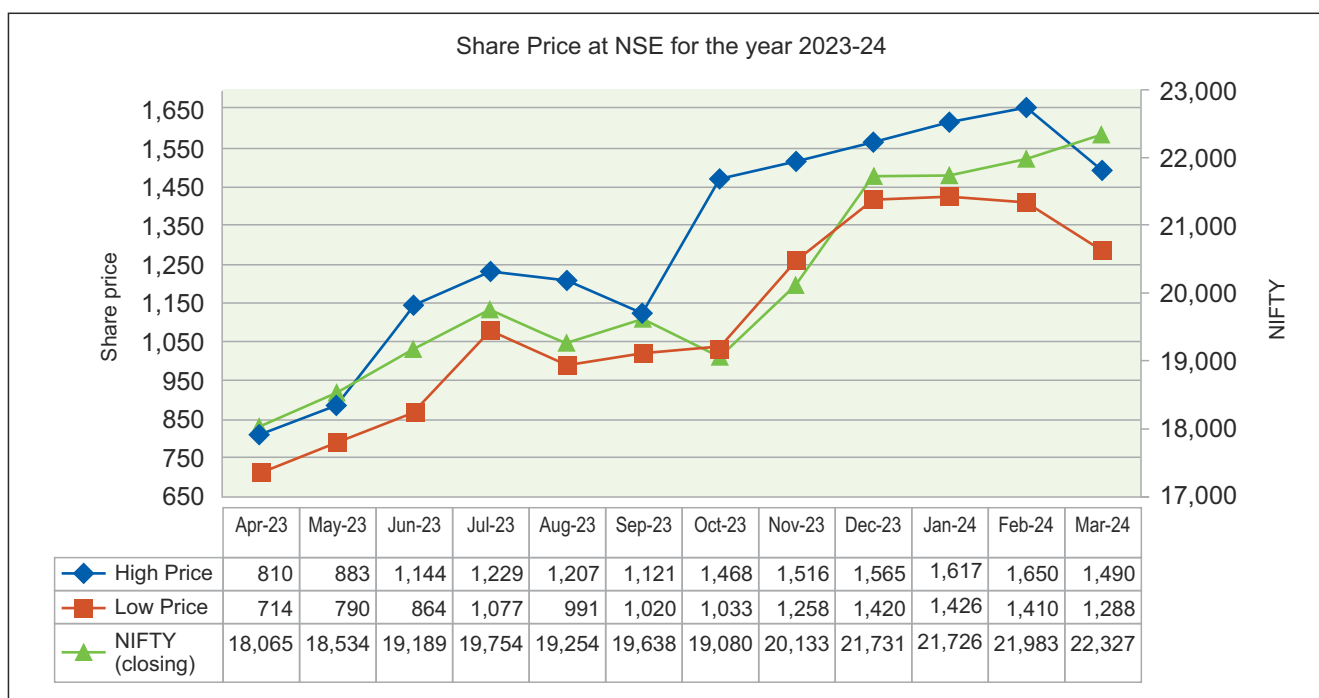
| Month | BSE (SENSEX) | | | | NSE (NIFTY) | | | |
|------------------------------|----------------|---------------|----------------------|--------|----------------|---------------|----------------------|--------|
| | High Price (₹) | Low Price (₹) | No. of Shares Traded | SENSEX | High Price (₹) | Low Price (₹) | No. of Shares Traded | NIFTY |
| Apr-23 | 819 | 714 | 64,679 | 61,112 | 810 | 714 | 4,16,000 | 18,065 |
| May-23 | 885 | 776 | 93,442 | 62,622 | 883 | 790 | 6,69,000 | 18,534 |
| Jun-23 | 1,143 | 865 | 2,00,714 | 64,719 | 1,144 | 864 | 14,10,000 | 19,189 |
| Jul-23 | 1,229 | 1,061 | 1,21,814 | 66,528 | 1,229 | 1,077 | 6,24,000 | 19,754 |
| Aug-23 | 1,206 | 952 | 87,150 | 64,831 | 1,207 | 991 | 5,63,000 | 19,254 |
| Sep-23 | 1,119 | 1,014 | 54,186 | 65,828 | 1,121 | 1,020 | 4,20,000 | 19,638 |
| Oct-23 | 1,466 | 1,035 | 2,13,204 | 63,875 | 1,468 | 1,033 | 25,92,000 | 19,080 |
| Nov-23 | 1,512 | 1,259 | 98,433 | 66,988 | 1,516 | 1,258 | 8,50,000 | 20,133 |
| Dec-23 | 1,565 | 1,386 | 54,935 | 72,240 | 1,565 | 1,420 | 5,10,000 | 21,731 |
| Jan-24 | 1,610 | 1,431 | 58,836 | 71,752 | 1,617 | 1,426 | 4,80,000 | 21,726 |
| Feb-24 | 1,650 | 1,433 | 54,834 | 72,500 | 1,650 | 1,410 | 6,17,000 | 21,983 |
| Mar-24 | 1,491 | 1,250 | 48,214 | 73,651 | 1,490 | 1,286 | 5,05,000 | 22,327 |
| Total Shares Traded | | | 7,40,646 | | | | 96,56,000 | |
| Average Shares Traded | | | 61,721 | | | | 8,04,667 | |

Note: Figures are rounded off to the nearest number.

Graphical representation of the share price performance of the Company in FY 2023-24 at BSE:



Graphical representation of the share price performance of the Company in FY 2023-24 at NSE:



Styrenix Performance Materials Limited

(formerly known as INEOS Styrolution India Ltd.)

Category wise shareholding as on March 31, 2024:

| Category | No. of shares | % of shareholding |
|---|-------------------|-------------------|
| Promoters | | |
| - Indian Promoters Shiva Performance Materials Private Limited | 1,10,31,158 | 62.73 |
| - Foreign Promoters: | NA | NA |
| Institutional Investors | | |
| - Mutual Funds | 7,08,708 | 4.03 |
| - Banks, Financial Institutions, Insurance Companies | 2,600 | 0.01 |
| - Foreign Portfolio Investors (Category I) | 3,35,551 | 1.91 |
| - Foreign Portfolio Investors (Category II) | 32,034 | 0.18 |
| - Alternate Investment Funds | 1,66,917 | 0.95 |
| Non-Institutions | | |
| - Indian Public | 42,38,243 | 24.10 |
| - Central Government / State Government (IEPF) | 61,886 | 0.35 |
| - Corporate Bodies | 4,89,516 | 2.78 |
| - Key Managerial Personnel | 25 | 0.00** |
| - HUF | 2,74,325 | 1.56 |
| - NRIs | 1,58,876 | 0.90 |
| - Clearing Members | 8 | 0.00** |
| - Trusts | 800 | 0.00** |
| - Body Corporate-Ltd Liability-Partnership-DR | 84,928 | 0.48 |
| Grand Total | 17,585,625 | 100.00 |

**negligible

- Registrar and Share Transfer Agent**

Link Intime India Private Limited
 "GeetaKunj" Bhaktinagar Society behind ABS Tower, Old Padra, Vadodara-390015
 Phone: +91 265 3566768
 E-mail: vadodara@linkintime.co.in

- Share transfer system**

As per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) are not being processed from April 1, 2019 unless the securities are held in the dematerialized form with the depositories. With effect from April 1, 2019, Equity Shares of the Company are eligible for transfer only in Dematerialized form.

- **Mandatory KYC requirements for physical holding**

In suppression of SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021, and clarification vide Circular No. SEBI/HO/MIRSD/MIRSD-RTAMB/P/CIR/2021/687 dated December 14, 2021, vide SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37, SEBI has mandated furnishing of PAN, Address with PIN code, Email address, Mobile No., Bank Account details, Specimen Signature and Nomination by holders of securities in physical format to the RTA at the earliest. Subject to these circulars, unless until required documents are submitted by shareholders holding shares in physical format, RTAs are not allowed to process any requests.

A separate communication was sent to the respective shareholders in this regard in the month of May 2023. The sample communication and relevant forms can be downloaded from the website of the RTA as well. (<https://www.linkintime.co.in> – Resource – Download – General – Format of KYC).

Hence, all concerned shareholders are requested to take necessary actions at the earliest.

- **Exchange of share certificates**

The shareholders holding share certificates of **INEOS Styrolution India Limited, Styrolution ABS (India) Limited, INEOS ABS (India) Limited, LANXESS ABS Limited, Bayer ABS Limited, ABS Industries Limited and / or ABS Plastics Limited** are requested to surrender the same at the Company's registered office at **9th Floor, "Shiva", Sarabhai Complex, Dr. Vikram Sarabhai Marg, Vadiwadi, Vadodara-390 023, Gujarat**, to get their share certificates with changed name of the Company i.e. **Styrenix Performance Materials Limited**.

- **Unclaimed dividend and unclaimed shares**

Dividend declared for the year 2016-17 will be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government and accordingly no claim shall lie in respect thereof.

Pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules') the Company is required to transfer all shares in respect of which dividend has not been paid or claimed by the members for seven consecutive years or more to the Demat Account of Investor Education and Protection Fund (IEPF).

The shares transferred to IEPF, including all benefits accruing on such shares, if any, can be claimed by the members from IEPF Authority, after following the procedure prescribed under the Rules.

Pursuant to the provisions of Sections 124 and 125 of the Act, dividends which remain unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend account are required to be transferred to IEPF established by the Central Government. The details of unpaid dividend are placed on the website of the Company at <https://styrenix.com/investor-dividend-info/>.

Members who have not encashed their dividend warrants towards the Final Dividend for the year ended March 31, 2017 or thereafter are requested to write to the Company or its Registrar and Transfer Agent at the earliest.

- **Demat suspense account/ unclaimed suspense account**

As on report date, Company does not hold any Demat Suspense Account/ Unclaimed Suspense Account in its name.

- **Trading Window**

In accordance with the Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons, as adopted by the Company, the Company closes trading window for designated employees from time to time. The trading window is generally closed from the first day of the quarter in which financial results of the previous quarter are to be taken for approval and opened after 48 hours of conclusion of such 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.

Styrenix Performance Materials Limited

(formerly known as INEOS Styrolution India Ltd.)

-
- The Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments, and accordingly, the same did not have any impact on the equity as on March 31, 2024.

- **Report on Corporate Governance**

The Company regularly submits to the stock exchanges, the report on corporate governance, as required, within the prescribed period.

- **Plant locations**

The Company's plants are located at Nandesari, Katol, Moxi & Dahej in Gujarat. Please refer page no. 15 of this Annual Report for the addresses of plant locations.

- **Address for correspondence**

Shareholders' correspondence should be addressed to the Company's registrar and share transfer agent at the address mentioned on page no. 14 of this Annual Report. Shareholders holding shares in electronic mode can address all their correspondence to the Company along with their respective depository participants.

Shareholders may also contact Mr. Chintan Doshi, Manager-Legal & Company Secretary, at the registered office of the Company for any assistance.

- Email ID: secshare@styrenix.com
- Tel. No. +91 265 2303201-02
- Website: www.styrenix.com

MD & CFO CERTIFICATE

To
The Board of Directors
Styrenix Performance Materials Limited

We, Rahul Agrawal, Managing Director of the Company and Bhupesh P. Porwal, Chief Financial Officer of the Company certify that:

- A. We have reviewed financial statements and the cash flow statement and all the notes on accounts for the year ended on March 31, 2024 and to the best of our knowledge and belief:
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with Indian Accounting Standards, applicable laws and regulations.
- B. Annual written confirmation from the members of the Board of Directors and Senior Management Personnel have been obtained, confirming their compliance with the Code of Conduct of the Company.
- C. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended on March 31, 2024 are fraudulent, illegal or violative of the Company's Code of Conduct.
- D. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- E. i) There has not been any significant change in internal control over financial reporting during the year under reference;
- ii) Changes in accounting policies consequent to the implementation of the Indian Accounting Standards (Ind AS) have been appropriately disclosed in the Financial Statements and the impact thereof on the Company's financials is not material;
- and
- iii) We are not aware of any instance during the year, of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Date: May 06, 2024
Place: Vadodara

Mr. Rahul Agrawal
Managing Director

Mr. Bhupesh P. Porwal
Chief Financial Officer

Styrenix Performance Materials Limited

(formerly known as INEOS Styrolution India Ltd.)

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
Styrenix Performance Materials Limited
9th Floor, Shiva, Sarabhai Complex,
Dr. Vikram Sarabhai Marg, Vadiwadi, Subhanpura,
Vadodara, Gujarat, India - 390023

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Styrenix Performance Materials Limited having CIN: L25200GJ1973PLC002436 and having registered office at 9th Floor, Shiva, Sarabhai Complex, Dr. Vikram Sarabhai Marg, Vadiwadi, Subhanpura, Vadodara, Gujarat, India - 390023 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority except Mr.- (DIN-) who has been debarred/disqualified by [give name of Statutory Authority and reason].

| Sr. No | Name of Director | DIN | Date of appointment in Company |
|--------|-------------------------------------|----------|--------------------------------|
| 1 | Mr. Taneja Premkumar | 00010589 | 17/11/2022 |
| 2 | Mr. Vishal Rakesh Agrawal | 00056800 | 17/11/2022 |
| 3 | Mr. Rakesh Shiwebhagwan Agrawal | 00057955 | 17/11/2022 |
| 4 | Mr. Rahul Rakesh Agrawal | 01226996 | 17/11/2022 |
| 5 | Mr. Milin Kaimas Mehta | 01297508 | 17/11/2022 |
| 6 | Mr. Ravishankar Kompalli | 06458292 | 17/11/2022 |
| 7 | Mr. Parameswaran Pillai Naga Prasad | 07430506 | 04/01/2023 |
| 8 | Mrs. Radhika Nath | 03006980 | 05/01/2023 |

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Devesh Pathak & Associates**
Practising Company Secretaries

CS Devesh A. Pathak

Founder
FCS4559

CoP No.: 2306

PR: 1412/2021

Firm Regn. No.: S2018GJ621500

UDIN: F004559F000313111

Date: May 06, 2024

Place: Vadodara

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of
STYRENIX PERFORMANCE MATERIALS LIMITED

We have examined the compliance of conditions of Corporate Governance of STYRENIX PERFORMANCE MATERIALS LIMITED ("the Company") for the year ended March 31, 2024, as stipulated in Regulation 15 and other relevant regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

The compliance of conditions of Corporate Governance is responsibility of the Management. Our examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with 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 our examination of the relevant records as aforesaid and the explanations given to us and the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 15 and other relevant regulations of the Listing Regulations above, during the year ended March 31, 2024 as applicable.

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 **Devesh Pathak & Associates**
Practising Company Secretaries

CS Devesh A. Pathak

Founder

FCS4559

CoP No.: 2306

PR: 1412/2021

Firm Regn. No.: S2018GJ621500

UDIN: F004559F000313098

Date: May 06, 2024

Place: Vadodara

ANNEXURE - II TO BOARD'S REPORT

Annual Report on Corporate Social Responsibility Activities

1. Brief Overview

Styrenix Performance Materials Limited is committed to the mission of delivering the best solutions, which includes creating a more inclusive and resource-efficient India as a responsible corporate citizen. The Corporate Social Responsibility ('CSR') Policy adopted by the Company intends to contribute to the sustainable development of the society and environment.

Your Company's CSR activities are aligned with the core requirements and solutions for the community. The Company has helped building infrastructure like multipurpose shed, classrooms, drinking water facilities, sensory rooms for special children, to make learning inclusive and enjoyable experience. Health awareness is an ongoing process and CSR contribution made towards support for Mobile Health Unit, which conducts wellness and awareness programs for villagers near Company's registered office (Vadodara), in addition to providing basic healthcare facilities.

The key focus areas under CSR activities for the Company would be Environment and Sustainability, Preventive Healthcare and Sanitation, Education including special education, Community Welfare for people from disadvantaged or marginalized sections of the society, especially in areas within the vicinity of our office and the plants and Protection of Art and Culture.

Overview of the projects/programs undertaken:

Some of the key CSR activities undertaken by the Company during the year included:

(a) **Preventive Healthcare and Sanitation**

- Support in Running of Mobile Health Unit, providing basic medical facilities in the villages near Company's registered office.
- Upgradation of drinking water facility in a Primary School.
- Conduct of Prostate Diagnostic Camps for financially underprivileged patients.

(b) **Education**

- Providing educational and infrastructural facilities such as construction of Multi-purpose shed and renovation of existing classrooms along with principal's office in Rayaka village's primary school; distribution of notebooks in villages near Company's various plant locations.
- Providing educational and infrastructure facilities for specially abled children by developing sensory room for Autistic children along with Montessori & Rehabilitation material.
- Providing computer lab facility to COPA trade students at an ITI center at Vadodara.
- Providing support for underprivileged children.
- Providing special assistance to the schools of differently abled kids

(c) **Protection of National Heritage, Art and Culture**

- Project for art galleries, studios and infrastructure for protection of art, which was identified as an ongoing project.

2. Composition and meetings of CSR Committee:

The details are already given in Annexure I of Board's Report i.e. Corporate Governance Report.

3. Web-links for the Composition of CSR Committee, CSR Policy, and CSR Projects approved by the Board as disclosed on the website of the company

The CSR Policy adopted by the Company laying out the Company's philosophy on CSR is available on the website of the Company at the following link:

- CSR Committee details: <https://styrenix.com/2506-2/#1672933894838-6eff30f9-9a24>
- CSR Policy: <https://styrenix.com/wp-content/uploads/2023/02/Corporate-Social-Responsibility-Policy-2023.pdf>
- CSR Projects: <https://styrenix.com/wp-content/uploads/2024/04/CSR-projects-2023-24.pdf>

4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, if applicable: Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended and the amount required for set off for the financial year, if any: Not Applicable

6. Average net profit of the Company as per section 135(5): 354.66 Crores (INR)

7.

| Sl. No. | Particulars | Amount (₹ In Crores) |
|---------|---|----------------------|
| (a) | Two percent of average net profit of the company as per section 135(5) | 7.09 |
| (b) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years | NIL |
| (c) | Amount required to be set off for the financial year, if any | NIL |
| (d) | Total CSR obligation for the financial year (7a+7b-7c) | 7.09 |

8. (a) **CSR amount spent or unspent for the financial year:**

| Total Amount Spent for the Financial Year (₹ In Crores) | Amount Unspent (in ₹) | | | | |
|---|---|------------------|---|--------|------------------|
| | Total Amount transferred to Unspent CSR Account as per Section 135(6) | | Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) | | |
| | Amount | Date of transfer | Name of the Fund | Amount | Date of transfer |
| 7.09 | 6.39 | April 30, 2024 | NIL | NIL | NIL |

(b) **Details of CSR amount spent against ongoing projects for the financial year:**

One project identified as an ongoing CSR project in previous financial year, as defined under Rule 2(1)(i) of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 and the details of the ongoing projects during the year, including amounts spent, are provided below:

| Sl. No. | Name of the Project | Item from the list of activities in Schedule VII to the Act | Local area (Yes/No) | Location of the Project | | Project Duration | Amount allocated for the project (in ₹ Crores) | Amount spent in the Current Financial Year (in ₹ Crores) | Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ Crores) | Mode of Implementation - Direct (Yes/No) | Mode of Implementation - Through Implementing Agency | |
|---------|---|--|---------------------|-------------------------|----------|------------------|--|--|---|--|--|-------------------------|
| | | | | State | District | | | | | | Name | CSR Registration Number |
| 1 | Project for art galleries, studios and infrastructure for protection of art | Protection of national heritage, art and culture including restoration of building and sites of historical importance and works of art; setting up of public Libraries; promotion of traditional arts and handicrafts. | Yes | Gujarat | Vadodara | Three years | 6.39 | 0.00 | 6.39 | No | Uttarayan Art Foundation | CSR00011226 |
| | Total | | - | - | - | - | 6.39 | 0.00 | 6.39 | - | - | - |

Styrenix Performance Materials Limited

(formerly known as INEOS Styrolution India Ltd.)

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

| Sl. No. | Name of the Project | Item from the list of activities in Schedule VII to the Act | Local area (Yes/No) | Location of the Project | | Amount spent for the project (₹ In Crores) | Mode of Implementation – Direct (Yes/No) | Mode of Implementation - Through Implementing Agency | |
|---------|---|---|---------------------|-------------------------|--|--|--|---|-------------------------|
| | | | | State | District City/ Village | | | Name | CSR Registration Number |
| 1 | Notebook Distribution | Promoting education | Yes | Gujarat | Panchmahal, Savli & Vadodara (Katol, Moxi & Nandesari) | 0.05 | Yes | - | - |
| 2 | Education and Healthcare Related projects | Promoting education, including special education and making available safe drinking water. | Yes | Gujarat | Vadodara (Vadodara) | 0.25 | No | Through NGO 'United Way of Baroda (UWB)' | CSR00002187 |
| 3 | Infrastructure upgradation in Rayaka School | Infrastructure development facility and Promotion of education – Construction of Multi-purpose Shed and renovation of existing classrooms along with Principal's office | Yes | Gujarat | Savli (Moxi) | 0.25 | No | Through NGO 'SVADES (Society For Village Development in Petrochemicals area)' | CSR00002452 |
| 4 | Support for Mobile Health Unit | Promoting healthcare, including preventive health care and sanitation. | Yes | Gujarat | Nearby villages of Vadodara District (viz. Jaspur, Umeta, Chheda etc.) | 0.05 | No | Through NGO 'Sharm Mandir Trust' | CSR00000849 |
| 5 | Support for specially abled children | Promoting education, employment enhancing vocation skills especially among differently abled, and livelihood enhancement projects | Yes | Gujarat | Vadodara (Vadodara) | 0.03 | No | Through NGO 'Akshar Trust' | CSR00000100 |
| 6 | Support for underprivileged | Promoting education, employment enhancing vocation skills for underprivileged section of society | Yes | Gujarat | Vadodara (Vadodara) | 0.02 | No | Through NGO 'Mahavir Foundation Trust' | CSR00002591 |
| 7 | Prostate Diagnostic Camps to financially underprivileged patients | Promoting healthcare, including preventive health care and sanitation | Yes | Gujarat | Kheda (Nadiad) | 0.05 | No | Through NGO 'Muljipatel Society For Reasecrh In Nephro-Urology' | CSR00005235 |
| | | | | | Total | 0.70 | | | |

| Sl. No. | Particulars | Amount (₹ In Crores) |
|---------|---|----------------------|
| (d) | Amount spent in administrative overheads | Nil |
| (e) | Amount spent on Impact Assessment, if applicable | N.A. |
| (f) | Total amount spent for the financial year (8b+8c+8d+8e) | 7.09 |

(g) Excess amount for set off, if any

| Sr. No. | Particulars | Amount (₹ In Crores) |
|---------|---|----------------------|
| (I) | Two percent of average net profit of the company as per section 135(5) | 7.09 |
| (ii) | Total amount spent for the Financial Year | 7.09 |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | 0.00 |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | NA |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | 0.00 |

9. (a) Details of Unspent CSR amount for the preceding three financial years:

| Sl. No. | Preceding Financial Year | Amount transferred to Unspent CSR Account under section 135 (6) (in ₹) | Amount spent in the reporting Financial Year (₹ in Crores) | Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any | | | Amount remaining to be spent in succeeding financial years. (in ₹) |
|---------|--------------------------|--|--|---|---------------|------------------|--|
| | | | | Name of the Fund | Amount (in ₹) | Date of Transfer | |
| 1. | 2022-2023 | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. |
| 2. | 2021-2022 | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. |
| 3. | 2020-2021 | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. |
| | TOTAL | - | | | | | - |

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s)

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
|---------|------------------|---|---|------------------|---|--|--|---|
| Sl. No. | Project ID | Name of the Project | Financial Year in which the project was commenced | Project duration | Total amount allocated for the project (₹ in crore) | Amount spent on the project in the reporting Financial Year (₹ in crore) | Cumulative amount spent at the end of reporting Financial Year. (₹ in crore) | Status of the project - Completed/ Ongoing. |
| 1 | FY 31.03. 2023_1 | Project for art galleries, studios and infrastructure for protection of art | 2022-23 | 3 years | 4.90 | 4.75 | 4.90 | Ongoing |
| | TOTAL | | | | 4.90 | 4.75 | 4.90 | |

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (**asset-wise details**). –

- Date of creation or acquisition of the capital asset(s) – N.A.
- Amount of CSR spent for creation or acquisition of capital asset. – NIL
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. - N.A.

Styrenix Performance Materials Limited

(formerly known as INEOS Styrolution India Ltd.)

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). - N.A.

Note: Your Company has not created / acquired any Capital Asset through the CSR expenditure during period under reporting.

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5).

During the financial year 2023-24, your Company has spent an amount of two per cent of the average net profit, as required in terms of Section 135(5).

For and on behalf of the Board

Date: May 06, 2024
Place: Vadodara

Mr. Rakesh Agrawal
Chairman of CSR Committee
DIN: 00057955

Mr. Rahul Agrawal
Managing Director
DIN: 01226996

ANNEXURE - III TO BOARD'S REPORT

Statement of Disclosure of Remuneration

Pursuant to Section 197 of the Act and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(PART A)

A. Ratio of the remuneration of each Executive Director to the Median remuneration of the Employees of the Company and Percentage increase in remuneration of each Director, Chief Financial Officer, and Company Secretary:

| Name of Director / KMP | Designation | Ratio of remuneration of each Director / CFO / Company Secretary to median of remuneration of Employees | Percentage increase in remuneration (%) |
|--------------------------|--|---|---|
| Mr. Rakesh Agrawal | Whole-time Director | 37.0 | - |
| Mr. Rahul Agrawal | Managing Director | 37.0 | - |
| Mr. Ravishankar Kompalli | Whole-time Director | 13.4 | - |
| Mr. Sanjeev Madan | Chief Financial Officer (till September 19, 2023) | 9.9 | - |
| Mr. Bhupesh P. Porwal | Chief Financial Officer (w.e.f. November 10, 2023) | 4.9 | - |
| Mr. Abhijaat Sinha | Head Legal & Company Secretary (till December 8, 2023) | 6.2 | - |
| Mr. Chintan Doshi | Manager Legal & Company Secretary (w.e.f. December 22, 2023) | 0.7 | - |

Note:

The Independent Directors of the Company are entitled to commission / remuneration, in accordance with the provisions of the Act and within the limits approved by the shareholders. The details of remuneration of Non-Executive Directors are provided in the Corporate Governance Report. The ratio of remuneration and percentage increase for Non-executive Directors' remuneration is therefore not considered for the above purpose.

B. The percentage increase in the median remuneration of employees in the financial year: **0%**.

C. The number of permanent employees on the rolls of the Company as on March 31, 2024: **451**

D. Average percentile increase already made in the salaries of the employees other than the managerial personnel in last financial year and comparison with percentile increase in the managerial remuneration and justification thereof:

The average increase in managerial remuneration was 0% and for employees other than managerial personnel was 6%.*

E. Affirmation that the remuneration is as per Remuneration Policy of the Company:

It is hereby affirmed that the remuneration paid to the Directors and employees is as per the Remuneration Policy of the Company.

**This figure reflects the increase including the remuneration to Managing Director and Whole-time Director who resigned during the year as well as the Managing Director and Whole-time Directors who were appointed during the year.*

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ANNEXURE - IV TO BOARD'S REPORT

Form AOC- 2

Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of Companies (Accounts) Rules, 2014

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Act, including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered in to during the year ended March 31, 2024, which were not at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis:

The details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2024 are mentioned below:

| Name(s) of the related party | Nature of relationship | Duration of the contracts | Salient terms | Amount (INR in Crores) | Date of approval by the Board |
|---|------------------------|------------------------------------|--------------------------------------|------------------------|-------------------------------|
| Purchase of raw materials | | | | | |
| Shiva Performance Materials Pvt. Ltd. | Holding Company | April 01, 2023 to March 31, 2024 | Based on transfer pricing guidelines | 9.91 | Dec. 09, 2022 & Feb.13, 2023 |
| | | | | 9.91 | |
| Receiving of services (including reimbursements) | | | | | |
| Monet Properties LLP | Other related party | April 01, 2023 to March 31, 2024 | Based on transfer pricing guidelines | 0.48 | Dec. 09, 2022 & Aug. 10, 2023 |
| Geetganga Investment Pvt. Ltd. | Other related party | April 01, 2023 to March 31, 2024 | Based on transfer pricing guidelines | 0.47 | Dec. 09, 2022 & Aug. 10, 2023 |
| Shiva Premises Owners Association | Other related party | April 01, 2023 to March 31, 2024 | Based on transfer pricing guidelines | 0.12 | May 26, 2023 |
| K C Mehta & Co. LLP | Other related party | April 01, 2023 to March 31, 2024 | Based on transfer pricing guidelines | 0.22 | Feb. 13, 2023 |
| | | | | 1.29 | |
| Royalty | | | | | |
| Shiva Performance Materials Pvt. Ltd. | Holding Company | October 20, 2023 to March 31, 2024 | Based on transfer pricing guidelines | 0.26 | Oct. 20, 2023 |
| | | | | 0.26 | |
| Rendering of services | | | | | |
| Shiva Performance Solutions Pvt. Ltd. | Other related party | February 3, 2024 to March 31, 2024 | Based on transfer pricing guidelines | 0.20 Lacs | Feb. 3, 2024 |
| | | | | 0.20 Lacs | |
| Sale of Goods | | | | | |
| Shiva Performance Materials Pvt. Ltd. | Holding Company | April 01, 2023 to March 31, 2024 | Based on transfer pricing guidelines | 7.57 | Dec. 09, 2022 & Feb. 13, 2023 |
| | | | | 7.57 | |

Requisite approvals have been taken for the related party transactions during the year.

For and on behalf of the Board

Date: May 06, 2024
Place: Vadodara

Mr. Rakesh Agrawal
Chairman
DIN: 00057955

ANNEXURE - V TO BOARD'S REPORT

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Pursuant to provisions of Section 134(3) (m) of the Act and Rule 8(3) of Companies (Accounts) Rules, 2014

CONSERVATION OF ENERGY

A. Energy conservation measures taken:

- (i) Efforts have been initiated to improve overall equipment efficiency at all plants.
- (ii) Spill identification and control program (Operation Clean Sweep) undertaken to prevent Pellet and power loss to soil.
- (iii) Power factor has been maintained high throughout the year by proper monitoring of the capacitor banks at all plants.
- (iv) Recycle of steam condensate from dryer section at Nandesari has been resulting in the reduction of fuel and boiler feed water.
- (v) Installation of screw air compressor with variable frequency drive has reduced the power consumption at all plants.
- (vi) Changeover from CFL/MLL to LED lights for streetlights has resulted in energy savings at Dahej, Nandesari, Katol & Moxi plants.
- (vii) Sludge treatment has been optimized in Nandesari plant, resulting in energy savings.
- (viii) Optimization in utility booster pump from Aglo reactor in Nandesari plant resulting in energy savings.
- (ix) Cooling tower fan optimization in Nandesari plant resulting in energy savings.
- (x) At Moxi, STP has been installed and treated water from STP is used for gardening purpose resulting in decrease in fresh water consumption.
- (xi) All roots blower for pneumatic conveying system are provided with Acoustic Enclosure to maintain noise level below prescribed levels, at Moxi & Katol plant.
- (xii) Premium efficiency motors installed resulting in energy saving, as a part of Moxi 100 project.
- (xiii) Bio digesters are installed in Katol, Nandesari, Dahej and Moxi site to convert domestic food waste to Natural Gas. This is used for cooking.
- (xiv) Installation of AVR Panel for Lighting resulting in energy saving, in Katol site.
- (xv) ETP sludge is sent for co-incineration in cement manufacturing as alternate fuel energy recovery (Pre-processing)
- (xvi) Installation of scrubber at Nandesari on HCL storage tank for emission control.
- (xvii) Efficient DAF systems & additional secondary clarifiers are installed at Nandesari site.
- (xviii) WWTP to treat the incoming effluent for total Suspended Solids (TSS), reducing the same in treated water and also for better treatment.
- (xix) Replacement of canned pump in hot oil unit circuit with air cooled centrifugal pump, at Katol site.
- (xx) Optimization of boiler operations and steam consumption at Katol site.
- (xxi) Nandesari site has taken initiative to use the Common utility (steam) for operations (steam outsourcing), from the GIDC. Operation of site boilers has been stopped.

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B. Steps taken by the Company for using alternate sources of Energy.

Fuel switch over from furnace oil to natural gas at Nandesari, Katol and Dahej plant has been implemented for cleaner environment and better energy efficiency.

C. Capital investment on energy conservation equipment.

The capital investment on energy conservation equipment for various projects amounts to around **INR 3.97 Crores** (equivalent to approx.475.209 K US \$)

TECHNOLOGY ABSORPTION

A. Efforts made towards technology absorption

The Company's R & D department is making constant efforts in absorbing and updating themselves with the technological advancements in the product portfolio of the Company.

B. Expenditure incurred on Research and Development

(INR in Crores)

| | Particulars | 2023-24 |
|----|---|---------|
| a) | Capital | 0.30 |
| b) | Recurring | 2.63 |
| c) | Total | 2.93 |
| d) | Total R & D expenditure as a percentage of : Gross turnover | 0.13 % |
| | Total R & D expenditure as a percentage of : Net turnover | 0.13 % |

FOREIGN EXCHANGE EARNINGS AND OUTGO

(INR in Crores)

| Particulars | 2023-24 |
|---|----------|
| Foreign exchange earned in terms of actual inflow | 1.77 |
| Foreign Exchange outgo in terms of actual outflow (including value of imports on CIF basis) | 1,415.44 |

ANNEXURE - VI TO BOARD'S REPORT

SAFETY HEALTH & ENVIRONMENT POLICY

- We believe that all accidents are preventable. Incident-free operation is our objective. We ensure, assess and strive for continuous improvement of our performance.
- The safety and health of our employees and neighboring communities, as well as the integrity of their living environments, have absolute priority over economic interests.
- Styrenix Performance Material Limited's SHE performance is a fundamental priority for the management, who are ultimately responsible for it. Management will lead by example and allocate all required resources to achieve excellence in SHE performance.
- We shall provide a framework for setting and reviewing environmental objectives along with health and safety objectives.

Styrenix Performance Materials Limited is committed

- To encourage a SHE culture of open dialogue, coaching and trust. We ensure that all employees and service providers understand their SHE responsibilities. Styrenix Performance Material Limited will give due importance to SHE aspects in all decision making including purchase of a plant, equipment, machinery, materials selection and SHE performance of individuals in their career advancement.
- To operate in full compliance with applicable SHE laws and maintain full transparency towards the responsible authorities.
- To protect the environment and prevent pollution.
- To continually improve safety, health and environmental management system to enhance the SHE performance.



ANNEXURE - VII TO BOARD'S REPORT

Form No. MR-3

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
STYRENIX PERFORMANCE MATERIALS LIMITED
[Formerly: INEOS Styrolution India Limited]
9th Floor, 'Shiva', Sarabhai Complex,
Dr. Vikram Sarabhai Marg, Vadiwadi,
Vadodara-390023

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the Company. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon. Based on our verification of the STYRENIX PERFORMANCE MATERIALS LIMITED's [Formerly: INEOS Styrolution India Limited] books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; [Presently: The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.]
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; [Presently: The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018]
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guideline, 1999[Presently: The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Repealed) [Presently: Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021]
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; [Presently: The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021]
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 [Presently: The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018]
- (vi) Having regard to the products, processes and locations of the Company as also having regard to the Compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test check basis, we further report that the Company has Compliance management system for the sector specific laws specifically applicable to the Company as informed to us by the Company as follows:
1. The Environment (Protection) Act, 1986
 2. The Air (Prevention And Control of Pollution) Act, 1981
 3. The Water (Prevention and Control of Pollution) Act, 1974
 4. The Hazardous Wastes (Management and Handling) Rules, 1989
 5. Indian Boiler Regulations Act, 1950
 6. The Factories Act, 1948
 7. The Industrial Disputes Act, 1947
 8. The Payment of Wages Act, 1936
 9. The Minimum Wages Act, 1948
 10. The Employees State Insurance Act, 1948
 11. The Employees' Provident Fund And Miscellaneous Provisions Act, 1952
 12. The Payment of Bonus Act, 1965
 13. The Payment of Gratuity Act, 1972
 14. The Contract Labour (Regulation And Abolition) Act, 1970
 15. The Maternity Benefit Act, 1961
 16. The Child Labour (Prohibition And Regulation) Act, 1986
 17. The Industrial Employment (Standing Orders) Act, 1946
 18. The Employees' Compensation Act, 1923 (Earlier known as: Workmen's Compensation Act, 1923)
 19. The Apprentices Act, 1961
 20. The Equal Remuneration Act, 1976
 21. The Employment Exchange (Compulsory Notification of Vacancies) Act, 1956

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Ltd. and National Stock Exchange of India Ltd. including The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR').

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report (by way of information) that during the audit period:

(a) The Company has not issued any securities during the period under review and accordingly

- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
- The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
- The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021

were not applicable during the audit period.

(b) The Company has neither got delisted nor bought back any security of the Company and accordingly

- Securities and Exchange Board of India (Delisting of Equity shares), Regulations, 2021, and
- Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018

were not applicable during the audit period.

(c) The Board of Directors of the Company at its meeting held on 26th May, 2023 recommended Final Dividend for the year 2022-23 at the rate of Rs. 24/- per equity share of Rs. 10/- each i.e. 240%.

(d) The members of the Company at their 50th Annual General Meeting held on 10th August, 2023 inter alia approved:

- Declaration of Dividend @ 240% as recommended by the Board of Directors.
- Ratification of the payment of remuneration to the Cost Auditors of the Company for the Financial year 2023-24.

(e) The Board of Directors at its meeting held on 22nd August, 2023 appointed M/s. Talati & Talati LLP, Chartered Accountants, Vadodara as Statutory Auditors to fill up casual vacancy caused by the resignation of M/s. Deloitte Haskins and sells, Chartered Accountants on 12th August, 2023 pursuant to Section 139(8) of the Act. Subsequently members of the Company approved their appointment by way of Ordinary Resolution on 30th September, 2023 through Postal Ballot for which Postal Ballot was kept open from 1st September, 2023 to 30th September, 2023.

(f) The Board of Directors of the Company at its meeting held on 26th May, 2023 approved shifting of Registered office pursuant to Section 12 and other applicable provisions of the Act.
From: 5th Floor, Ohm House-2, Ohm Business Park, Subhanpura, Vadodara - 390023, Gujarat, India
To: 9th Floor, "Shiva", Sarabhai Complex, Dr. Vikram Sarabhai Marg, Vadiwadi, Vadodara-390023 Gujarat, India.
with immediate effect.

(g) The Board of Directors of the Company at its meeting held on 26th May, 2023 designated Mr. Abhijaat Sinha, Company Secretary, as the Compliance Officer in terms of Regulation 6 of LODR, in place of Ms. Amita Mistry, Compliance Officer consequent to her resignation.

(h) Mr. Sanjeev Madan resigned as Chief Financial Officer and KMP of the Company w.e.f. 19th September, 2023.

(i) The Board of Directors of the Company at its meeting held on 20th October, 2023 declared Interim Dividend at the rate of Rs. 22/- per equity share of Rs. 10/- each i.e. 220%.

(j) The Board of Directors of the Company at its meeting held on 10th November, 2023 appointed Mr. Bhupesh Porwal as Chief Financial Officer pursuant to Section 203 of the Act read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

-
- (k) Mr. Abhijaat Sinha resigned as Company Secretary and Compliance Officer w.e.f 8th December, 2023.
- (l) The Board of Directors at its meeting held on 22nd December, 2023 appointed Mr. Chintan Doshi as the Company Secretary pursuant to Section 203 of the Act read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as well as Compliance Officer under Regulation 6 of LODR.
- (m) The Board of Directors at its meeting held on 3rd February 2024, declared 2nd interim dividend at the rate of Rs. 48/- per equity share of Rs. 10/- each i.e. 480% which was paid on 20th February, 2024.
- (n) The Board of Directors at its meeting held on 3rd February 2024, re-appointed Mr. K. Ravishankar as Whole-time Director w.e.f. 1st April, 2024 for the term of two years i.e. upto 31st March, 2026 pursuant to section 203 and other applicable provisions of the Act and applicable Rules framed thereunder read with Regulation 17 and other provisions applicable, if any of LODR. Subsequently members of the Company approved his reappointment by way of Special Resolution on 13th April, 2024 through Postal Ballot for which postal ballot was kept open from 15th March, 2024 to 13th April, 2024.

For **Devesh Pathak & Associates**
Practising Company Secretaries

Date: May 06, 2024
Place: Vadodara

CS Devesh A. Pathak
Founder
FCS 4559
CoP No.: 2306
PR: 1412/2021
Firm Regn. No.: S2018GJ621500
UDIN: F004559F000313010

Note: This report is to be read with our letter of even date which is enclosed as forming integral part of this report.

Styrenix Performance Materials Limited

(formerly known as INEOS Styrolution India Ltd.)

May 06, 2024

To,
The Members,
STYRENIX PERFORMANCE MATERIALS LIMITED
9th Floor, 'Shiva', Sarabhai Complex,
Dr. Vikram Sarabhai Marg, Vadiwadi,
Vadodara-390023

Ref: Secretarial Audit Report dated 6th May, 2024 pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and the practices we followed provided reasonable basis for our opinion.
3. We have not received an Independent Auditor's Report and Audited Financial Statement for the financial year ended on 31st March, 2024 and accordingly, we have relied upon the Unaudited Financial Statement and Management Representation provided by the Company on the matter.
4. We have not verified the correctness and appropriateness of financial records and books of Accounts of the Company and have relied upon the Unaudited Financial Statement and Management Representation provided by the Company on the matter.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards, is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Devesh Pathak & Associates**
Practising Company Secretaries

Date: May 06, 2024
Place: Vadodara

CS Devesh A. Pathak
Founder
FCS 4559
CoP No.: 2306
PR: 1412/2021
Firm Regn. No.: S2018GJ621500
UDIN: F004559F000313010

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

As a key player of the chemical industry, ESG plays a critical role for Styrenix Performance Materials Limited ("Styrenix"/ "Company"). The operations of Styrenix are subject to various environment-related regulatory compliances in a stringent manner. Further, the operations of the Company involve compliances with multiple labour laws. In view of these, Styrenix has always been striving to cater to its stakeholders, putting sustainability at its heart. With focus on 4 C's of Sustainable Development: Collaboration, Control, Communication and Commitment, the Company looks forward to walking its ESG journey in utmost committed manner.



The directors of Styrenix present the 'Business Responsibility & Sustainability Report' (BRSR) of the Company for the financial year 2023-24, pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Company understands the importance of ESG and have aligned its activities & initiative with the globally accepted ESG principles like UNSDGs. The data & numbers mentioned in the Report have been rationalised wherever required.

In this report, the words - 'Styrenix', 'We', 'Our' are used interchangeably to denote Styrenix Performance Materials Limited.



Styrenix Performance Materials Limited

(formerly known as INEOS Styrolution India Ltd.)

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity:

| | | | |
|----|--|---|------------|
| 1 | Corporate Identity Number (CIN) of the Listed Entity | L25200GJ1973PLC002436 | |
| 2 | Name of the Listed Entity | Styrenix Performance Materials Limited | |
| 3 | Year of incorporation | 1973 | |
| 4 | Registered office address | 9 th Floor, Shiva, Sarabhai Complex, Dr. Vikram Sarabhai Marg, Vadiwadi, Vadodara - 390023 | |
| 5 | Corporate address | 9 th Floor, Shiva, Sarabhai Complex, Dr. Vikram Sarabhai Marg, Vadiwadi, Vadodara - 390023 | |
| 6 | E-mail | secshare@styrenix.com | |
| 7 | Telephone | +91 265 2303201/02 | |
| 8 | Website | www.styrenix.com | |
| 9 | Financial year for which reporting is being done | 2023-24 | |
| 10 | Name of the Stock Exchange(s) where shares are listed | Name of the Exchange | Stock Code |
| | | BSE | 506222 |
| | | NSE | STYRENIX |
| 11 | Paid-up Capital | INR 17,58,56,250/- | |
| 12 | Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report | Mr. K. Ravishankar (Whole-time Director), Tel No. 0265-2303201 E-mail Id: secshare@styrenix.com | |
| 13 | Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together). | The disclosures are made on a standalone basis for Styrenix Performance Materials Limited | |
| 14 | Name of assurance provider- | Not Applicable for the reporting period as per SEBI Circular No. SEBI/HO/CFD/CFD-SEC 2/P/CIR/2023/122 dt. 12 July, 2023 | |
| 15 | Type of assurance obtained | Not Applicable for the reporting period as per SEBI Circular No. SEBI/HO/CFD/CFD-SEC 2/P/CIR/2023/122 dt. 12 July, 2023 | |

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

| Sr. No. | Description of Main Activity | Description of Business Activity | % of Turnover of the entity |
|---------|------------------------------|---------------------------------------|-----------------------------|
| 1. | Manufacturing | Manufacturing of Engineering Polymers | 100 |

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

| Sr. No. | Product/ Service | NIC Code | % of Turnover contributed |
|---------|----------------------|----------|---------------------------|
| 1. | Engineering Polymers | 2013 | 100 |

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

| Location | Number of plants | Number of offices | Total |
|---------------|------------------|-------------------|-------|
| National | 4 | 7 | 11 |
| International | 0 | 0 | 0 |

19. Markets served by the entity:

a. Number of locations

| Location | Number |
|----------------------------------|--------|
| National (No. of States & UTs) | 20 |
| International (No. of Countries) | 0 |

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Not Applicable, since Styrenix is not engaged in the export of any products or services.

c. A brief on types of customers:

Styrenix is a 100% B2B Company that sells polymer granules (viz. ABS, SAN, PS etc.) to plastic processing customers that use various techniques to process it, such as blow molding, extrusion, and injection molding. Our customers generally belong to the end user application category viz.

- Automotive (two wheeler, four wheeler),
- Household (Refrigerator, AC, Washing Machine, Geysers, Juicer Mixer),
- Electrical, Electronics,
- Stationary, Packaging, Construction and Miscellaneous items.

While many OEMs have their own plastic processing equipment, many also outsource the production of plastic components from Tier 1 and Tier 2 vendors who purchase our products. In addition to providing direct supplies to these plastic processing clients, the Company also uses distributor channel partners to serve small and medium-sized clients, thereby creating a larger customer base.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

| Sr. No. | Particulars | Total (A) | Male | | Female | |
|------------------|--------------------------|-----------|---------|---------|---------|---------|
| | | | No. (B) | % (B/A) | No. (C) | % (C/A) |
| EMPLOYEES | | | | | | |
| 1 | Permanent (D) | 215 | 207 | 96.28 | 8 | 3.72 |
| 2 | Other than Permanent (E) | 15 | 15 | 100.00 | 0 | 0.00 |
| 3 | Total employees (D+E) | 230 | 222 | 96.52 | 8 | 3.48 |
| WORKERS | | | | | | |
| 1 | Permanent (F) | 191 | 190 | 99.48 | 1 | 0.52 |
| 2 | Other than Permanent (G) | 63 | 63 | 100.00 | 0 | 0.00 |
| 3 | Total employees (F+G) | 254 | 253 | 99.61 | 1 | 0.39 |

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b. Differently abled Employees and workers:

| Sr. No. | Particulars | Total (A) | Male | | Female | |
|------------------------------------|---|--|---------|---------|---------|---------|
| | | | No. (B) | % (B/A) | No. (C) | % (C/A) |
| DIFFERENTLY ABLED EMPLOYEES | | | | | | |
| 1 | Permanent (D) | The Company does not have any differently abled employees. | | | | |
| 2 | Other than Permanent (E) | | | | | |
| 3 | Total differently abled employees (D+E) | | | | | |
| DIFFERENTLY ABLED WORKERS | | | | | | |
| 1 | Permanent (F) | 1 | 1 | 100.00 | 0 | 0.00 |
| 2 | Other than permanent (G) | 2 | 2 | 100.00 | 0 | 0.00 |
| 3 | Total differently abled workers (F+G) | 3 | 3 | 100.00 | 0 | 0.00 |

21. Participation/Inclusion/Representation of women

| Particulars | Total (A) | No. and percentage of Females | |
|---------------------------|-----------|-------------------------------|---------|
| | | No. (B) | % (B/A) |
| Board of Directors | 8 | 1 | 12.50 |
| Key Managerial Personnel* | 6 | 0 | 0.00 |

* Key Managerial Personnel include: 1 Managing Director (MD), 1 Joint MD, 2 Whole time Directors, 1 Chief Financial Officer & 1 Company Secretary.

22. Turnover rate for permanent employees and workers (in percent)

| Particulars | FY 2023-24 | | | FY 2022-23 | | | FY 2021-22 | | |
|---------------------|------------|--------|-------|------------|--------|-------|------------|--------|-------|
| | Male | Female | Total | Male | Female | Total | Male | Female | Total |
| Permanent Employees | 18.18 | 22.22 | 18.34 | 9.81 | 0.00 | 9.38 | 13.63 | 0.00 | 13.05 |
| Permanent Workers | 9.02 | 0.00 | 8.97 | 4.12 | 0.00 | 4.10 | 19.95 | 66.67* | 20.30 |

*Note-Since as per the formula prescribed, the count of female workers at the beginning of the employment were 2, out of which 1 left the employment and 1 female was employed at the end of the FY 21-22, the turnover rate comes to 66.67 percent for the FY 21-22.

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

| Sr. No. | Name of the holding/subsidiary/ associate companies/ joint ventures (A) | Indicate whether holding/ Subsidiary/ Associate/ Joint Venture | % of shares held by listed entity | Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) |
|---------|---|--|-----------------------------------|--|
| 1 | Shiva Performance Materials Private Limited | Holding | NA | No |

VI. CSR Details

24.

| | | |
|-------|--|-----------------|
| (i) | Whether CSR is applicable as per section 135 of Companies Act, 2013: | Yes |
| (ii) | Turnover (in ₹) | INR 2,231.43 Cr |
| (iii) | Net worth (in ₹) | INR 722.73 Cr |

VII. Transparency and Disclosures Compliances

25. Complaints/Grievance on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/ No) (If Yes, then provide web-link for Grievance Redressal policy) | FY 2023-24 | | | FY 2022-23 | | |
|---|--|--|--|--|--|--|---|
| | | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks |
| Communities | Yes. The Company interacts with various communities on need to need basis. However, there is no established formal mechanism for the purpose of addressing specific communities grievances. | 0 | 0 | NA | 0 | 0 | NA |
| Investors (other than shareholders) | Not Applicable, since all investors fall under category of shareholders. | 0 | 0 | NA | 0 | 0 | NA |
| Shareholders | Yes, Shareholders can directly approach the Company or its Registrar and Transfer Agent via e-mail as well as phone. The details of the Company Secretary as well RTA (e-mail as well contact no.) have been mentioned on the website of the Company for easy reference and contact. INVESTOR INFO-Styrenix Performance Materials Limited | 6 | 0 | There are no grievances of stakeholders remaining unattended / unresolved and every effort is made at all levels to immediately redress stakeholders grievances without delay. | 2 | 0 | There are no grievances of stakeholders remaining unattended / unresolved and every effort is made at all levels to immediately redress stakeholders' grievances without delay. |
| Employees and workers | Yes, The Code of Conduct of the company mentions the manner of reporting any grievances/ violations of the code, wherein in case of any violation the person is asked to promptly report to the manager immediately or the HR manager or Legal department. All reports are promptly investigated, and accordingly corrective actions are taken. | 0 | 0 | NA | 0 | 0 | NA |

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| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/ No) (If Yes, then provide web-link for Grievance Redressal policy) | FY 2023-24 | | | FY 2022-23 | | |
|---|--|--|--|---|--|--|---|
| | | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks |
| Customers | Yes, The initial point of contact for customers is the marketing/sales team in their respective regions. If additional support is needed, the technical team examines the matter. If necessary, after verification, trials are conducted to ensure that issue/problem is satisfactorily resolved. | 187 | 2 | The Company is expanding its business substantially and launching many new products. The complaints were regarding regular issues during product deliveries. The pending complaints shall be resolved during next delivery to customers | 101 | 0 | The complaints were regarding regular issues during product deliveries. |
| Value Chain Partners | Yes | 0 | 0 | The Company handles grievances from vendors / other value chain partner on case to case basis. (Tracking sheet on the confidential folder) | 1 | 0 | The complaints were regarding regular issues during product deliveries |

26. Overview of the entity’s material responsible business conduct issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications.¹

| Sr. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk/ opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---------|---------------------------|--|---|--|--|
| 1 | Greenhouse Gas Emissions | Risk | Styrenix is a chemical manufacturing company that manufactures SAN and ABS. Both process emissions from the chemical transformation of feed stocks and direct (Scope 1) greenhouse gas (GHG) emissions are produced by the combustion of fossil fuels in manufacturing and cogeneration processes. Operating risks and costs associated with regulatory compliance as well as GHG emissions may arise for chemical entities. | To reduce GHG emissions the Company is leading an environmental initiative in Vadodara, establishing green belts covering 29,922 square meters around its industrial estate and neighbouring villages like Katol, Nandesari, and Moxi. These green belts enhance local eco-systems and showcase a commitment to ecological stewardship. Moreover, Styrenix has implemented additional measures like cyclone separators, bag filters, and dispersion stacks to control emissions and optimize combustion in boilers and HTM burners. Transitioning from liquid fuels to natural gas further reduces environmental impact and aligns with sustainability goals. This proactive approach demonstrates Styrenix's commitment to reducing its carbon footprint and promoting cleaner energy alternatives. | Negative (There has been no negative impact in the reporting period of 23-24) |
| 2 | Air Quality | Risk | Air emissions from chemical manufacturing may also include nitrogen oxides (NOx), sulphur dioxides (SOx), and hazardous air pollutants (HAPs), in addition to greenhouse gases (GHGs). These emissions are usually caused by the burning of fuel and the processing of feedstock, just as greenhouse gases. The Chemicals business is a more substantial source of certain of these pollutants when compared to other industries. | To control air pollution, a new hydrochloric acid (HCl) scrubber has been installed by the Company for the HCl storage tank. This addition is aimed at enhancing safety measures and environmental protection standards within the facility. By investing in this scrubber installation, the Company demonstrates its commitment to ensuring the safe handling and containment of hazardous materials, aligning with regulatory requirements and best practices for industrial operations. | Negative (There has been no negative impact in the reporting period of 23-24) |

¹Material issues identified are referred from the Sustainability Accounting Standards Board (SASB) 2023-24 version. SASB Standards are maintained and enhanced by the International Sustainability Standards Board (ISSB); this follows the SASB's merger with the International Integrated Reporting Council (IIRC) into the Value Reporting Foundation (VRF) and subsequent consolidation into the IFRS® Foundation in 2022.

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| Sr. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk/opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---------|----------------------------|--|--|---|--|
| 3 | Energy Management | Risk | Energy is often consumed in chemical manufacture to run machinery, cogeneration plants, processing units, and non-manufacturing facilities. The kind of products produced determines the kind of energy utilized, how much is consumed, and energy management techniques. While purchased electricity may also account for a sizeable portion, fossil fuels like natural gas and natural gas liquids are typically the most commonly used non-feedstock energy source. Consequently, a sizeable portion of production costs could come from energy purchases. | The Company has switched to LED lights for street lighting, replacing CFL or MLL lights, resulting in greater energy efficiency, longer lifespan, and reduced maintenance costs. Transitioning from furnace oil to natural gas at Nandesari, Katol, and Dahej plants promotes a cleaner environment and enhances energy efficiency. Bio digesters installed at Katol, Nandesari, Dahej, and Moxi sites convert food waste into natural gas, used as a sustainable cooking fuel alternative to LPG or electricity. | Negative (There has been no negative impact in the reporting period of 23-24) |
| 4 | Water Management | Risk | Water is an essential component used in the manufacturing of chemicals, mainly for cooling, steam generation, and feedstock processing. The necessity of water management is demonstrated by the long-term historical increases in water scarcity and expense, as well as the forecasts of future increases due to overconsumption and decreased supply brought on by population expansion and migration, pollution, and climate change. For organizations with water-intensive operations, a lack of water may raise the risk of operational disruption and raise capital and procurement expenses. | The Company has taken several initiatives to ensure water management which includes improvement of sewage treatment plant (STP) operations which is being pursued at the Katol site. This optimization effort involves enhancing the efficiency and effectiveness of the STP processes to ensure better treatment of wastewater generated on-site. Advanced dissolved air flotation (DAF) systems and supplementary secondary clarifiers have been installed at the Nandesari site's wastewater treatment plant (WWTP). These enhancements are geared towards optimizing the treatment process for incoming effluent, particularly focusing on reducing total suspended solids (TSS) content. | Negative (There has been no negative impact in the reporting period of 23-24) |
| 5 | Hazardous Waste Management | Risk | Hazardous process waste from chemical manufacturing may contain heavy metals, catalysts, wasted acids, and sludge from wastewater treatment. When it comes to the transportation, treatment, storage, and disposal of certain wastes, there are legal and practical obstacles that entities must overcome in order to manage waste. Efficient waste management and recycling raises brand value while cutting expenses. | Advanced technologies are implemented to optimize raw material yields and minimize waste production. Complete off-line and online documentation is in place, and hazardous material is stored and disposed of in accordance with local laws (Pollution Control Boards). | Negative (There has been no negative impact in the reporting period of 23-24) |

| Sr. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk/ opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---------|--|--|--|---|--|
| 6 | Workforce Health & Safety | Opportunity | <p>Employees and staff at chemical manufacturing facilities are exposed to a variety of health and safety hazards, including high pressure and temperatures, hazardous compounds, and heavy machinery. Developing a strong safety culture is essential to proactively reducing safety impacts, which could otherwise have a negative financial impact and lead to increased medical expenses, legal issues, and lost productivity.</p> <p>Our significant manufacturing knowledge has allowed us to build a world-class safety culture. This promotes increased efficiency among our employees because the Company is confident in their workplace safety. In the long run, this improves product quality and cuts expenses.</p> | Not Applicable | Positive |
| 7 | Safety & Environmental Stewardship of Chemicals | Risk | <p>For companies in the chemicals sector, product safety and stewardship are vital concerns. The possibility of chemicals having negative effects on human health or the environment throughout the usage phase may alter product demand and regulatory risk, which may have an impact on revenues and raise operating, regulatory compliance, and mitigation expenses.</p> | The Company is taking action to improve environmental impact assessments and prioritize research and development efforts to enhance process safety. | Negative (There has been no negative impact in the reporting period of 23-24) |
| 8 | Management of the Legal & Regulatory Environment | Opportunity | <p>The Chemicals Company is bound by stringent regulations covering, among other things, process safety, air emissions, water discharge, and chemical safety. The industry must anticipate and adjust to legislative developments in the short and long terms, since they have a substantial impact on product demand, manufacturing costs, and brand value. The Company has adopted a clear regulatory management plan that connects company performance with long-term environmental results and accounts for societal externalities which has resulted in reduced regulatory uncertainty, increased brand value, and enhanced competitiveness.</p> | Not Applicable | Positive |

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| Sr. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk/opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---------|---|--|---|--|--|
| 9 | Operational Safety, Emergency Preparedness & Response | Risk | The Chemicals industry faces significant health, safety, and emergency management challenges due to the use of hazardous substances like Styrene, Butadiene, and Acrylonitrile. Accidental releases of these substances can occur due to technical failure, human error, or weather. The combustible nature of these substances and high operating temperatures increase the risk of explosions, hazardous spills, and other emergencies. These events can harm workers, communities, and the environment. Therefore, strong process safety management can reduce operational downtime, mitigate costs, and improve workforce productivity. | The Company avoids these threats by regular asset care audits, risk appraisal using scientific methodologies such as HAZOP, and environmental impact assessments. Workforce training, simulated drills for disaster management engagement with the neighbourhood, and research and development to increase process safety. | Negative (There has been no negative impact in the reporting period of 23-24) |
| 10 | Community Relations | Opportunity | Chemical entities are crucial economic contributors, providing employment and capital for communities. However, environmental policy, health, and process safety issues have significant regulatory, operational, financial, and reputational implications. Long-term health impacts from air emissions and water use, and potential process safety incidents can lead to regulatory penalties and legal action. Styrenix conducts an Environmental Impact assessment to enhance community relations. | Not Applicable | Positive |

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

| Policy and managements process | | | | | | | | | |
|--|---|-----|-----|-----|-----|-----|-----|-----|-----|
| Disclosure Questions | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
| 1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| b. Has the policy been approved by the Board? (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| c. Web Link of the Policies, if available | Policies available at : https://styrenix.com/corporate-governance/ Policies which are internal to the Company, are available on the intranet of the Company. | | | | | | | | |
| Disclosure Questions | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
| 2. Whether the entity has translated the policy into procedures. (Yes / No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 3. Do the enlisted policies extend to your value chain partners? (Yes/No) | Yes | Yes | Yes | No | Yes | Yes | No | No | No |
| 4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle. | Head Office and all other manufacturing units of the Company are both ISO 14001:2015 and ISO 9001:2015 certified which is evidence of our dedication to providing esteemed clientele with top-notch merchandise. | | | | | | | | |
| 5. Specific commitments, goals and targets set by the entity with defined timelines, if any. | In order to harness our innovative culture and create long-term value for our clients and stakeholders, our Company has redesigned our sustainability strategy. In order to provide sustainable solutions for the duration of our goods' lives, we operate in a secure, environmentally responsible, and socially sensitive manner. We have committed to provide regular training on our Code of Conduct to all of our employees and have set targets for Fair Business Practices. The business has established goals for the principle that are in line with the Sustainability Strategy, Code of Conduct, Safety, Health, and Environment (SHE), and Corporate Social Responsibility (CSR). | | | | | | | | |
| 6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met. | Our Company regularly assesses its performance in relation to its objectives and targets and adjusts its path as needed. The Management of the Company reviews its performance on a regular basis and take appropriate decisions. | | | | | | | | |

| Governance, leadership and oversight | | | | | | | | | | | | | | | | | | | |
|--|--|---|----|----|----|----|----|----|----|---|--|----|----|----|----|----|----|----|----|
| <p>7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements:</p> <p>Environmental, Social, and Governance (ESG) factors are vital to Styrenix Performance Materials Limited's quest of excellence in corporate social responsibility. I'm happy to underline our dedication to tackling ESG-related issues, establishing challenging goals, and hitting important benchmarks in my capacity as the Director in charge of our BRSR. While integrating sustainable practices into our operations presented some challenges during the reporting period, we're proud of the significant progresses we've made. We've taken proactive steps to address these obstacles, fostering a culture of resilience and long-term sustainability.</p> <p>Our carefully planned goals demonstrate our steadfast commitment to going above and beyond industry norms and legal obligations. Especially, our accomplishments in reducing our impact on the environment, encouraging diversity and inclusion, and improving governance structures demonstrate our dedication to ethical business practices.</p> <p>Although our BRSR allows for flexibility where information is placed, we reassure stakeholders that our dedication to transparency is unwavering, as expressed in the statement that precedes this report. We're not going to give up on sustainability and our mission to build lasting value for all parties involved.</p> <p>Mr. Ravishankar Kompalli, Whole-time Director</p> | | | | | | | | | | | | | | | | | | | |
| 8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies). | | | | | | | | | | Mr. K. Ravishankar, Whole-time Director Tel. no. : 0265-2303201 E-mail: secshare@styrenix.com | | | | | | | | | |
| 9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details. | | | | | | | | | | To ensure the alignment with ISO standards, our Company conduct annual assessments. They guarantee that sustainability objectives are in coherence with the organization's mission and principles, track advancement towards these goals. Management review in line with these requirements is conducted on an annual basis which is pivotal in routing the entity's sustainability efforts, ensuring adherence to standards, and fostering openness in its operations. | | | | | | | | | |
| 10. Details of Review of NGRBCs by the Company: | | | | | | | | | | | | | | | | | | | |
| Subject for Review | | Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee | | | | | | | | | Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify) | | | | | | | | |
| | | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
| Performance against above policies and follow up action | | The director, department heads, and other important staff members have reviewed these policies, evaluated how well they are being followed, and noted areas that need improvement that will be put into practice soon. The Company complies with applicable regulations and maintains a high level of compliance with them. | | | | | | | | | Annually or on Need Basis. | | | | | | | | |
| Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances | | The director, department heads, and other important staff members. The Company maintains strict compliance with all statutory standards and follows the rules. | | | | | | | | | Annually or on Need Basis. | | | | | | | | |
| | | | | | | | | | | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 | |
| 11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency. | | | | | | | | | | Yes, Dhir & Dhir Associates, an eminent Law Firm, assessed the adequacy and effectiveness of policies. Various department heads and business heads periodically review and update policies, with final approval from management or the board. The processes and compliance measures may undergo scrutiny from internal auditors and regulatory bodies, where applicable. | | | | | | | | | |

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

| Questions | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|----------------|----|----|----|----|----|----|----|----|
| The entity does not consider the Principles material to its business (Yes/No) | Not Applicable | | | | | | | | |
| The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No) | | | | | | | | | |
| The entity does not have the financial or/human and technical resources available for the task (Yes/No) | | | | | | | | | |
| It is planned to be done in the next financial year (Yes/No) | | | | | | | | | |



SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1:

Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent and accountable.



Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

| Segment | Total number of training and awareness programs held | Topics/principles covered under the training and its impact | Percentage of persons in respective category covered by the awareness programmes |
|-----------------------------------|--|--|--|
| Board of Directors | 4 | Training Imparted: <ul style="list-style-type: none"> • Business sustainability principles • The circular economy model • The Company's future business landscape • Risk assessment methodologies and mitigation strategies Impact: <ul style="list-style-type: none"> • Analyse and suggest risk mitigation strategies. • Enhance their understanding of industry level issues such as sustainability and circular economy with reference to Company's business outlook. | 100.00 |
| Key Managerial Personnel | 7 | Employees participated in various safety trainings (like safety and health principles). These sessions covered preventing Office Organomics, Slip, Trip, Fall, Distracted Walking (Use of mobiles), Emergency preparedness and response. | 100.00 |
| Employees other than BoD and KMPs | 60 | Training & Awareness for SHE conducted. Major trainings included as follows: <ul style="list-style-type: none"> • SHE Fundamentals: Aligns with Section 111A (General Safety & PSM) regulations. • Emergency Response: Covers first aid, line of fire, hand safety, and emergency preparedness & response. • Safe Work Practices: Emphasizes work permit & LOTO procedures, working at heights, lifting & rigging techniques, and spill control. • Environmental Awareness: Educates on EMS (Environmental Management System) practices. • Personal Protection: Ensures proper use of PPE (Personal Protective Equipment). • Continuous Improvement: Integrates MOC (Management of Change) and ISO Internal Auditor training. • Sharing & Learning: Utilizes incident sharing for continuous awareness building | 100.00 |

| Segment | Total number of training and awareness programs held | Topics/principles covered under the training and its impact | Percentage of persons in respective category covered by the awareness programmes |
|---------|--|--|--|
| Workers | 76 | Training & Awareness for SHE conducted under Major trainings included as follows: <ul style="list-style-type: none"> • SHE Fundamentals: Aligns with Section 111A (General Safety & PSM) regulations. • Emergency Response: Covers first aid, line of fire, hand safety, and emergency preparedness & response. • Safe Work Practices: Emphasizes work permit & LOTO procedures, working at heights, lifting & rigging techniques, and spill control. • Environmental Awareness: Educates on EMS (Environmental Management System) practices. • Personal Protection: Ensures proper use of PPE (Personal Protective Equipment). | 100.00 |

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year (basis the materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website)

| Monetary | | | | | |
|--------------|-----------------|---|--|---|--|
| | NGRBC Principle | Name of the regulatory/ enforcement agencies/ judicial institutions | Amount (in INR) | Brief of the Case | Has an appeal been preferred? (Yes/No) |
| Penalty/Fine | Principle 1 | National Stock Exchange of India Limited and BSE Limited | NSE - Rs. 3,24,500 BSE - Rs. 3,38,660 | The Company received communications from NSE, the designated stock exchange as well as BSE, in respect of delay in compliance of Regulation 17(1) and Regulation 18(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR') for the quarter ended 31 st December, 2022. Thereafter, the Company made representation to NSE, the designated stock exchange vide its letter dated 23 rd February, 2023 in the regard for waiver. However, the same was not considered favorably by NSE. | Not Applicable |

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| Monetary | | | | | |
|-----------------|-----------------|---|-----------------|---|--|
| | NGRBC Principle | Name of the regulatory/enforcement agencies/judicial institutions | Amount (in INR) | Brief of the Case | Has an appeal been preferred? (Yes/No) |
| | | | | Accordingly, NSE imposed a fine of Rs. 3,24,500 (including GST of Rs. 49,500 @ 18%) in respect of violation of Regulation 17 of LODR only (i.e. no penalty on Regulation 18 of LODR). BSE, however imposed a fine of Rs. 3,38,660 (including GST of Rs. 51660 @ 18%), in respect of violation of Regulation 17 and 18 of LODR. Nonetheless, the default had already been made good by the Company and relevant fines imposed by both the stock exchanges have been duly paid. | |
| Settlement | NIL | | | | |
| Compounding Fee | | | | | |
| Non-Monetary | | | | | |
| Imprisonment | NIL | | | | |
| Punishment | | | | | |

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

| Case Details | Name of the regulatory/enforcement agencies/judicial institutions |
|----------------|---|
| Not Applicable | |

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

The Company has a robust Code of Conduct (CoC) that is available on the Intranet which prohibits bribery and corruption in all forms. This prohibits offering or accepting bribes, kickbacks, or any other undue advantage to government officials, suppliers, or customers, whether directly or indirectly.

Recognizing the potential legal risks associated with third-party partnerships, the Company prioritizes strict adherence to anti-corruption laws. This commitment is reflected in their comprehensive Code of Conduct The Company remains proactive in keeping its policies and procedures up-to-date with evolving anti-corruption regulations.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

| | FY 2023-24 | FY 2022-23 |
|-----------|------------|------------|
| Directors | NIL | NIL |
| KMPs | | |
| Employees | | |
| Workers | | |

6. Details of complaints with regard to conflict of interest:

| | FY 2023-24 | | FY 2022-23 | |
|--|------------|---------|------------|---------|
| | Number | Remarks | Number | Remarks |
| Number of complaints received in relation to issues of conflict of interest of the Directors | NIL | NIL | NIL | NIL |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs | | | | |

7. Provide details of any corrective action taken or underway on issues related to fines / penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest. Not Applicable, as no such cases / incidences occurred during the reporting period.

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

| | FY 2023-24 | FY 2022-23 |
|-------------------------------------|------------|------------|
| Number of days of accounts payables | 54 | 49 |

9. Open-ness of Business

Provide details of concentration of purchases and sales with trading houses, dealers and related parties along-with loans and advances & investments, with related parties, in the following format:

| Parameter | Metrics | FY 2023-24 | FY 2022-23 |
|----------------------------|--|--|------------|
| Concentration of Purchases | a.Purchases from Trading houses as % of total purchases | 4.61 | 1.46 |
| | b.Number of trading houses where purchases are made from | 33 | 13 |
| | c.Purchases from top 10 trading houses as % of total purchases from trading houses | 83.00 | 99.00 |
| Concentration of Sales | a.Sales to dealers/distributors as % of total sales | All the sales of the Company are on principal to principal basis. The modus operandi of the Company is based on buy and sell principle of its product; hence any sale is counted as customer sale. | |
| | b.Number of dealers/distributors to whom sales are made | | |
| | c.Sales to top 10 dealers/distributors as % of total sales to dealers/distributors | | |
| Share of RPTs in | a.Purchases (Purchases with related parties/Total Purchases) | 0.63 | 9.67 |
| | b.Sales (Sales to related parties/Total Sales) | 0.34 | 0.04 |
| | c.Loans & advances (Loans & advances given to related parties/ Total loans & advances) | 0.00 | 0.00 |
| | d. Investments (Investments in related parties/Total Investments made) | 0.00 | 0.00 |

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

| Total number of awareness programmes held | Topic/principles covered under the training | % age of value chain partners covered (by value of business done with such partners) that were assessed |
|---|--|---|
| 1 | (i) IR compliance: Awareness regarding PF, ESI Compliance, Documents required from the contractors to check the compliances like payment challan, salary payment proof, etc. (ii) Vehicle entry documentation: Training is provided to understand the requirements of our internal guidelines related to vehicle entry inside the plants. | 10.00 |

Note: The Company supplies products to OEM/Tier 1/Tier 2 as a B2B model. Thus, apart from the above no such specific training/awareness programs were organized. Additionally, being Tier-1 entities, we follow a specific code of conduct which is abided by all suppliers.

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No). If yes, provide details of the same.

Styrenix Performance Materials Limited has a Code of Conduct that outlines the Company's approach to managing conflicts of interest. The Board members & senior officials are expected to refrain from engaging in any activity, business, or association that may compromise the Company's interests. The policy states that whenever a conflict arise, full disclosure to the Board is mandatory, with approval sought prior to engagement. Acceptance of gifts from colleagues or business affiliates with potential to influence decision-making is strictly prohibited, and any exceptions necessitate Board approval.

Weblink: https://styrenix.com/wp-content/uploads/2023/02/Styrenix_CoC-for-Directors-and-Senior-Management_2023.pdf

PRINCIPLE 2

Businesses should provide goods and services in a manner that is sustainable and safe



Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

| | 2023-24 | 2022-23 | Details of Improvements in environmental and social impacts |
|-------|--|---------|---|
| R&D | The Company invests, on a regular basis, in various projects in R&D (capex as well as on regular improvement projects) which include projects towards improvement in environmental and social impact of products and processes. However, currently, there are no specific details maintained with reference to the improvement in environmental and social impact of products and processes. The details of expenditure made towards R&D are provided in Annexure V to the Board's Report. | | |
| Capex | | | |

2. **a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**
 Yes, the entity has procedures in place for sustainable sourcing. The Company verifies if the supplier has its own sustainable program/initiatives, and they are also assessed by external agencies for the same. Based on this, we evaluate their suitability.
- b. If yes, what percentage of inputs were sourced sustainably?**
 The Company adheres to corporate guidelines aimed at sourcing all input materials in alignment with sustainability principles. Our commitment to sustainability is reflected in the fact that over 90% of our input materials are responsibly and sustainably sourced.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

(a) Plastics (including packaging)

Styrenix is categorized as a “Brand Owner” and “Importer” under the Plastic Waste Management Rules, 2016, which entails specific responsibilities for plastic waste management. To comply, the Company has registered under the Extended Producer Responsibility (EPR) framework, ensuring proper collection, recycling, and disposal of plastic waste. The Company files regular online returns on the EPR portal to demonstrate compliance. Additionally, Styrenix has partnered with an authorized plastic recycler to ensure responsible processing of their plastic waste, contributing to sustainable waste management and environmental conservation.

(b) E-waste

All of the E-waste materials that the Company sends out are recycled by agencies that have the necessary paperwork and are approved by the GPCB and/or CPCB. Products nearing their end of life are disposed away as e-waste. To ensure that no data is left on the devices, they are securely deleted before being disposed of. The Company providing the e-waste collection hires an authorized recycler from GPCB. For the sake of compliance, e-waste records are kept.

(c) Hazardous waste

By implementing CPCB and/or GPCB guidelines, the Company has developed a procedure for removing all hazardous material and transferring it to authorized recyclers. The Hazardous Waste Management Rules authorization and consents to operate, govern the Company's production sites. In accordance with these guidelines, the business has disclosed all of its waste, including packaging made of plastic. All generated wastes are turned over to waste disposal companies approved by the State Pollution Control Board. By doing this, the waste is disposed of correctly. Plastic containers are provided to processors approved for recycling by the state pollution control board by the Company out of responsibility.

(d) Other waste

Other waste generated by Styrenix includes non-hazardous materials such as glass, wood, and scrap. These materials are managed and disposed of in strict compliance with all applicable legal requirements.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Styrenix is categorized as a “Brand Owner” and “Importer” under the Plastic Waste Management Rules, 2016, which entails specific responsibilities for plastic waste management. To comply, the company has registered under the Extended Producer Responsibility (EPR) framework, ensuring proper collection, recycling, and disposal of plastic waste. The Company files regular online returns on the EPR portal to demonstrate compliance. Additionally, Styrenix has partnered with an authorized plastic recycler to ensure responsible processing of their plastic waste, contributing to sustainable waste management and environmental conservation.

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Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format:

| NIC Code | Name of Product/Service | % of total Turnover Contributed | Boundary for which the Life Cycle Perspective / Assessment was conducted | Whether conducted by independent external agency (Yes/No) | Results communicated in public domain (Yes/No) If yes, provide the web-link. |
|---|-------------------------|---------------------------------|--|---|--|
| Currently the Company does not conduct LCA, but have made the decision to conduct Life Cycle Assessments (LCA) wherein we will be analysing the environmental impact of our products from their initial creation all the way through their use and eventual disposal (cradle to grave). | | | | | |

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

| Name of Product/Service | Description of the risk/ concern | Action Taken |
|-------------------------|----------------------------------|--------------|
| Not Applicable | | |

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry)

| Indicate input material | Recycled or re-used input material to total material | |
|-------------------------|--|------------|
| | FY 2023-24 | FY 2022-23 |
| 1. Jumbo Bags/Big Bags | 0.01 | 0.005 |
| 2. Reprocessed Extrudes | 0.70 | 0.00 |

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

| Indicate input material | FY 2023-24 | | | FY 2022-23 | | |
|--------------------------------|------------|----------|-----------------|------------|----------|-----------------|
| | Re-Used | Recycled | Safely Disposed | Re-Used | Recycled | Safely Disposed |
| Plastics (including packaging) | 0 | 7 | 0 | 0 | 6 | 0 |
| E-waste | 0 | 0 | 0 | 0 | 0 | 0 |
| Hazardous Waste | 0 | 0 | 0 | 0 | 0 | 0 |
| Other waste (Paper) | 0 | 0 | 0 | 0 | 0 | 0 |

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category

| Indicate product category | Reclaimed products and their packaging materials (as percentage of products sold) for each product category |
|---------------------------|---|
| NIL | |

PRINCIPLE 3

Businesses should respect and promote the well-being of all employees, including those in their value chains



Essential Indicators

1. a. Details of measures for the well-being of employees:

| % of employees covered by | | | | | | | | | | | |
|---------------------------------------|-----------|------------------|-----------|--------------------|-----------|--------------------|-----------|--------------------|-----------|---------------------|-----------|
| | Total (A) | Health insurance | | Accident insurance | | Maternity benefits | | Paternity benefits | | Day Care facilities | |
| | | Number (B) | % (B / A) | Number (C) | % (C / A) | Number (D) | % (D / A) | Number (E) | % (E / A) | Number (F) | % (F / A) |
| Permanent Employees | | | | | | | | | | | |
| Male | 207 | 207 | 100.00 | 207 | 100.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| Female | 8 | 8 | 100.00 | 8 | 100.00 | 8 | 100.00 | 0 | 0.00 | 0 | 0.00 |
| Total | 215 | 215 | 100.00 | 215 | 100.00 | 8 | 3.73 | 0 | 0.00 | 0 | 0.00 |
| Other than Permanent Employees | | | | | | | | | | | |
| Male | 15 | 15 | 100.00 | 15 | 100.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| Female | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| Total | 15 | 15 | 100.00 | 15 | 100.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |

b. Details of measures for the well-being of workers:

| % of workers covered by | | | | | | | | | | | |
|-------------------------------------|-----------|------------------|-----------|--------------------|-----------|--------------------|-----------|--------------------|-----------|---------------------|-----------|
| | Total (A) | Health insurance | | Accident insurance | | Maternity benefits | | Paternity benefits | | Day Care facilities | |
| | | Number (B) | % (B / A) | Number (C) | % (C / A) | Number (D) | % (D / A) | Number (E) | % (E / A) | Number (F) | % (F / A) |
| Permanent Workers | | | | | | | | | | | |
| Male | 190 | 190 | 100.00 | 190 | 100.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| Female | 1 | 1 | 100.00 | 1 | 100.00 | 1 | 100.00 | 0 | 0.00 | 0 | 0.00 |
| Total | 191 | 191 | 100.00 | 191 | 100.00 | 1 | 0.53 | 0 | 0.00 | 0 | 0.00 |
| Other than Permanent Workers | | | | | | | | | | | |
| Male | 63 | 1 | 1.58 | 63 | 100.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| Female | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| Total | 63 | 1* | 1.58 | 63 | 100.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |

*Health insurance is not included for other than permanent workers except for 1.

Since these workers are employed for only a fixed term basis, they are covered in the Accident Insurance. Additionally, they are covered under the ESI Act.

C. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

| | FY 2023-24 | FY 2022-23 |
|---|------------|------------|
| Cost incurred on well-being measures as a % of total revenue of the Company | 0.11 | 0.11 |

2. Details of retirement benefits, for Current FY and Previous Financial Year.

| Benefits | FY 2023-24 | | | FY 2022-23 | | |
|----------|--|--|--|--|--|--|
| | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) |
| PF | 100.00 | 100.00 | Y | 100.00 | 100.00 | Y |
| Gratuity | 100.00 | 100.00 | NA | 100.00 | 100.00 | NA |
| ESI | 0.00 | 20.00 | Y | 0.00 | 20.00 | Y |

Note: The employees/workers not covered under ESI are either covered under Company's Medical Insurance Scheme or provided fixed amount towards reimbursement towards Annual Medical Insurance premium.

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

At Styrenix Performance Materials Limited, we prioritize inclusivity and accessibility for all employees and workers, including those with disabilities. All our premises and offices are designed to be in compliance with the requirements outlined in the Rights of Persons with Disabilities Act, 2016. This ensures that everyone within our organization can work comfortably and effectively.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

The Company adopts a supportive work environment through various initiatives. These include regular training programs to enhance employee skillsets, wellness programs promoting employee well-being, and a culture that encourages open communication and collaboration.

Recognizing the value of a diverse and adaptable workforce, the Company actively seeks out and embraces different perspectives and ideas. The aspects regarding equal employment opportunity forms a part of the Code of Conduct of the Company hence governed accordingly.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

| Gender | Permanent Employees | | Permanent workers | |
|--------|---|----------------|---------------------|----------------|
| | Return to work rate | Retention rate | Return to work rate | Retention rate |
| Male | No parental leave taken in the reporting period/Previous year by any of the employees or workers, hence this element is not applicable. | | | |
| Female | | | | |
| Total | | | | |

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

| | Yes/No (If Yes, then give details of the mechanism in brief) |
|--------------------------------|--|
| Permanent Workers | Yes, The Company benefits from a well-established grievance redressal mechanism. This system allows workers to voice concerns through their recognized union, which then channels them to the HR department for a fair resolution. |
| Other than Permanent Workers | Yes, The Company has a system in place to handle complaints from other than permanent workers. These complaints go through their contractor/agency to the HR department for resolution. |
| Permanent Employees | Yes, The Company has a well-established channel for raising concerns of permanent employees. They can discuss their issues with their department heads, who will then work with HR to find a solution. |
| Other than Permanent Employees | Yes, The Company has an established system for handling concerns raised by Other than Permanent Employees. These concerns are directed through their department managers to the HR department for resolution. |

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

| Category | FY 2023-24 | | | FY 2022-23 | | |
|---------------------------|--|--|-----------|--|--|-----------|
| | Total employees / workers in respective category (A) | No. of employees/ workers in respective category, who are part of association (s) or Union (B) | % (B / A) | Total employees / workers in respective category (C) | No. of employees/ workers in respective category, who are part of association (s) or Union (D) | % (D / C) |
| Total Permanent Employees | 215 | 0 | 0.00 | 210 | 0 | 0 |
| Male | 207 | 0 | 0.00 | 198 | 0 | 0 |
| Female | 8 | 0 | 0.00 | 12 | 0 | 0 |
| Total Permanent Workers | 191 | 191 | 100.00 | 191 | 191 | 100 |
| Male | 190 | 190 | 100.00 | 190 | 190 | 100 |
| Female | 1 | 1 | 100.00 | 1 | 1 | 100 |

8. Details of training given to employees and workers:

| | FY 2023-2024 | | | | | FY 2022-2023 | | | | |
|------------------|--------------|-------------------------------|---------|----------------------|---------|--------------|-------------------------------|---------|----------------------|---------|
| | Total (A) | On Health and Safety measures | | On Skill upgradation | | Total (D) | On Health and Safety measures | | On Skill upgradation | |
| | | No. (B) | % (B/A) | No. (C) | % (C/A) | | No. (E) | % (E/D) | No. (F) | % (F/D) |
| Employees | | | | | | | | | | |
| Male | 222 | 177 | 79.72 | 133 | 59.90 | 201 | 158 | 78.60 | 134 | 66.66 |
| Female | 8 | 6 | 75.00 | 3 | 37.50 | 10 | 7 | 70.00 | 4 | 40.00 |
| Total | 230 | 183 | 79.57 | 136 | 59.13 | 211 | 165 | 78.19 | 138 | 65.40 |
| Workers | | | | | | | | | | |
| Male | 253 | 201 | 79.44 | 194 | 76.67 | 246 | 190 | 77.23 | 190 | 77.23 |
| Female | 1 | 1 | 100.00 | 1 | 100.00 | 1 | 1 | 100.00 | 1 | 100.00 |
| Total | 254 | 202 | 79.52 | 195 | 76.77 | 247 | 191 | 77.33 | 191 | 77.32 |

9. Details of performance and career development reviews of employees and worker:

| Category | FY 2023-2024 | | | FY 2022-2023 | | |
|------------------|--------------|---------|---------|--------------|---------|---------|
| | Total (A) | No. (B) | % (B/A) | Total (C) | No. (D) | % (D/C) |
| Employees | | | | | | |
| Male | 222 | 222 | 100.00 | 201 | 201 | 100.00 |
| Female | 8 | 8 | 100.00 | 10 | 10 | 100.00 |
| Total | 230 | 230 | 100.00 | 211 | 211 | 100.00 |
| Workers | | | | | | |
| Male | 253 | 0 | 0.00 | 246 | 0 | 0.00 |
| Female | 1 | 0 | 0.00 | 1 | 0 | 0.00 |
| Total | 254 | 0 | 0.00 | 247 | 0 | 0.00 |

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

The Company adheres to an occupational health & safety management system that follows the PDCA (Plan Do Check Act) cycle of ISO standards. Adequate resources are provided at each site to manage Safety, Health & Environment at site.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company applies a rigorous and documented process of Hazard Identification and Risk Assessment (HIRA) for both routine and non-routine activities, with a comprehensive Permit to Work system. Job Safety Analysis (JSA) is a prerequisite for all non-routine works before execution. HAZOP studies are performed on all processes and risks are identified, evaluated and mitigated to acceptable levels. Accident Incident Management System is established, and employees are required to report all accidents, incidents, near misses and even unsafe conditions/acts at workplace. All such cases are thoroughly investigated, and preventive/corrective actions are taken. Training of all categories of employees is a vital component of our safety system. Best practices such as Risk assessment, Workplace exposure measurement, regular medical check-ups, accident/incident reporting etc., along with process safety practices such as Safety Health and Environment reviews and Pre Safety Start up Reviews (PSSR) ensure the safety and health of our employees at workplace. Adequate emergency preparedness is also implemented to cope with any unforeseen situations.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

The Company has established a detailed procedure for reporting and investigating unsafe conditions, incidents and near misses, as well as managing and reviewing corrective and preventive actions. Moreover, the Company has implemented the BBSO (Behaviour Based Safety Observation) program to address and reduce behavioral risk factors. Additionally sites have Safety Health & Environmental committee, where issues are raised by stakeholders and actions are taken for prevention.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Yes, the employees/workers of the entity have access to non-occupational medical and healthcare services.

11. Details of safety related incidents, in the following format:

| Safety Incident/Number | Category | FY 2023-24 | FY 2022-23 |
|--|-----------|------------|------------|
| Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) | Employees | 0 | 0 |
| | Workers | 133.18 | 0 |
| Total recordable work-related injuries | Employees | 0 | 0 |
| | Workers | 1 | 0 |
| No. of fatalities | Employees | 0 | 0 |
| | Workers | 0 | 0 |
| High consequence work-related injury or ill-health (excluding fatalities) | Employees | 0 | 0 |
| | Workers | 0 | 0 |

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

- a) **Management Priority:** Safety, health, and environment are top priorities for the Company.
- b) **SHE Management System:** A comprehensive system with policies, manuals, procedures, and work instructions guides SHE practices.
- c) **Risk Management:**
 - Proactive approach: Well-defined hazard identification and risk assessment for routine and non-routine activities.
 - Permit to Work system ensures proper procedures are followed.
 - HAZOP studies (Hazard and Operability Studies) are mandatory for all processes and regularly reviewed.
- d) **Incident Reporting:** A robust system encourages employees to report accidents, incidents, near misses, unsafe conditions, and unsafe acts. All reports are investigated, and corrective/preventive actions are taken.
- e) **Employee Training:** Comprehensive training program includes induction, periodic refreshers, and job-specific training before starting new tasks.
- f) **Safety Best Practices:**
 - Risk assessments, workplace exposure measurements, regular medical checkups, and accident/incident reporting are used to keep employees safe.
 - Process safety practices like SHE reviews and Pre-Startup Safety Reviews (PSSR) are implemented.
- g) **Emergency Preparedness:** Adequate plans are in place to handle unforeseen situations.
- h) **Legal Compliance:** A strong system ensures adherence to all relevant regulations and full accountability to authorities. The Company is ISO 14001:2015 certified, with Occupational Health and Safety elements included in audits.
- i) **Behavioural Safety:** A BBS (Behaviour Based Safety Observation) program tackles behavioural risks and promotes a culture of safety.
- j) **Performance Monitoring:** Regular operational and process safety audits ensure continuous improvement in SHE performance.

13. Number of Complaints on the following made by employees and workers:

| | FY 2023-2024 | | | FY 2022-2023 | | |
|--------------------|-----------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
| | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Working Conditions | 0 | 0 | NA | 0 | 0 | NA |
| Health & Safety | 0 | 0 | NA | 0 | 0 | NA |

14. Assessments for the year:

| | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|-----------------------------|---|
| Health and safety practices | 100.00 |
| Working Conditions | 100.00 |

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

An incident at the Dahej Facility in 2023-24 driven a comprehensive investigation by a cross-functional team. This investigation led to corrective and preventative actions, including prioritizing improvements to engineering and administrative controls. Moreover, risk assessments were conducted to proactively identify and address potential issues in other areas.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)?

At Styrenix Performance Materials Limited, we prioritize the well-being of our employees and workers. In the unfortunate event of death, we provide comprehensive support through a term insurance policy. This policy extends a compensatory package equivalent to 50 months' salary, ensuring financial security for the bereaved families of both employees and workers. This commitment reflects our dedication to caring for our workforce and their loved ones during challenging times.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

With regard to GST, PF, ESI, Employee Compensation, and other legislative regulations, Styrenix Performance Materials Ltd. has a well-defined procedure in place to guarantee that all value chain participants abide to them. Routine confirmation from vendors/contractors is taken to ensure that all statutory payments have been made.

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

| | Total no. of affected employees/workers | | No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment | |
|-----------|---|--------------|---|--------------|
| | FY 2023-2024 | FY 2022-2023 | FY 2023-2024 | FY 2022-2023 |
| Employees | 0 | 0 | 0 | 0 |
| Workers | 0 | 0 | 0 | 0 |

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes, Company believes in supporting and handholding its employees who are close to retirement. For instance, it provides retired employees with Retainership Programs based on the needs of the business and the retiree's skill set.

5. Details on assessment of value chain partners:

| | % of value chain partners (by value of business done with such partners) that were assessed |
|-----------------------------|---|
| Health and safety practices | 50.00 |
| Working Conditions | 50.00 |

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partner

- To ensure safety, we avoid transporting hazardous materials by tanker at night.
- Finished goods are insured to minimize risk in case of theft, fire, or other unexpected events.
- Similarly, all plant equipment is insured to protect against fire or unforeseen circumstances. These measures underline our dedication to safe and secure operations.

PRINCIPLE 4

Businesses should respect the interests of and be responsive to all its stakeholders



Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

To identify the institutions or stakeholder groups that support and/or have an impact on the medium and long-term business performance, the Company uses an internal procedure. The Company has recognized stakeholder groups that have mutual effects on the business, including workers, shareholders, investors, customers, suppliers, and communities.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

| Stakeholder Group | Whether identified as Vulnerable & Marginalized Group (Yes/No) | Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community, Meetings, Notice Board, Website, Other) | Frequency of engagement (Annually/Half yearly/ Quarterly/ others-please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|-------------------------|--|--|--|---|
| Employees and workers | No | Notice board, Email, and website of the Company and through Meetings/Discussions | Annually, half yearly, quarterly, and on need basis as well. | Key topics and concerns of engagement include safety, business plans, wellness, grievance redressal, etc. |
| Shareholders/ Investors | No | Annual General Meeting (AGM), Notice board, Email, and website of the Company and through stock exchange websites as well. | Annually, half yearly, quarterly, and on need basis as well. | To stay well informed of all developments and plans of the Company |

| Stakeholder Group | Whether identified as Vulnerable & Marginalized Group (Yes/No) | Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community, Meetings, Notice Board, Website, Other) | Frequency of engagement (Annually/Half yearly/ Quarterly/ others-please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|-------------------|--|--|--|---|
| Customers | No | Direct interactions, Website, Multiple channels – in person meetings and digital platforms | Need Based | Future business strategies for engagement and quality, also for seeing feedback |
| Communities | Yes | Interactions through NGOs and direct interactions through CSR initiatives | Project based | Support socially high impact projects which include projects as a part of the Company's CSR initiatives |

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

Styrenix prioritizes open communication and collaboration with stakeholders, actively engaging in investor calls to address economic performance, environmental stewardship, and social responsibility.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

The Company identifies and manages its environmental and social impacts by assessing the needs of its stakeholders. However, consultation is currently not being taken. The Company will try to incorporate the mechanism in the upcoming year on need basis.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

Styrenix actively engages with and addresses the concerns of vulnerable and marginalized stakeholder groups through various CSR initiatives. Here are some instances of our engagement and actions taken:

- **Notebook Distribution Initiative:** Our focus lies in fostering education through the distribution of notebooks to schools, thereby bolstering educational endeavours.
- **Educational and Healthcare Endeavours:** We are committed to executing projects that revolve around education and healthcare, including facilities for providing safe drinking water, encompassing special education to individual with disabilities.
- **Rayaka Village Primary School Infrastructure Enhancement:** Our efforts extend to improving school infrastructure, encompassing the construction of multi-purpose shed and the renovation of classrooms, aimed at fostering education and creating conducive learning environments.
- **Backing Mobile Health Units:** We lend our support to healthcare initiatives by furnishing resources for mobile health units, with a primary focus on preventive healthcare and sanitation.
- **Empowering Specially Abled Children:** Our initiatives are geared towards promoting education and employment avenues for differently-abled children, while also honing their vocational skills.
- **Upholding the Underprivileged:** We strive to provide educational and employment opportunities, with a particular emphasis on enhancing vocational skills, for marginalized segments of society.
- **Safeguarding Art and Culture:** Actively involved in the preservation of art and culture, we undertake various initiatives aimed at safeguarding traditional arts and handicrafts.
- **Art Galleries and Studios Project:** We extend support towards establishing art galleries, studios, and requisite infrastructure to foster the protection and promotion of art, thereby contributing to cultural preservation.

Through these initiatives, Styrenix Performance Materials Limited strives to create positive impacts on vulnerable and marginalized communities while fostering the preservation and promotion of art and culture.

PRINCIPLE 5

Businesses should respect and promote human rights



Essentials Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

| Category | FY 2023-2024 | | | FY 2022-2023 | | |
|----------------------|--------------|--------------------------------------|---------|--------------|--------------------------------------|---------|
| | Total (A) | No. of employees/workers covered (B) | % (B/A) | Total (C) | No. of employees/workers covered (D) | % (D/C) |
| Employees | | | | | | |
| Permanent | 215 | 50 | 23.25 | 208 | 21 | 10.09 |
| Other than permanent | 15 | 14 | 93.33 | 3 | 3 | 100.00 |
| Total Employees | 230 | 64 | 27.82 | 211 | 24 | 11.37 |
| Workers | | | | | | |
| Permanent | 191 | 12 | 6.28 | 191 | 8 | 4.18 |
| Other than permanent | 63 | 11 | 17.4 | 56 | 7 | 12.50 |
| Total Workers | 254 | 23 | 9.05 | 247 | 15 | 6.07 |

2. Details of minimum wages paid to employees and workers, in the following format:

| Category | FY 2023-2024 | | | | | FY 2022-2023 | | | | |
|----------------------|--------------|-----------------------|---------|------------------------|---------|--------------|-----------------------|---------|------------------------|---------|
| | Total (A) | Equal to Minimum Wage | | More than Minimum Wage | | Total (D) | Equal to Minimum Wage | | More than Minimum Wage | |
| | | No. (B) | % (B/A) | No. (C) | % (C/A) | | No. (E) | % (E/D) | No. (F) | % (F/D) |
| Employees | | | | | | | | | | |
| Permanent | 215 | 0 | 0.00 | 215 | 100.00 | 210 | 0 | 0.00 | 210 | 100.00 |
| Male | 207 | 0 | 0.00 | 207 | 100.00 | 198 | 0 | 0.00 | 198 | 100.00 |
| Female | 8 | 0 | 0.00 | 8 | 100.00 | 12 | 0 | 0.00 | 12 | 100.00 |
| Other than Permanent | 15 | 0 | 0.00 | 15 | 100.00 | 3 | 0 | 0.00 | 3 | 100.00 |
| Male | 15 | 0 | 0.00 | 15 | 100.00 | 3 | 0 | 0.00 | 3 | 100.00 |
| Female | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0 | 0.00 | 0 | 0.00 |
| Workers | | | | | | | | | | |
| Permanent | 191 | 0 | 0.00 | 191 | 100.00 | 191 | 0 | 0.00 | 191 | 100.00 |
| Male | 190 | 0 | 0.00 | 190 | 100.00 | 190 | 0 | 0.00 | 190 | 100.00 |
| Female | 1 | 0 | 0.00 | 1 | 100.00 | 1 | 0 | 0.00 | 1 | 100.00 |
| Other than Permanent | 63 | 0 | 0.00 | 63 | 100.00 | 56 | 0 | 0.00 | 56 | 100.00 |
| Male | 63 | 0 | 0.00 | 63 | 100.00 | 56 | 0 | 0.00 | 56 | 100.00 |
| Female | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0 | 0.00 | 0 | 0.00 |

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration/wages: (INR/month)

| | Male | | Female | |
|----------------------------------|--------|---|--------|---|
| | Number | Median remuneration/ Salary/ Wages of respective category | Number | Median remuneration/ Salary/ Wages of respective category |
| Board of Directors (BoD) | 7* | 2306916 | 1 | 375000* |
| Key Managerial Personnel | 6* | 833334 | 0 | 0 |
| Employees other than BoD and KMP | 203 | 83651 | 8 | 90212 |
| Workers | 252 | 53336 | 1 | 65893 |

* Note 1: The Board of Directors of the Company comprises of eight Directors drawn from diverse fields. It has an optimum combination of independent directors, woman director, and executive as well as non-executive directors.

* Note 2: In accordance with the definition u/s 203 of Companies Act, 2013, the Key Managerial Personnel comprise of 2 Whole-time Directors (drawing remuneration), a Managing Director (drawing remuneration), a Joint Managing Director (Not drawing remuneration), a Chief Financial Officer and a Company Secretary.

*Note 3: During the year, there has been a change in the CFO as well as the CS. The details of the officials as on 31.03.2024 have been considered for providing relevant data.

*Note 4: Independent Directors, including Women Independent Director, are paid quarterly remuneration / commission. The median for woman director has been calculated accordingly.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

| | FY 2023-24 | FY 2022-23 |
|---|------------|------------|
| Gross wages paid to females as % of total wages | 1.74 | 1.53 |

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Ensuring adherence to human rights norms as delineated in the equal opportunity policy and code of conduct is the responsibility of the Head of Human Resources, in conjunction with the Site HR Managers and the Legal Department.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues

Internal processes are established to address human rights concerns through equal opportunity policies and codes of conduct. Grievances regarding human rights issues are managed by HR and legal departments upon submission through different channels.

6. Number of Complaints on the following made by employees and workers:

| | FY 2023-24 | | | FY 2022-23 | | |
|-----------------------------------|-----------------------|---|--|-----------------------|---|---------|
| | Filed during the year | Pending resolution at the end of the year | Remarks | Filed during the year | Pending resolution at the end of the year | Remarks |
| Sexual harassment | | | No complaints have been filed in any of the reporting period | | | |
| Discrimination at workplace | | | | | | |
| Child Labour | | | | | | |
| Forced Labour/ Involuntary Labour | | | | | | |
| Wages | | | | | | |
| Other Human Rights related issues | | | | | | |

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

| | FY 2023-24 | FY 2022-23 |
|--|--|------------|
| Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) | No complaints have been filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 in any of the reporting period | |
| Complaints on POSH as a % of female employees / workers | | |
| Complaints on POSH upheld | | |

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Styrenix is committed to a safe and respectful work environment, with a robust code of conduct policy prohibiting reprisal against individuals reporting breaches or participating in discrimination and harassment inquiries. The Company fosters a culture of accountability and support, empowering team members to speak up without fear of negative consequences.

9. Do human rights requirements form part of your business agreements and contracts?

Styrenix prioritizes human rights in their business agreements and contracts, demonstrating their commitment to ethical and responsible practices. By embedding human rights requirements into their agreements, they uphold the dignity and well-being of all individuals affected by their operations, demonstrating their dedication to upholding human rights.

10. Assessments for the year:

| | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|-----------------------------|--|
| Child Labour | 100.00 |
| Forced/involuntary labour | 100.00 |
| Sexual Harassment | 100.00 |
| Discrimination at workplace | 100.00 |
| Wages | 100.00 |

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

Not Applicable, since no significant risks/concerns occurred. Though, processes and mechanisms are available to mitigate the risks, if any arising in future.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints

Open-door policy is implemented for employees and stakeholders, facilitating the immediate resolution of any issues that arise.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

No human rights due diligence was conducted in the reporting year. Hence, this is not applicable.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

The entity's premises are accessible to visitors with disabilities, adhering to the standards set forth in the Rights of Persons with Disabilities Act, 2016. Key accessibility features comprise lifts located at the head office, faucet taps, and well-lit corridors.

4. Details on assessment of value chain partners:

| | % of value chain partners (by value of business done with such partners) that were assessed |
|------------------------------------|--|
| Sexual Harassment | 50.00 |
| Discrimination at workplace | 50.00 |
| Child Labour | 50.00 |
| Forced Labour / Involuntary Labour | 50.00 |
| Wages | 50.00 |

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

No significant issues emerged during the reporting period. Nonetheless, there are established processes and mechanisms in place to address any potential risks that may arise in the future.

PRINCIPLE 6

Businesses should respect and make efforts to protect and restore the environment



Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

| Parameter | FY 2023-24 (Giga Joules) | FY 2022-23 (Giga Joules) |
|--|-----------------------------|-----------------------------|
| From renewable sources | | |
| Total electricity consumption (A) | 0 | 0 |
| Total fuel consumption (B) - PNG | 1,99,634.54 | 2,25,969.69 |
| Energy consumption through other sources (C) | 0 | 0 |
| Total Energy consumption from renewable sources (A+B+C) | 1,99,634.54 | 2,25,969.69 |
| From non-renewable sources | | |
| Total electricity consumption (D) | 2,19,416.4 | 1,97,422 |
| Total fuel consumption (E) | 3035.32 | 3231.31 |
| Energy consumption through other sources (F) | 0 | 0 |
| Total Energy consumption from non-renewable sources (D+E+F) | 2,22,451.72 | 2,00,653.31 |
| Total energy consumed (A+B+C+D+E+F) | 4,22,086.26 | 4,26,623 |
| Energy intensity per rupee of turnover (Total energy consumption/ Revenue from Operations) - GJ/crores | 0.000019 | 0.000018 |
| Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) | 0.00043 | 0.00040 |
| Energy intensity in terms of physical output | 2.51 | 2.88 |
| Energy intensity (optional) - the relevant metric may be selected by the entity | - | - |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Our Company undergoes an annual environmental audit administered by auditors appointed by the Gujarat Pollution Control Board (GPCB) across all our sites. Furthermore, our manufacturing facilities hold ISO 14001 certification from the DQS Certification body, which rigorously evaluates our environmental management systems. In addition to these internal assessments, third-party evaluations of our Environmental Management System are conducted at each manufacturing site by external auditors ensuring comprehensive scrutiny and adherence to environmental standards.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any

Our facilities, are not included within the ambit of the Perform, Achieve, and Trade (PAT) Scheme initiated by the Government of India. This means that our sites are not subject to the regulations and requirements set forth by the PAT Scheme, allowing us flexibility in our operations while ensuring compliance with relevant energy efficiency and conservation standards.

3. Provide details of the following disclosures related to water, in the following format:

| Parameter | FY 2023-24 | FY 2022-23 |
|---|------------|------------|
| Water withdrawal by source (in kilolitres) | | |
| (I) Surface water | 0 | 0 |
| (ii) Groundwater | 68,575 | 57,975 |
| (iii) Third party water | 3,61,566 | 3,33,462 |
| (iv) Seawater / desalinated water | 0 | 0 |
| (v) Others | 0 | 0 |
| Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v) | 4,30,141 | 3,91,437 |
| Total volume of water consumption (in kilolitres) | 2,70,379 | 2,53,875 |
| Water intensity per rupee of turnover (Water consumed/Revenue from operations) - KI/crores | 0.000012 | 0.00001 |
| Water Intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) | 0.00027 | 0.00024 |
| Water intensity in terms of physical output | 2.56 | 2.64 |
| Water intensity (optional) - the relevant metric may be selected by the entity | - | - |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Our Company undergoes an annual environmental audit conducted by auditors appointed by the Gujarat Pollution Control Board (GPCB) across all our sites. Furthermore, our manufacturing facilities hold ISO 14001 certification from the DQS Certification body, which rigorously evaluates our environmental management systems. In addition to these internal assessments, third-party evaluations of our Environmental Management System are conducted at each manufacturing site by external auditors, ensuring comprehensive scrutiny and adherence to environmental standards.

4. Provide the following details related to water discharged

| Parameter | FY 2023-24 | FY 2022-23 |
|--|------------|------------|
| Water discharge by destination and level of treatment (in kilolitres) | | |
| (I) To Surface water | 0 | 0 |
| - No treatment | 0 | 0 |
| - With treatment - please specify level of treatment | 0 | 0 |
| (ii) To Groundwater | 0 | 0 |
| - No treatment | 0 | 0 |
| - With treatment - please specify level of treatment | 0 | 0 |
| (iii) To Seawater | 0 | 0 |
| - No treatment | 0 | 0 |
| - With treatment - please specify level of treatment | 0 | 0 |
| (iv) Sent to third-parties | 1,59,762 | 1,37,562 |
| - No treatment | 0 | 0 |
| - With treatment (Treated in WWTP with primary, secondary, and tertiary treatment) | 1,59,762 | 1,37,562 |
| (v) Others | 0 | 0 |
| - No treatment | 0 | 0 |
| - With treatment - please specify level of treatment | 0 | 0 |
| Total water discharged (in kilolitres) | 1,59,762 | 1,37,562 |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Our Company undergoes an annual environmental audit conducted by auditors appointed by the Gujarat Pollution Control Board (GPCB) across all our sites. Furthermore, our manufacturing facilities hold ISO 14001 certification from the DQS Certification body, which rigorously evaluates our environmental management systems. In addition to these internal assessments, third-party evaluations of our Environmental Management System are conducted at each manufacturing site by external auditors, ensuring comprehensive scrutiny and adherence to environmental standards.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

The effluent from Katol, Dahej and Moxi site are treated at site effluent treatment plant (primary, secondary & tertiary treatment) and reused for gardening, green belt, as per consent conditions.

In the wastewater treatment process, effluents from various streams are collected and treated systematically. Initially, streams 1, 2, 3, and 7, which include process effluents, common facility, and lab wash, are gathered in Pit No. 1 and transferred to the Effluent Treatment Plant (ETP). Before mixing with other effluent streams in the Equalization Tank (ET), a specialized oil separator with a belt type oil skimmer removes free-floating oil from the process effluent.

Following this, all effluents except those from streams 6 (DM plant waste) and 10 (Sanitary waste) are directed to the Equalization Tank (ET) area. This tank is equipped with a diffused aeration grid at the bottom to ensure proper mixing and prevent solid settling. After equalization, the wastewater is pumped to the Flash Mixer (FM), where coagulation occurs with the addition of alum. Subsequently, in the Flocculator (FL), polyelectrolyte is dosed to aid flocculation. The coagulated wastewater then undergoes settling in the Plate Settling Tank (PST) to improve settling efficiency, with resulting sludge collected in a sludge holding tank.

In the Aeration Tank (AT), biological treatment takes place, with effluent mixed with sanitary waste for biological oxidation. The aerated effluent moves to the Secondary Clarifier (SCL), where mechanical sludge scrapping occurs. The primary and biological sludge are collected in the Sludge Holding Tank (SHT) and pumped back to the Aeration Tank for maintaining microbial concentration. Excess sludge undergoes mechanical dewatering in a Bag type centrifuge (CFG), with filtrate returned to the Equalization Tank and dewatered sludge stored on-site.

The clear supernatant from the Secondary Clarifier is collected in the Secondary Treated Effluent Tank (STET) and mixed with neutralized DM Plant regeneration waste for further treatment in the Multi-Grain Filter (MGF) and Activated Carbon Filter (ACF). NaOCl dosing is conducted for oxidation and disinfection. The treated effluent from the Treated Effluent Tank (TET), meeting regulatory standards, is utilized for gardening and plantation purposes.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

| Parameter | Please specify unit | FY 2023-24 | FY 2022-23 |
|-------------------------------------|---------------------|------------|------------|
| Nox | mg/NM3 | 288.49 | 239.92 |
| SOx | mg/NM3 | 392.79 | 347.77 |
| Particulate matter (PM) | mg/NM3 | 1,027.00 | 867.39 |
| Persistent organic pollutants (POP) | NA | NA | NA |
| Volatile organic compounds (VOC) | NA | NA | NA |
| Hazardous air pollutants (HAP) | NA | NA | NA |
| Others - please specify | NA | NA | NA |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Our Company undergoes an annual environmental audit conducted by auditors appointed by the Gujarat Pollution Control Board (GPCB) across all our sites. Furthermore, our manufacturing facilities hold ISO 14001 certification from the DQS Certification body, which rigorously evaluates our environmental management systems. In addition to these internal assessments, third-party evaluations of our Environmental Management System are conducted at each manufacturing site by external auditors, ensuring comprehensive scrutiny and adherence to environmental standards.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

| Parameter | Unit | FY 2023-24 | FY 2022-23 |
|---|---|------------|------------|
| Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) | Metric tonnes of CO ₂ equivalent | 12,068.11 | 13598.75 |
| Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) | Metric tonnes of CO ₂ equivalent | 49,368.69 | 44419.95 |
| Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations) | Metric Tonnes of CO ₂ equivalent/ crores | 0.0000028 | 0.0000024 |
| Total Scope 1 and Scope 2 emissions per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations adjusted for PPP) | | 0.00006 | 0.00005 |
| Total Scope 1 and Scope 2 emissions intensity in terms of physical output | | 12068.403 | 13599.05 |
| Total Scope 1 and Scope 2 emission intensity (optional) - the relevant metric may be selected by the entity | | - | - |

Note: For the calculation of Scope 1, Fuel combustion, Refrigerant data, and data on fire extinguishers was considered for FY 23-24 hence there is substantial increase in the emission figures.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Our Company undergoes an annual environmental audit conducted by auditors appointed by the Gujarat Pollution Control Board (GPCB) across all our sites. Furthermore, our manufacturing facilities hold ISO 14001 certification from the DQS Certification body, which rigorously evaluates our environmental management systems. In addition to these internal assessments, third-party evaluations of our Environmental Management System are conducted at each manufacturing site by external auditors, ensuring comprehensive scrutiny and adherence to environmental standards.

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

Styrenix has undertaken a significant environmental initiative by establishing green belts in various locations surrounding its industrial estate, adjacent villages, and along the external and internal boundaries of its facilities in Vadodara, including Katol, Nandesari, and Moxi. These green belts encompass a total area of 29,922 square meters, contributing to the enhancement of local ecosystems and promoting environmental sustainability. Through this endeavor, Styrenix demonstrates its commitment to ecological stewardship and community well-being.

Additional specific measures have been implemented beyond the existing protocols, which include measures such as cyclone separators, bag filters, dispersion stacks for emissions, and optimization of boiler and HTM burner tunings to prevent incomplete combustion. These established procedures are designed to ensure effective mitigation of environmental impacts and uphold regulatory compliance standards.

The sites have transitioned to utilize natural gas in lieu of liquid fuels such as furnace oil. This strategic shift not only reduces emissions but also aligns with sustainability objectives by significantly mitigating environmental impact. By opting for natural gas, the sites demonstrate a proactive approach towards environmental responsibility and contribute to the collective effort to minimize carbon footprint and promote cleaner energy alternatives.

9. Provide details related to waste management by the entity, in the following format:

| Parameter | FY 2023-24 | FY 2022-23 |
|---|-----------------|-----------------|
| Total Waste generated (in metric tonnes) | | |
| Plastic waste (A) | 369.31 | 396.13 |
| E-waste (B) | 0 | 0.14 |
| Bio-medical waste (C) | 0.0032 | 0.0039 |
| Construction and demolition waste (D) | 0 | 0 |
| Battery waste (E) | 0 | 0 |
| Radioactive waste (F) | 0 | 0 |
| Other Hazardous waste. Please Specify, if any. (G) | 2,522.4 | 2,054.82 |
| Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) | 321.67 | 433.72 |
| Total (A+B + C + D + E + F + G + H) | 3,213.38 | 2,884.81 |
| Waste intensity per rupee of turnover (Total waste generated/Revenue from operations)- Metric Tonnes/crores | 0.00000014 | 0.00000012 |
| Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP) | 0.00000032 | 0.00000027 |
| Waste intensity in terms of physical output | 0.019 | 0.019 |
| Waste intensity (optional) - the relevant metric may be selected by the entity | - | - |
| For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes) | | |
| Category of waste | | |
| (i) Recycled (Oil and Plastic) | 527.88 | 529.57 |
| (ii) Re-used | 0 | 0 |
| (iii) Other recovery operations | 229.04 | 254.6 |
| Total | 756.92 | 784.17 |
| For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes) | | |
| Category of waste | | |
| (i) Incineration | 394.82 | 217.18 |
| (ii) Landfilling | 1,743 | 1,449.74 |
| (iii) Other disposal operations | 321.67 | 433.72 |
| Total | 2,459.49 | 2,100.64 |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Our Company undergoes an annual environmental audit conducted by auditors appointed by the Gujarat Pollution Control Board (GPCB) across all our sites. Furthermore, our manufacturing facilities hold ISO 14001 certification from the DQS Certification body, which rigorously evaluates our environmental management systems. In addition to these internal assessments, third-party evaluations of our Environmental Management System are conducted at each manufacturing site by external auditors, ensuring comprehensive scrutiny and adherence to environmental standards

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes

As a conscientious organization, our Company diligently manages its waste in accordance with both legal mandates and sustainable practices. Each site operates within the parameters established by its Consent to Operate or Hazardous Waste authorization. Our approach encompasses the principles of Reduce, Reuse, Recycle, Recovery, and Disposal, with a commitment to continually refine and optimize processes. Through ongoing enhancements in

manufacturing processes, technological advancements, and operational procedures, we strive to minimize the generation of hazardous waste on our premises. Additionally, we actively seek opportunities to substitute hazardous chemicals with safer alternatives. Waste with a high calorific value is directed towards coprocessing, further aligning with our sustainability objectives.

11. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

| S. No. | Location of operations/offices | Types of operations | Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any. |
|--|--------------------------------|---------------------|---|
| The Company refrains from conducting its operations in environmentally fragile or ecologically sensitive regions. This strategic decision underscores the Company's commitment to responsible business practices and environmental stewardship, avoiding potential harm to delicate ecosystems. By deliberately choosing locations that are not ecologically sensitive, the Company aims to minimize its environmental impact and contribute to the preservation of biodiversity and natural habitats. | | | |

12. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

| Name and brief details of project | EIA Notification No. | Date | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web link |
|--|----------------------|------|---|--|-------------------|
| Not Applicable | | | | | |
| In accordance with the Ministry of Environment, Forest & Climate Change (MoEF) guidelines, the industry/operations are exempt from the requirement to furnish environmental clearance or undergo an Environmental Impact Assessment (EIA). | | | | | |

13. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

| S. No. | Specify the law/ regulation/ guidelines which was not complied with | Provide details of the non-compliance | Any fines/penalties/action taken by regulatory agencies such as pollution control boards or by courts | Corrective taken, if any action |
|--|---|---------------------------------------|---|---------------------------------|
| Certainly, the Company adheres to all relevant environmental laws and regulations. | | | | |

Leadership Indicators

1. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**
For each facility / plant located in areas of water stress, provide the following information:
 (i) **Name of the area:** NIL
 (ii) **Nature of operations:** Not Applicable
 (iii) **Water withdrawal, consumption and discharge in the following format:**

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| Parameter | FY 2023-24 | FY 2022-23 |
|--|---|------------|
| Water withdrawal by source (in kilolitres) | | |
| (i) Surface water | Our plants are situated in regions where water stress is not a concern. This deliberate choice of locations is part of our commitment to responsible resource management, ensuring that our operations have minimal impact on water-stressed areas. | |
| (ii) Groundwater | | |
| (iii) Third party water | | |
| (iv) Seawater/desalinated water | | |
| (v) Others | | |
| Total volume of water withdrawal (in kilolitres) | | |
| Total volume of water consumption (in kilolitres) | | |
| Water intensity per rupee of turnover (Water consumed/turnover) | | |
| Water intensity (optional) - the relevant metric may be selected by the entity | | |
| Water discharge by destination and level of treatment (in kilolitres) | | |
| (i) Into Surface water | Our plants are situated in regions where water stress is not a concern. This deliberate choice of locations is part of our commitment to responsible resource management, ensuring that our operations have minimal impact on water-stressed areas. | |
| - No treatment | | |
| - With treatment – please specify level of treatment | | |
| (ii) Into Groundwater | | |
| - No treatment | | |
| - With treatment - please specify level of treatment | | |
| (iii) Into Seawater | | |
| - No treatment | | |
| -With treatment - please specify level of treatment | | |
| (iv) Sent to third-parties | | |
| - No treatment | | |
| - With treatment - please specify level of treatment | | |
| (v) Others | | |
| - No treatment | | |
| - With treatment - please specify level of treatment | | |
| Total water discharged (in kilolitres) | | |

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

| Parameter | Unit | FY 2023-24 | FY 2022-23 |
|--|---------------------------------|------------|---------------------------------------|
| Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) | Metric tonnes of CO2 equivalent | | Not assessed for both financial years |
| Total Scope 3 emissions per rupee of turnover | | | |
| Total Scope 3 emission intensity (optional) - the relevant metric may be selected by the entity | | | |

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

The Company refrains from conducting its operations in environmentally fragile or ecologically sensitive regions. This strategic decision underscores the Company's commitment to responsible business practices and environmental stewardship, avoiding potential harm to delicate ecosystems. By deliberately choosing locations that are not ecologically sensitive, the Company aims to minimize its environmental impact and contribute to the preservation of biodiversity and natural habitats.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

| Sr. No. | Initiative undertaken | Details of the initiative (Web-link, if any, may be provided along-with summary) | Outcome of the initiative |
|---------|-----------------------------------|---|---|
| 1 | Elimination of waste incineration | The sludge from the Environmental Treatment Plant (ETP) undergoes pre-processing before being utilized as an alternative fuel source for energy recovery in cement manufacturing through co-incineration. | The outcome resulting from the strategies and actions described above is the decrease in greenhouse gas emissions. |
| 2 | Reuse of treated effluent | All the effluent treated at the Dahej and Katol sites, along with the domestic wastewater treated at the Moxi site, undergoes recycling for gardening purposes. | This entails utilizing the treated effluent and wastewater as a sustainable water source for nurturing plants and green spaces, contributing to water conservation efforts and promoting eco-friendly practices within these areas. |
| 3 | Alternate Fuel usage | <p>The transition from using furnace oil to natural gas as fuel has been successfully carried out at the Nandesari, Katol, and Dahej plants. This strategic shift aims to promote a cleaner environment and enhance energy efficiency within these facilities.</p> <p>Bio digesters have been installed across multiple locations including Katol, Nandesari, Dahej, and Moxi sites with the purpose of transforming domestic food waste into natural gas through a biological process. This natural gas is subsequently utilized as a cooking fuel, serving as a sustainable and eco-friendly alternative to traditional cooking fuels such as LPG or electricity.</p> | <p>By utilizing natural gas, which is a cleaner-burning fuel compared to furnace oil, the plants can significantly reduce their emissions of pollutants and greenhouse gases. This transition not only aligns with environmental sustainability goals but also improves operational efficiency and contributes to a more sustainable and responsible approach to industrial production.</p> <p>The implementation of bio digesters not only facilitates the effective management of organic waste but also promotes the generation of renewable energy, contributing to the reduction of greenhouse gas emissions and fostering a more environmentally conscious approach to waste management and energy utilization.</p> |
| 4 | Solid spill reduction | A spill identification and control program, known as Operation Clean Sweep, has been initiated to mitigate the risk of pellet and power loss to soil. This proactive program involves the systematic identification and management of potential spillage points throughout the operational processes. | Decrease in the spillage of pellets and powder onto the ground is aimed at preventing both soil and marine pollution. This initiative involves implementing measures to minimize accidental discharge or leakage of materials during handling, storage, and transportation processes. By reducing spillage, the risk of environmental contamination is mitigated, thereby preserving soil quality and preventing adverse effects on marine ecosystems. |
| 5 | Energy Reduction | LED lights have been adopted as the primary source of illumination for street lighting, replacing conventional CFL or MLL lights. This transition to LED technology offers several advantages, including greater energy efficiency, longer lifespan, and reduced maintenance costs. | LED lights consume significantly less energy compared to CFL or MLL lights, resulting in lower electricity consumption and greenhouse gas emissions. Additionally, their longer lifespan reduces the frequency of replacements, leading to cost savings and reduced waste generation. By choosing LED lights for street lighting, not only is energy efficiency enhanced, but the overall environmental impact is minimized, contributing to sustainable urban development initiatives. |

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| Sr. No. | Initiative undertaken | Details of the initiative (Web-link, if any, may be provided along-with summary) | Outcome of the initiative |
|---------|--|--|--|
| 6 | Water consumption reduction | Improvement of sewage treatment plant (STP) operations is being pursued at the Katol site. This optimization effort involves enhancing the efficiency and effectiveness of the STP processes to ensure better treatment of wastewater generated on-site. | By optimizing STP operations, the aim is to achieve higher levels of pollutant removal and overall wastewater treatment performance. This may include implementing advanced treatment technologies, optimizing chemical dosing, enhancing monitoring and control systems, and improving maintenance practices. |
| 7 | Air Pollution control | A new hydrochloric acid (HCl) scrubber has been installed for the HCl storage tank. This addition is aimed at enhancing safety measures and environmental protection standards within the facility. | The HCl scrubber functions to remove potentially harmful HCl vapors from the air, thereby reducing the risk of atmospheric pollution and potential health hazards to nearby personnel. By investing in this scrubber installation, the Company demonstrates its commitment to ensuring the safe handling and containment of hazardous materials, aligning with regulatory requirements and best practices for industrial operations. |
| 8 | Wastewater Treatment Plant revamping - Use of DAF systems and additional Secondary clarifiers. | Advanced dissolved air flotation (DAF) systems and supplementary secondary clarifiers have been installed at the Nandesari site's wastewater treatment plant (WWTP). These enhancements are geared towards optimizing the treatment process for incoming effluent, particularly focusing on reducing total suspended solids (TSS) content. | By integrating these enhancements, the objective is to substantially decrease the level of suspended solids present in the treated water, consequently boosting the overall efficiency of the treatment process. This leads to a further enhancement in the quality of wastewater, particularly in terms of reducing the TSS discharged and lessening the environmental pollution load. |
| 9 | Energy Reduction, Emission Reduction | The Nandesari site has initiated a program to utilize common utility services, particularly steam, sourced from the Gujarat Industrial Development Corporation (GIDC), rather than operating individual site boilers. This strategic move involves discontinuing the operation of boilers on-site. | Utilizing the steam outsourcing opportunity facilitated by GIDC, the site endeavors to enhance its energy efficiency and operational performance, consequently leading to a decrease in Scope 1 and Scope 2 emissions at the site. |
| 10 | Energy Reduction | The Nandesari site's wastewater treatment plant has upgraded its sludge dewatering process by installing a highly efficient screw press (volute type) and discontinuing the operation of the RVBF (Rotary Vacuum Belt Filter). | This upgrade enhances the dewatering process, ensuring more effective removal of water from the sludge before disposal. By adopting the screw press technology, the site improves its operational efficiency and reduces energy consumption compared to the previous method. Additionally, discontinuing the RVBF operation streamlines the treatment process, potentially reducing maintenance requirements and operational costs associated with the previous dewatering method. |

| Sr. No. | Initiative undertaken | Details of the initiative (Web-link, if any, may be provided along-with summary) | Outcome of the initiative |
|---------|-----------------------|--|---|
| | | At the Katol site, a canned pump within the hot oil unit circuit has been replaced with an air-cooled centrifugal pump. | This upgrade involves substituting the existing pump technology with a more efficient and reliable air-cooled centrifugal pump. Unlike canned pumps, which rely on external cooling systems, air-cooled centrifugal pumps utilize ambient air for cooling, simplifying maintenance and reducing energy consumption. This replacement enhances the reliability and performance of the hot oil unit circuit, contributing to improved operational efficiency and reduced downtime. Additionally, the adoption of air-cooled centrifugal pumps aligns with the site's commitment to modernizing equipment for enhanced reliability and sustainability. |
| | | Efforts have been made to optimize the operations of boilers and steam consumption at the Katol site. This optimization initiative involves fine-tuning the processes and procedures related to boiler operations to achieve maximum efficiency and effectiveness. | By carefully managing steam consumption, the site aims to minimize energy wastage and improve overall operational performance. This optimization not only reduces operational costs but also contributes to environmental sustainability by conserving energy resources and reducing greenhouse gas emissions associated with steam production. Additionally, enhancing boiler operations ensures reliable and uninterrupted steam supply, supporting the site's production needs while maintaining a focus on efficiency and sustainability. |

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

The Company maintains a robust Emergency Management System and plan to effectively address any unforeseen events. This system encompasses organizational structures and provides clear guidance to management, facilitating the efficient management of incidents or crises. The primary objective is to minimize the overall negative impact of such situations and expedite a return to normal operations. The Incident and Emergency Management System is designed to address events that could potentially disrupt business operations, damage credibility, or pose risks to economic, environmental, safety, health, security, or legal aspects. Moreover, it accounts for scenarios that may require significant regional or global resources to manage effectively. Regular simulations of emergency plans are conducted to assess the preparedness and response capabilities, as well as to identify and mitigate any potential gaps in the system. This proactive approach ensures that the Company remains vigilant and well-prepared to handle emergencies, thereby safeguarding its operations and stakeholders.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

The operations of the plant have minimal environmental impact. We have implemented Air Pollution Control Measures at various pollution sources across our manufacturing sites, ensuring that emissions remain well below the limits set by regulatory bodies such as the Gujarat Pollution Control Board (GPCB) and the Central Pollution Control Board (CPCB).

To verify the effectiveness of these controls, we conduct periodic monitoring through both the State Pollution Control Board and laboratories approved by the National Accreditation Board for Testing and Calibration Laboratories (NABL). This systematic approach ensures that we maintain compliance with environmental standards and continuously improve our pollution mitigation efforts. Furthermore, we prioritize transportation and distribution safety through well-developed management systems and adherence to safe procedures. By implementing rigorous safety protocols, we aim to prevent accidents and minimize risks associated with the transportation and distribution of our products, thus ensuring the safety of both our employees and the surrounding communities.

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7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

The Company has not undertaken any mitigation or adaptation measures as of yet.

PRINCIPLE 7

Businesses, When Engaging In Influencing Public And Regulatory Policy, Should Do So In A Manner That Is Responsible And Transparent



Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

The Company is associated with 4 (Four) trade and industry chambers/ associations.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

| Sr. No. | Name of the trade and industry chambers/ associations | Reach of trade and industry chambers/associations (State/National) |
|---------|---|--|
| 1 | Chemical and Petrochemical Manufacturing Association (CPMA) | National |
| 2 | Polystrene Producers' Association | State |
| 3 | Plastic Export Promotion Council | State |
| 4 | Federation of Gujarat Industries | State |

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities

| Name of authority | Brief of the case | Corrective active taken |
|-------------------|-------------------|-------------------------|
| Not Applicable | | |

Leadership Indicators

1. Details of public policy positions advocated by the entity:

| Sr. No. | Public policy advocated | Method resorted for such advocacy | Whether information available in public domain? (Yes/No) | Frequency of Review by Board (Annually/ Half yearly/Quarterly/ Others - please specify) | Web Link, If available |
|---|-------------------------|-----------------------------------|--|---|------------------------|
| Through a number of industry associations, the Company takes part in issues that promote the public interest and the industry's growth. The Company maintains a Code of Conduct Policy to make sure that, when interacting with the aforementioned trade groups and industry bodies, the highest standards of corporate conduct are upheld. | | | | | |

PRINCIPLE 8

Businesses should promote inclusive growth and equitable development



Essential Indicators

- Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

| Name and Brief details of project | SIA Notification No. | Date of Notification | Whether conducted by independent external agency (Yes/No) | Results communicated in public domain (Yes/No) | Relevant Web Link |
|---|----------------------|----------------------|---|--|-------------------|
| Social Impact Assessment is not applicable to the Company as there has been no direct or indirect impact to the community as well as the environment by any of their operations. The Company remain committed to adhering to applicable laws and regulations while ensuring positive social outcomes in all our endeavours. | | | | | |

- Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

| Sr.No. | Name of Project for which R&R is ongoing | State | District | No. of Project Affected Families (PAFs) | No. of Project Affected Families (PAFs) | Amounts paid to PAFs in the FY (in INR) |
|--|--|-------|----------|---|---|---|
| Not Applicable | | | | | | |
| There are no ongoing projects requiring Rehabilitation and Resettlement (R&R) efforts by the entity. | | | | | | |

- Describe the mechanisms to receive and redress grievances of the community.**
Styrenix prioritizes open communication and proactive resolution of community grievances. Local Community approaches the Site HR Team if they have any grievances. The Site HR and Admin Department handle community concerns, working closely with management. They aim to foster a culture of transparency and responsiveness, strengthening their relationship with the community and upholding their commitment to corporate responsibility.

- Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

| Parameter | FY 2023-24 | FY 2022-23 |
|--|------------|------------|
| Directly sourced from MSMEs/ small producers | 6.00 | 7.00 |
| Sourced directly from within India | 27.00 | 18.00 |

For FY 23-24 Styrenix has procured some of the raw materials within India (including traders who import and store materials) instead of importing directly.

- Job creation in smaller towns - Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

| Location | FY 2023-24 | FY 2022-23 |
|--------------|------------|------------|
| Rural | 0.00 | 0.02 |
| Semi-Urban | 65.81 | 50.75 |
| Urban | 25.90 | 36.63 |
| Metropolitan | 8.29 | 12.60 |

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

| Details of negative social impact identified | Corrective action taken |
|--|-------------------------|
| Not Applicable | |

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

| S. No | State | Aspirational District | Amount spent (In INR) |
|---|-------|-----------------------|-----------------------|
| The Company has not yet embarked on CSR projects in designated aspirational districts as identified by government bodies. However, we remain open to opportunities for meaningful engagement and positive contributions in these areas in the future. | | | |

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

Our commitment to diversity and inclusion in our procurement procedures does not change, even though Styrenix Performance Materials Limited does not currently have a preferential procurement policy that particularly targets suppliers from marginalised or vulnerable groups. Through our sourcing decisions, we continually assess possibilities to benefit under represented groups and encourage supplier diversity. In order to enable all suppliers to prosper and contribute to a more just and sustainable business ecosystem, we want to cultivate an inclusive supply chain.

(b) From which marginalized /vulnerable groups do you procure?

Not applicable

(c) What percentage of total procurement (by value) does it constitute?

Not applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

| Sr. No. | Intellectual Property based on traditional knowledge | Owned/ Acquired (Yes/No) | Benefit shared (Yes/No) | Basis of calculating benefit share |
|---|--|--------------------------|-------------------------|------------------------------------|
| Considering the nature of operations and business activities of the Company, this element is Not Applicable | | | | |

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

| Name of authority | Brief of the case | Corrective Action taken |
|---|-------------------|-------------------------|
| Considering the nature of operations and business activities of the Company, this element is Not Applicable | | |

6. Details of beneficiaries of CSR Projects:

| Sr. No. | CSR Project | No. of persons benefitted from CSR projects | % of beneficiaries from vulnerable and marginalized groups |
|---------|---|---|--|
| 1 | Notebook Distribution | 3290 | 100.00 |
| 2 | Education and Healthcare Related projects (including facilities for special children) | 360 | 100.00 |
| 3 | Infrastructure upgradation in Rayaka Primary School | 175 students | 100.00 |

| Sr. No. | CSR Project | No. of persons benefitted from CSR projects | % of beneficiaries from vulnerable and marginalized groups |
|---------|---|--|--|
| 4 | Support for Mobile Health Unit | Not quantifiable. CSR contribution was used to buy health related equipment's benefiting the people of nearby villages wherever the Mobile Health Unit went. | 100.00 |
| 5 | Support for specially abled children | 105 | 100.00 |
| 6 | Support towards Open Scholarship Program for underprivileged through Mahavir Foundation Trust | 35 | 100.00 |
| 7 | Prostate Cancer Diagnostic Camps for financially underprivileged patients | 182 | 100.00 |
| 8 | Project for art galleries, studios and infrastructure for protection of art | Not Quantifiable | NA |

PRINCIPLE 9

Businesses should engage with and provide value to their consumers in a responsible manner



Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Styrenix employs Non-Conformance Management (NCM) technology to manage client complaints, following a thorough process involving observation, analysis, registration, sampling, corrective action, and resolution phases. To address customer complaints effectively, a dedicated Technical Service team within the marketing department has been assigned.

As a B2B industry, the Company also maintains direct touch and one-on-one communication with its distributors to guarantee appropriate feedback and the resolution of any issues that may arise.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

| | As a percentage to total turnover |
|---|-----------------------------------|
| Environmental and social parameters relevant to the product | 100.00 |
| Safe and responsible usage | 100.00 |
| Recycling and/or safe disposal | 100.00 |

3. Number of consumer complaints in respect of the following:

| | FY 2023-24 | | Remarks | FY 2022-23 | | Remarks |
|--------------------------------|--------------------------|-----------------------------------|---|--------------------------|-----------------------------------|--|
| | Received during the Year | Pending resolution at end of year | | Received during the Year | Pending resolution at end of year | |
| Data Privacy | 0 | 0 | NIL | 0 | 0 | NIL |
| Advertising | 0 | 0 | NIL | 0 | 0 | NIL |
| Cyber-security | 0 | 0 | NIL | 0 | 0 | NIL |
| Delivery of essential services | 0 | 0 | NIL | 0 | 0 | NIL |
| Restrictive Trade Practices | 0 | 0 | NIL | 0 | 0 | NIL |
| Unfair Trade Practices | 0 | 0 | NIL | 0 | 0 | NIL |
| Other (Logistics) | 187 | 2 | The Company is expanding its business substantially and launching many new products. The complaints were regarding regular issues during product deliveries. The pending complaints shall be resolved during next delivery to customers | 101 | 0 | The complaints were regarding regular issues related to logistics. |

4. Details of instances of product recalls on account of safety issues:

| | Number | Reasons for recall |
|-------------------|--------|--------------------|
| Voluntary recalls | 0 | NA |
| Forced recalls | 0 | NA |

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy

Yes, it is part of Information Technology Cyber Security policy.

The Company is dedicated to improving the safeguards on a regular basis to handle emerging cyber risks and data privacy concerns. We constantly examine and update our policies as part of our proactive strategy to make sure they meet the most recent company needs and industry standards. This constant commitment guarantees that our Company will be able to protect confidential data and maintain the confidence of our stakeholders.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**
No complaints have been reported hence this is not applicable.
7. **Provide the following information relating to data breaches:**
 - a. **Number of instances of data breaches:** NIL
 - b. **Percentage of data breaches involving personally identifiable information of customers:** NIL
 - c. **Impact, if any, of the data breaches:** NIL

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**
The details of the products manufactured and sold by the Company are available on its website www.styrenix.com. For comprehensive details, we have dedicated tab on the website which specifically provides access to detailed information regarding the products and services.

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**
Consumers are informed and educated about the safe and responsible usage of our products and services through various measures. These include clear labelling on product packaging bags, which outline usage instructions and safety precautions. Additionally, each production lot is accompanied by a Test Certificate, explicitly stating that the product is not intended for use in banned applications. These efforts ensure that consumers are equipped with the necessary information to use our products responsibly and safely.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**
While our business operations do not classify as essential services, we maintain a proactive approach. In the event of any disruptions in our manufacturing processes or plant operations, we promptly notify the stock exchanges where the Company is listed, as per statutory requirements. This demonstrates our commitment to ensuring compliance with disclosure regulations for the benefit of the public, including our valued customers.

Our Marketing Team is dispersed throughout India with regional offices, so in the event of any disruption or discontinuation of other services, each sales manager will notify his customers of the product's discontinuance.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**
Yes- the Company ensures that product details and government-mandated information, like the BIS number, are prominently displayed on the packaging for identification and appropriate use. Additionally, as an ISO-certified company, we conduct regular customer satisfaction surveys using a standardized format. These surveys are conducted annually, gathering feedback from randomly selected customers to improve our services.





INITIATIVES ALIGNED WITH THE UNSDG'S



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NO POVERTY

The Company, through various CSR projects engages with the vulnerable/marginalised groups to provide them with the basic necessities, education etc. thereby ensuring their upliftment in the society.



GOOD HEALTH AND WELL-BEING



Initiatives on improving employee engagement have been implemented with primary focus on employee health and welfare by enhancing the medical and term insurance facilities. The Company conducted off-site Mock Drill during the safety week. Under its CSR initiative, the Company extended financial support towards the operation of and for medical equipment used in a Mobile Health Unit which travelled across villages near Vadodara. For children with special needs, the Company supported towards development of sensory room for Autistic children along with Montessori & Rehabilitation material and equipment along with teacher training program. Extension of financial support for conduct of Prostate Cancer Diagnostic Camps for financially underprivileged patients.



QUALITY EDUCATION



Building educational infrastructure: this includes construction as well as repair and upgradation of existing infrastructure in Rayka Primary School and providing school supplies. The Company, as part of its CSR initiatives assisted underprivileged students by supporting their education, through Mahavir Foundation Trust wherein 35 students were provided scholarships under their Open Scholarship Program. At another primary school, the Company contributed through its CSR initiative, towards development of a Smart Balwadi Centre for children, for education through interactive sessions. The Company also addressed the needs of an Industrial Technical Institute (ITI), through an NGO named United way of Baroda, by providing them with Desktop Computer systems along with Lab furniture to facilitate their training.



Styrenix Performance Materials Limited
(formerly known as INEOS Styrolution India Ltd.)



CLEAN WATER AND SANITATION

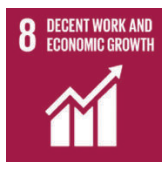


The Company has installed STP at Moxi, where treated water from STP is used for gardening purpose resulting in decrease in freshwater consumption. Installed clean and safe Drinking Water facility at Narmadaben Khushalchand Government Primary School as part of their CSR initiatives. The Company has initiated Spill identification and control program (Operation Clean Sweep) to reduce Solid spill reduction which further will prevent Pellet and power loss to soil. The Company in furtherance of improving water quality by reducing pollution has revamped its Waste Water Treatment Plant by installing efficient DAF systems and additional Secondary clarifiers at Nandesari site. WWTP to treat the incoming effluent for total Suspended Solids (TSS), reducing the same in treated water and also for better treatment. The Company in its belief for reuse and recycle has adopted practices of reuse of all the treated effluent at Dahej and Katol site and domestic waste water treated at Moxi site for gardening.



AFFORDABLE AND CLEAN ENERGY

The Company has initiated efforts to improve overall equipment efficiency at all plants. The Company has maintained high Power factor throughout the year by proper monitoring of the capacitor banks. The Company has been engaged in recycling of steam condensate from dryer section at Nandesari which has been resulting in the reduction of fuel and boiler feed water. The Company has installed screw air compressor with variable frequency drive to reduce power consumption. Changeover from CFL/MLL to LED lights for street lights which has resulted in energy savings at Dahej, Nandesari, Katol & Moxi plants. Sludge treatment has been optimized in Nandesari plant, resulting in energy savings. Optimization in utility booster pump from Aglo reactor in Nandesari plant resulting in energy savings. Cooling tower fan optimization in Nandesari plant resulting in energy savings. Premium efficiency motors installed resulting in energy saving, as a part of Moxi 100 project. Biogas plant installed at Dahej facility, converting food waste to energy. Installation of AVR Panel for Lighting resulting in energy saving, in Katol site. The Company has adopted alternate fuel usage switching over from furnace oil to natural gas at Nandesari, Katol and Dahej plant resulting in implementation for cleaner environment and better energy efficiency. The Company has taken initiative to use the Common utility (steam) for operations, from the GIDC at their Nandesari site. Operation of site boilers has been stopped.



DECENT WORK AND ECONOMIC GROWTH



The Company has taken talent management initiatives encouraging job rotation to enhance employee engagement. Evolution of performance-based compensation packages to attract and retain talent within the organization. Development of comprehensive training programs to impart and continuously upgrade the industry / function specific skills, etc. Other initiatives include an improvement of the working environment, the automation of HR processes including the outsourcing of the payroll processor and the implementation of new Human Resource Management System have been initiated. The Company conducted off-site Mock Drill during the safety week.



INDUSTRY, INNOVATION AND INFRASTRUCTURE

The Company, through its CSR activities with through Uttaryan Art Foundation, engage in contributing towards the protection of art and culture including restoration of building and works of art whilst promoting the traditional arts and handicrafts.



RESPONSIBLE CONSUMPTION AND PRODUCTION

The Company has recognized the need for sustainable solutions and have been at the forefront of developing environmentally friendly polymer resins. The tireless research and development efforts have led to the creation of revolutionary materials that minimize waste, reduce carbon footprints, and contribute to a circular economy. The Company in furthering its aim for energy reduction has taken initiatives for waste water treatment plant at Nandesari site by installing efficient Screw press (volute type) and has stopped RVBF operation for sludge dewatering. Replacement of canned pump in hot oil unit circuit with air cooled centrifugal pump, at Katol site. Optimization of boiler operations and steam consumption at Katol site. The Company has recognised the usage of alternate fuel energy and has adopted practices of elimination of waste incineration by using ETP sludge for co-incineration in cement manufacturing. (Pre-processing)



CLIMATE ACTION

All of the Company's manufacturing facilities are ISO 14001:2015 certified. The Company has adopted a comprehensive EHS policy. The Company supports activities and projects that help to conserve and improve environment in and around the communities near our plants. The Company participates in cleanliness drives, plantation, eco-awareness activities and more. The Company in order to reduce greenhouse gas emissions has installed new Hcl scrubber to Hcl storage tank.



LIFE BELOW WATER

The Company has initiated Spill identification and control program (Operation Clean Sweep) to reduce Solid spill reduction which further will prevent Pellet and power loss to soil and would subsequently reduce soil and marine pollution.



LIFE ON LAND

The Company's employees on Environment Day, initiated a tree plantation drive by planting trees in and around the premises of various plant locations of the Company.



PEACE AND JUSTICE STRONG INSTITUTIONS

Various Policies: To ensure integrity, transparency, independence and accountability in dealing with all stakeholders, the Company has adopted various codes and policies to carry out business in an ethical manner.



PARTNERSHIPS FOR THE GOALS

The Company is associated with various industry chambers and associations which includes:

- Chemical and Petrochemical Manufacturing Association (CPMA)
- Polystyrene Producers' Association
- Plastics Export Promotion Council
- Federation of Gujarat Industries

INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF
STYRENIX PERFORMANCE MATERIALS LIMITED**
(Formerly Known as “INEOS Styrolution India Limited”)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Styrenix Performance Materials Limited (Formerly Known as “INEOS Styrolution India Limited”) (“the company”), which comprise the Balance Sheet as at 31st March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the statement of changes in equity and the statement of cash flows and for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Key audit matter | Auditor's Response |
|---|---|
| <p>Assessment of ongoing income tax and indirect tax litigations [Refer to 1(s) (Material accounting policies) and Note 38 (Contingent liabilities) to the financial statements]</p> <p>As at 31st March 2024, the Company is subjected to indirect tax litigations relating to disallowance of service tax credit on certain input services, and income tax litigations relating to disallowance of expenses, transfer pricing adjustments etc. (together referred to as “litigations”). These matters are in appeal before various judicial forums.</p> | <p>Our procedures on the management's assessment of these matters included:</p> <ul style="list-style-type: none"> • Understanding and evaluating process and controls designed and implemented by the management including testing operating effectiveness of relevant controls • Gaining an understanding of the tax related litigations through discussions with the management, including the significant developments, additions and settlements during the year; • Inspecting demand notices, assessment/transfer pricing orders including documents related to filing of appeals with various authorities/courts, if any, received from tax authorities and evaluating the Company's response to those matters; |

| Key audit matter | Auditor's Response |
|--|--|
| <p>The eventual outcome of these litigations is uncertain, and the positions taken by the management are based on the application of significant judgement and estimation. The review of these matters requires application and interpretation of tax laws and reference to applicable judicial pronouncements. Based on management judgement and the advice from external legal and tax consultants and considering the merits of the case, the Company has recognized provisions wherever required and for the balance matters, where the management expects favorable outcome, these litigations have been disclosed as contingent liabilities in the financial statements unless the possibility of outflow of resources is considered to be remote.</p> <p>Given the uncertainty and application of significant judgment in this area in terms of the eventual outcome of litigations, we determined this to be a key audit matter.</p> | <ul style="list-style-type: none"> • Obtaining independent confirmations from the Company's external tax experts including the status of the significant litigations, their views regarding the likely outcome and magnitude of the potential exposure; • Evaluating the management's assessment on the likely outcome and potential magnitude of litigations, and • Assessing the adequacy of the Company's disclosures in the financial statements. |

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Corporate Governance Report, Business Responsibility and Sustainability Report and Shareholder's Information but does not include the financial statements and our auditors' report thereon. The above-referred information is expected to be made available to us after the date of this audit report.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also expressing our opinion that the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1) As required by Section 143 (3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
- d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f. The observation relating to the maintenance of accounts and other matters connected therewith, are as stated in paragraph (b) above.
- g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended.

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 38 to the financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. Refer below mentioned (a), (b) and (c)
 - a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 50 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

-
- b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the note 50 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. Interim dividends declared and paid by the Company during the year and until the date of this report is in accordance with section 123 of the Companies Act 2013.
- vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention.
- 2) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Talati & Talati LLP
Chartered Accountants
(FRN: 110758W/W100377)

Place: Vadodara
Date: 06/05/2024

CA. Manish A. Baxi
Partner
M. No.: 045011
UDIN: 24045011BJZXVK4936

Styrenix Performance Materials Limited

(formerly known as INEOS Styrolution India Ltd.)

ANNEXURE – A (Annexure to the Independent Auditor's Report)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the Internal Financial Controls over Financial Reporting of Styrenix Performance Materials Limited (Formerly Known as "INEOS Styrolution India Limited") ("the company") as of 31st March, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining Internal Financial Controls based on the Internal Control over Financial Reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting with reference to financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”.

For Talati & Talati LLP
Chartered Accountants
(FRN: 110758W/W100377)

Place: Vadodara
Date: 06/05/2024

CA. Manish A. Baxi
Partner
M. No.: 045011
UDIN: 24045011BJZXVK4936

“ANNEXURE – B” TO INDEPENDENT AUDITOR’S REPORT

The annexure referred to in our Independent Auditors' Report to the members of Styrenix Performance Materials Limited (“the Company”) on the financial statements for the year ended March 31, 2024, we report that:

- (l) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company does not hold any intangible assets, hence reporting under this clause is not applicable.
- (b) As explained to us, Property, Plant and Equipment have been physically verified by the management in a phased manner over period of two years, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification as compared with the available records.
- (c) Based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties of land and buildings (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in (property, plant and equipment, capital work in progress, assets held for sale), are held in the name of the Company as at the balance sheet date, except in the case of immovable property of the Company as listed below whose title deeds was under dispute:

| Description of the property | Gross value as at 31 st March, 2024 (₹ in Crores) | Net value as at 31 st March, 2024 (₹ in Crores) | Held in the name of | Whether promoter, director or their relative or employee | Period held | Remarks |
|------------------------------------|--|--|--|--|---------------------------------|--|
| Building admeasuring 1,085 sq. mtr | 0.038 | NIL | National Education & Information Films Limited (NEIFL) | NO | From 18 th June 1977 | The title of building was disputed with NEIFL. However, the dispute has been settled by the Hon'ble Bombay City Civil court In the favour of Styrenix on 17 January 2019. The change of title is in process. |

- (d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) during the year. The Company does not have any intangible assets.
- (e) According to the information and explanation given to us, no proceedings have been initiated during the year or are pending against the Company as at 31 March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories except for goods-in-transit and stocks held with third parties, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories performed as applicable, when compared with the books of account.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock statements, book debt statements, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters.

(iii) The Company has not made any investments in, provided any guarantee or security, to companies, firms, Limited Liability Partnerships or any other parties during the year. However, the Company granted loans unsecured to its employees.

a) The Company has provided loans during the year, and details of which are given below:

| Particulars | Loans amount (₹ in crores) |
|--|----------------------------|
| Aggregate amount granted / provided during the year to employees | 0.25 |
| Balance outstanding as at balance sheet date in respect of above cases | 0.18 |

- b) All the above-mentioned loans provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.
- d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- e) No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.
- (iv) According to the information and explanations given to us, during the year, the company has not given loans, investments, guarantees and security under provision of section 185 and 186 of the Companies Act, 2013. Therefore, the requirements of clause (iv) is not applicable to the Company.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits during the year from the public or under the directives issued by Reserve Bank of India, therefore, the provisions of sections 73 to 76 of the Act and rules framed there under are not applicable to the Company.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1) of the Act, as applicable and are of the opinion that, prima facie, the prescribed accounts and records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us, in respect of statutory dues, The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income Tax, Customs Duty, Cess, Goods and Service Tax and any other statutory dues with the appropriate authorities. There were no undisputed amounts payable in respect of such statutory dues which were outstanding as at 31st March, 2024 for a period of more than six months from the date they became payable.
- (b) Details of dues of Income-tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax and Goods and service tax which have not been deposited as on 31 March, 2024 on account of disputes are given below

Styrenix Performance Materials Limited

(formerly known as INEOS Styrolution India Ltd.)

| Name of statute | Nature of Dues | Forum where Dispute is pending | Period to which the Amount relates | Sum of Amount Involved (₹ in Crores) | Sum of Amount paid (₹ in Crores) | Sum of Amount unpaid (₹ in Crores) |
|---------------------------------|----------------|--|------------------------------------|--------------------------------------|----------------------------------|------------------------------------|
| Finance Act, 1994 | Service Tax | CESTAT | Aug-2008 to Jun-2016 | 9.37 | 0.36 | 9.01 |
| | Service Tax | Commissioner Central Excise (A), Surat | Mar-2014 to Jan-2015 | 0.18 | - | 0.18 |
| | Service Tax | Assistant Commissioner Of Central GST & Central Excise | FY 2014-15 & 2016-17 | 0.56 | 0.03 | 0.53 |
| Income Tax Act, 1961 | Income Tax | Additional / Joint / Deputy / Assistant Commissioner of Income Tax | FY 2017-18 | 0.25 | - | 0.25 |
| | Income Tax | Commissioner of Income Tax (Appeals) | FY 2009-10 to 2016-17 & 2019-20 | 42.31 | 10.67 | 31.65 |
| | Income Tax | The Assistant commissioner, TDS Circle | FY 2012-13 | 6.97 | 0.70 | 6.28 |
| The Central Sales Tax Act, 1956 | Sales Tax | Appellate Tribunal Commercial Tax, Ahmedabad | FY 2013-14 | 0.25 | - | 0.25 |
| | Sales Tax | Joint Commissioner Commercial Tax | FY 2002-03 & 2003-04 | 0.88 | 0.09 | 0.79 |
| The Customs Tariff Act, 1975 | Custom Duty | CESTAT | FY 2011-12 | 0.39 | 0.02 | 0.37 |
| Value Added Tax Act, 2005 | VAT | Commissioner of Sales Tax (Appeals) | FY 1999-00 & 2001-02 | 0.94 | 0.57 | 0.37 |
| Good and Services Tax Act, 2017 | GST | Additional Commissioner, GST | FY 2017-18 | 0.98 | - | 0.98 |

- (viii) According to the information and explanations given to us, no unrecorded transactions in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no unutilized term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

-
- (e) The Company does not have any subsidiary, associate or joint venture and hence provisions of clause (ix)(e) of paragraph 3 of the Order are not applicable to the Company.
 - (f) The Company does not have any subsidiary, associate or joint venture and hence provisions of clause (ix)(f) of the Order are not applicable to the Company.
 - (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
 - (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
 - (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
 - (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
 - (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year and up to the date of this report.
 - (xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.
 - (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
 - (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
 - (b) We have considered, the internal audit reports issued to the Company during the year and covering the period up to December 2023 and the draft internal audit reports were issued after the balance sheet date covering the period up to March 2024.
 - (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them, hence requirement to report on clause 3(xv) of the Order is not applicable.
 - (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi) of the Order is not applicable.
 - (xvii) The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
 - (xviii) There has been resignation of the statutory auditors during the year and there were no issues, objections or concerns raised by the outgoing auditors.

Styrenix Performance Materials Limited

(formerly known as INEOS Styrolution India Ltd.)

- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Act.
- (xxi) The company is not required to prepare consolidated financial statement. Hence reporting under this clause is not applicable.

For Talati & Talati LLP
Chartered Accountants
(FRN: 110758W/W100377)

CA. Manish A. Baxi
Partner

M. No.: 045011

UDIN: 24045011BJZXVK4936

Place: Vadodara
Date: 06/05/2024

**AUDITED FINANCIAL
STATEMENTS FOR FINANCIAL
YEAR 2023-2024**

Styrenix Performance Materials Limited

(formerly known as INEOS Styrolution India Ltd.)

BALANCE SHEET

As at March 31, 2024

| | | | | ₹ in Crores | |
|---|----------|-------------------------|-------------------------|-------------|--|
| Particulars | Note No. | As at March 31, 2024 | As at March 31, 2023 | | |
| A ASSETS | | | | | |
| 1 Non-current assets | | | | | |
| (a) Property, plant and equipment | 2 (A) | 282.24 | 290.28 | | |
| (b) Right-of-use Assets | 2 (B) | 13.05 | 19.14 | | |
| (c) Capital work-in-progress | 2 (A) | 28.09 | 11.88 | | |
| (d) Financial assets | | | | | |
| (i) Investments | 3 | 1.74 | 1.03 | | |
| (ii) Loans | 4 | 0.06 | 0.03 | | |
| (iii) Other financial assets | 5 | 2.14 | 3.53 | | |
| (e) Non-current tax assets | | 1.51 | 1.70 | | |
| (f) Other non-current assets | 6 | 14.40 | 13.07 | | |
| Total non-current assets | | 343.21 | 340.66 | | |
| 2 Current assets | | | | | |
| (a) Inventories | 7 | 268.66 | 345.55 | | |
| (b) Financial assets | | | | | |
| (i) Trade receivables | 8 | 296.87 | 318.69 | | |
| (ii) Investment in mutual funds | 9 | 56.12 | - | | |
| (iii) Cash and cash equivalents | 10 | 54.48 | 102.78 | | |
| (iv) Bank balance other than (ii) above | 11 | 2.13 | 142.41 | | |
| (v) Loans | 12 | 0.15 | 0.30 | | |
| (vi) Other financial assets | 13 | 0.71 | 0.29 | | |
| (c) Other current assets | 14 | 15.29 | 11.70 | | |
| (d) Asset classified as held for Sale | 15 | 0.24 | 0.40 | | |
| Total current assets | | 694.64 | 922.12 | | |
| TOTAL ASSETS | | 1,037.85 | 1,262.77 | | |
| B EQUITY AND LIABILITIES | | | | | |
| Equity | | | | | |
| (a) Equity share capital | 16 | 17.59 | 17.59 | | |
| (b) Other equity | 17 | 705.15 | 697.16 | | |
| Total Equity | | 722.73 | 714.75 | | |
| Liabilities | | | | | |
| 1 Non Current Liabilities | | | | | |
| (a) Financial liabilities | | | | | |
| (i) Borrowings | 20 | 9.72 | 9.62 | | |
| (ii) Lease liabilities | 2 (B) | 8.42 | 17.29 | | |
| (iii) Other financial liabilities | 18 | - | - | | |
| (b) Provisions | 19 | 29.22 | 28.18 | | |
| (c) Deferred tax liabilities (net) | 26 | 11.23 | 12.70 | | |
| Total non-current liabilities | | 58.58 | 67.79 | | |

| ₹ in Crores | | | |
|---|----------|-------------------------|-------------------------|
| Particulars | Note No. | As at March 31, 2024 | As at March 31, 2023 |
| 2 Current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 20 | 0.19 | 0.19 |
| (ii) Lease liabilities | 2 (B) | 9.01 | 7.98 |
| (iii) Trade payables | 21 | | |
| (a) Total outstanding dues of micro and small enterprises | | 17.14 | 6.12 |
| (b) Total outstanding dues of creditors other than (iii)(a) above | | 210.38 | 304.29 |
| (iv) Other financial liabilities | 22 | 10.68 | 147.11 |
| (b) Contract liabilities | 23 | 0.49 | 0.29 |
| (c) Provisions | 24 | 1.19 | 0.71 |
| (d) Other current liabilities | 25 | 7.46 | 13.53 |
| Total current liabilities | | 256.54 | 480.23 |
| Total liabilities | | 315.12 | 548.02 |
| TOTAL EQUITY AND LIABILITIES | | 1,037.85 | 1,262.77 |

The above balance sheet should be read in conjunction with the accompanying notes.
As per our attached report of even date.

For Talati & Talati LLP
Chartered Accountants
FRN 110758W / W100377

For and on behalf of the Board of Directors of
Styrenix Performance Materials Limited
(formerly known as INEOS Styrolution India Limited)

Manish Baxi
Partner
Membership No. 045011

Rakesh S Agrawal
Chairman
DIN : 00057955

Rahul R Agrawal
Managing Director
DIN : 01226996

Bhupesh P. Porwal
CFO

Chintan Doshi
Company Secretary

Place : Vadodara
Date : May 6, 2024

Place : Vadodara
Date : May 6, 2024

Styrenix Performance Materials Limited

(formerly known as INEOS Styrolution India Ltd.)

STATEMENT OF PROFIT AND LOSS

For the year ended March 31, 2024

| ₹ in Crores | | | |
|--|---------------|--------------------------------------|--------------------------------------|
| Particulars | Note No. | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
| I. Revenue from operations | 27 | 2,222.17 | 2,372.27 |
| II. Other income | 28 | 9.26 | 15.10 |
| III. Total income (I+II) | | 2,231.43 | 2,387.37 |
| IV. Expenses | | | |
| Cost of materials consumed | 29 | 1,666.53 | 1,784.98 |
| Changes in inventories of finished goods and work-in-progress | 30 | (4.28) | (8.61) |
| Employee benefits expense | 31 | 67.20 | 72.23 |
| Other expenses | 33 | 229.19 | 248.46 |
| Total expenses (IV) | | 1,958.62 | 2,097.06 |
| V. Profit before Depreciation, Interest and Tax expense (III-IV) | | 272.80 | 290.31 |
| Finance costs | 32 | 2.76 | 5.33 |
| VI. Profit before Depreciation and Tax expense | | 270.04 | 284.98 |
| Depreciation and amortisation expense | 2 (A) & 2 (B) | 36.78 | 38.02 |
| VII. Profit before tax | | 233.26 | 246.96 |
| VIII. Tax expense: | 26 | | |
| Current tax | | 61.60 | 65.27 |
| Deferred tax charge / (credit) | | (1.51) | (1.32) |
| Total tax expense (VIII) | | 60.09 | 63.95 |
| IX. Profit for the year (VII - VIII) | | 173.17 | 183.01 |
| X. Other comprehensive income Items that will not be reclassified to profit or loss | | | |
| Remeasurements of defined benefit plans | 40 | 0.16 | 0.85 |
| Income tax relating to remeasurements of defined benefit plans | | (0.04) | (0.21) |
| Total other comprehensive income, net of tax | | 0.12 | 0.64 |
| XI. Total comprehensive income for the year (IX + X) | | 173.29 | 183.65 |
| XII. Earnings per equity share (Face Value INR 10 each) | 34 | | |
| Basic (INR) | | 98.47 | 104.07 |
| Diluted (INR) | | 98.47 | 104.07 |

The above statement of profit and loss should be read in conjunction with the accompanying notes.

As per our attached report of even date.

For Talati & Talati LLP
Chartered Accountants
FRN 110758W / W100377

For and on behalf of the Board of Directors of
Styrenix Performance Materials Limited
(formerly known as INEOS Styrolution India Limited)

Manish Baxi
Partner
Membership No. 045011

Rakesh S Agrawal
Chairman
DIN : 00057955

Rahul R Agrawal
Managing Director
DIN : 01226996

Bhupesh P. Porwal
CFO

Chintan Doshi
Company Secretary

Place : Vadodara
Date : May 6, 2024

Place : Vadodara
Date : May 6, 2024

STATEMENT OF CASH FLOWS

For the year ended March 31, 2024

| Particulars | ₹ in Crores | |
|---|--------------------------------------|--------------------------------------|
| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
| A Cash flow from operating activities : | | |
| Profit before tax | 233.26 | 246.97 |
| Adjustments for : | | |
| Depreciation and amortisation expense | 36.78 | 38.02 |
| Interest Income on deposits and dividend | (5.17) | (5.59) |
| Gain on termination of lease contract | - | (0.50) |
| (Gain)/Loss on fair valuation of investment | (1.00) | 0.26 |
| Finance costs | 2.76 | 5.33 |
| Net exchange differences | (0.90) | (0.13) |
| (Gain)/Loss on sale of investment | (0.76) | (0.00) |
| (Profit)/Loss on property, plant and equipment sold/discarded (net) | (0.56) | (4.21) |
| Write off/(Write back) of Inventory (including provisions) | 0.39 | 1.10 |
| Proceeds from Insurance Claim | - | (1.55) |
| Provision/Credit balances no longer required written back | (0.21) | (0.08) |
| Allowance for doubtful debts (net) | - | (0.25) |
| Bad debts write off/(Write back) | (0.09) | 0.01 |
| | 31.23 | 32.42 |
| Operating profit before change in operating assets and liabilities | 264.49 | 279.38 |
| Adjustments for : | | |
| (Increase)/decrease in inventories | 76.50 | (5.28) |
| (Increase)/decrease in trade receivables | 22.11 | (11.91) |
| (Increase)/decrease in loans | 0.13 | (0.07) |
| (Increase)/decrease in other financial assets | 1.48 | (0.32) |
| (Increase)/decrease in other non-current assets | 0.94 | 2.47 |
| (Increase)/decrease in other current assets | (3.59) | 19.27 |
| Increase/(decrease) in trade payables | (83.50) | 73.31 |
| Increase/(decrease) in other financial liabilities | 3.49 | (17.46) |
| Increase/(decrease) in contract liabilities | 0.20 | (0.37) |
| Increase/(decrease) in provisions | 1.68 | 5.53 |
| Increase/(decrease) in other current liabilities | (6.23) | (8.60) |
| | 13.20 | 56.57 |
| Cash generated/(used in) from operations | 277.69 | 335.96 |
| Taxes paid (net of refund) | (61.42) | (65.87) |
| Net cash inflow/(outflow) from operating activities | 216.27 | 270.10 |
| B Cash flow from investing activities : | | |
| Payments for property, plant and equipment & CWIP | (38.64) | (17.61) |
| Proceeds from disposal of property, plant and equipment | 0.24 | 5.75 |
| (Investment in)/proceeds of Bank balances not held as cash and cash equivalents | 0.34 | (129.32) |
| (Investment in)/proceeds of Mutual Funds | (55.06) | - |
| Interest Income on deposits | 5.16 | 5.59 |
| Net cash outflow from investing activities | (87.95) | (135.58) |

Styrenix Performance Materials Limited

(formerly known as INEOS Styrolution India Ltd.)

STATEMENT OF CASH FLOWS

For the year ended March 31, 2024

| Particulars | ₹ in Crores | |
|---|--------------------------------------|--------------------------------------|
| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
| C Cash flow from financing activities : | | |
| Proceeds/(repayment) of current borrowings | - | - |
| Principal elements of lease payments | (9.08) | (7.83) |
| Proceeds/(repayment) of non current borrowings | (0.00) | - |
| Interest paid | (2.65) | (5.11) |
| Dividend on equity shares (including payment from unclaimed dividend account) | (164.90) | (184.87) |
| Net cash (outflow) / inflow from financing activities | (176.62) | (197.81) |
| Net increase/(decrease) in cash and cash equivalents | (48.30) | (63.30) |
| Cash and cash equivalents at the beginning of the year | 102.78 | 166.08 |
| Cash and cash equivalents at end of the year | 54.48 | 102.78 |

Notes :

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the IND AS - 7 on Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015.
- Cash flow from operating activities includes INR 7.10 Crore (March 31, 2023: INR 5.35 Crore) being expenditure towards Corporate Social Responsibility (Refer Note 33(2)).
- Movements in Financing Activity

| Particulars | ₹ in Crores | | |
|---|----------------------------|-----------------------|----------------------|
| | Non-current Borrowings* | Current Borrowings | Lease Obligations |
| Closing Balance as at March 31, 2022 | (9.72) | - | (42.56) |
| Cash flows | - | - | 7.83 |
| (Addition)/Deletion to leases liability (net) | - | - | 9.45 |
| Interest expense | (0.86) | - | (4.11) |
| Interest paid | 0.77 | - | 4.11 |
| Closing Balance as at March 31, 2023 | (9.81) | - | (25.27) |
| Cash flows | 0.00 | - | 9.08 |
| (Addition)/Deletion to leases liability (net) | - | - | (1.23) |
| Interest expense | (0.87) | - | (1.88) |
| Interest paid | 0.77 | - | 1.88 |
| Closing Balance as at March 31, 2024 | (9.91) | - | (17.43) |

* includes interest and current portion of External Commercial Borrowing from INEOS Styrolution Group GmbH

The above statement of cash flows should be read in conjunction with the accompanying notes.

As per our attached report of even date.

For Talati & Talati LLP
Chartered Accountants
FRN 110758W / W100377

For and on behalf of the Board of Directors of
Styrenix Performance Materials Limited
(formerly known as INEOS Styrolution India Limited)

Manish Baxi
Partner
Membership No. 045011

Rakesh S Agrawal
Chairman
DIN : 00057955

Rahul R Agrawal
Managing Director
DIN : 01226996

Bhupesh P. Porwal
CFO

Chintan Doshi
Company Secretary

Place : Vadodara
Date : May 6, 2024

Place : Vadodara
Date : May 6, 2024

STATEMENT OF CHANGES IN EQUITY

For the year ended March 31, 2024

(a) Equity share capital

₹ in Crores

| Particulars | Note No. | Amount |
|---|----------|--------|
| As at March 31, 2022 | | 17.59 |
| Changes in Equity share capital during the year | 16 | - |
| As at March 31, 2023 | | 17.59 |
| Changes in Equity share capital during the year | 16 | - |
| As at March 31, 2024 | | 17.59 |

(b) Other equity

₹ in Crores

| Particulars | Note No. | Reserves and surplus | | | | | Total |
|--|----------|----------------------|--------------------|------------------------------|-----------------|-------------------|---------------|
| | | Capital reserve | Securities premium | Surplus on capital reduction | General reserve | Retained earnings | |
| Balance at March 31, 2022 | | 0.00 | 43.28 | 1.34 | 51.56 | 742.66 | 838.85 |
| Profit for the year | 17 | - | - | - | - | 183.01 | 183.01 |
| Remeasurements of post-employment benefit obligation, net of tax | - | - | - | - | - | 0.64 | 0.64 |
| Total comprehensive income for the year | | - | - | - | - | 183.65 | 183.65 |
| Transaction with owners in their capacity as owners: | | | | | | | |
| 2 nd Interim dividend for FY 2021-22 at INR 105 per equity [@ 1050%] share declared on May 26, 2022* | 17 | - | - | - | - | (184.65) | (184.65) |
| Interim dividend for FY 2022-23 at INR 80 per equity share [@ 800%] declared on Mar 16, 2023 ** | - | - | - | - | - | (140.69) | (140.69) |
| Balance at March 31, 2023 | | 0.00 | 43.28 | 1.34 | 51.56 | 600.97 | 697.16 |
| Profit for the year | - | - | - | - | - | 173.17 | 173.17 |
| Remeasurements of post-employment benefit obligation, net of tax | - | - | - | - | - | 0.12 | 0.12 |
| Total comprehensive income for the year | | - | - | - | - | 173.29 | 173.29 |
| Final dividend for FY 2022-23 at INR 24 per equity share [@ 240%] declared on May 26, 2023 and approved in annual general meeting held on Aug 10, 2023 | 17 | - | - | - | - | (42.21) | (42.21) |
| 1 st Interim dividend for FY 2023-24 at INR 22 per equity share [@ 220%] declared on Oct 20, 2023 | - | - | - | - | - | (38.68) | (38.68) |
| 2 nd Interim dividend for FY 2023-24 at INR 48 per equity share [@ 480%] declared on Feb 3, 2024 | - | - | - | - | - | (84.41) | (84.41) |
| Balance at March 31, 2024 | | 0.00 | 43.28 | 1.34 | 51.56 | 608.96 | 705.15 |

Capital reserve (INR 0.14 Lacs) is on account of profit on re-issue of forfeited Shares in the earlier years.

The above statement of changes in equity should be read in conjunction with the accompanying notes.

As per our attached report of even date.

For Talati & Talati LLP
Chartered Accountants
FRN 110758W / W100377

Manish Baxi
Partner
Membership No. 045011

For and on behalf of the Board of Directors of
Styrenix Performance Materials Limited
(formerly known as INEOS Styrolution India Limited)

Rakesh S Agrawal
Chairman
DIN : 00057955

Bhupesh P. Porwal
CFO

Rahul R Agrawal
Managing Director
DIN : 01226996

Chintan Doshi
Company Secretary

Place : Vadodara
Date : May 6, 2024

Place : Vadodara
Date : May 6, 2024

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2024

Background

Styrenix Performance Materials Limited (formerly known as INEOS Styrolution India Limited) (the 'Company') is a public limited Company domiciled in India and is listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The Company is engaged in manufacture, trading and sale of "Engineering Thermoplastics". The Company has manufacturing facilities at Nandesari, Moxi, Katol and Dahej and Research and Development centre at Moxi in Gujarat.

Note 1 : Material accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

(i) Compliance with Ind AS:

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

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

The accounting policies adopted in the preparation of the financial statements are consistent with those of the previous year.

The material accounting policy information related to preparation of the financial statements have been discussed in the respective notes.

(ii) Historical cost convention:

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value (refer note 35);
- assets held for sale - measured at lower of its carrying amount and fair value less costs to sell
- defined benefit plans - plan assets measured at fair value (refer note 40).

(b) Segment Reporting

Hitherto up to the previous year, the Company had identified two business segments namely Polystyrene and Specialties whose separate operating results were regularly reviewed by the entity's chief operating decision maker (CODM) to make decisions about resources to be allocated to the segment and assess its performance. From the financial year 2023-24 pursuant to internal restructuring, the CODM reviews the business as whole since the products of the company are all engineering polymers and do not result into identification of different ways / sources into which the CODM sees the performance of the Company. Accordingly, from the financial year FY2023-24, the Company has a single reportable segment namely "Engineering Polymers". Hence, the disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 in terms of Ind AS 108 "Operating Segments" are not applicable. Refer Note 27.

(c) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements of the Company are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in Statement of profit and loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of profit and loss on a net basis within other income or other expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

(d) Revenue recognition

(i) Sale of goods

The Company is engaged in manufacturing, trading and sale of 'Engineering Thermoplastics'. Sales are recognized when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

Revenue from these sales is recognized based on the price agreed with the customer, net of the estimated discounts based on discount agreements. Revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur. No element of financing is deemed present as the sales are made with a credit term of 30-45 days, which is consistent with market practice.

Sale of goods does not involve warranty obligation or right to return.

A receivable is recognized when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(ii) Financing components

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

(iii) Commission Income

Commission income is recognized when the terms of the contract are fulfilled.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended March 31, 2024

(iv) Rendering of services

Income from services rendered is recognized based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations.

(e) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

(f) Leases

As a lessee:

Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the company. Contracts may contain both lease and non-lease components. As a general rule, the Company separates non-lease components, such as services, from lease payments except where it is not practical to determine non-lease components.

Assets and liabilities arising from a lease are initially measured on present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in substances fixed payments), less any lease incentive receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- payments of penalties for terminating the lease, if the lease term reflects the company exercising that option

Lease payments to be made under reasonably certain extension option are also included in the measurement of the liability. The lease payments are discounted using the lessee's incremental borrowing rate, being the rate that lessee would have to pay to borrow the fund necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar term, security and conditions.

The Company is exposed to potential future increases in variable lease payments based on index or rate, which are not included in the lease liability until they take effect. When adjustment to lease payments based on index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. Finance cost is charged to profit or loss over the lease period so as to produce a constant periodical rate of interest on the remaining balance of the liability for each period.

Variable lease payments other than those based on index or rate are recognized in profit or loss in the period in which the condition that triggers those payments occurs.

Right-of-use assets are measured at cost comprising the following:

- the amount of initial measurement of lease liability,
- any lease payments made at or before the commencement date less any lease incentives received,
- any initial direct costs, and
- restoration costs

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight line basis.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognized on a straight-line basis in the Statement of profit and loss. Short term leases are leases with a lease term of 12 months or less. Low value asset comprise IT equipment and Office Equipment.

As a lessor:

The Company does not have any lease arrangements where the entity is a lessor.

(g) Impairment of assets

The carrying amounts of assets are reviewed at each balance sheet date for any indication of impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(h) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(i) Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost, less provision for impairment.

(j) Inventories

Raw materials, packing materials, stores and spares, work in progress, traded and finished goods are stated at the lower of cost and net realizable value. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended March 31, 2024

Costs are assigned to individual items of inventory on the basis of weighted average cost basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(k) Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss and
- those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income as the case may be. For investments in equity instruments and mutual funds, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through Statement of profit and loss.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of acquisition of financial assets carried at fair value through profit and loss are expensed in the Statement of profit and loss.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured subsequently at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method.

Equity instruments and investment in mutual funds: The Company subsequently measures all investments at fair value through Statement of Profit and Loss. Dividends and Gain or loss from such investments are recognized in profit or loss as other income when the Company's right to receive payments is established.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortized cost. The impairment methodology applied depends on whether there has been an increase in credit risk (Refer note 36).

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognized only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the group retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income

Interest income on financial assets at amortized cost is calculated using the effective interest method is recognized in the statement of profit and loss as part of other income. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset.

Dividends

Dividends are received from financial assets at fair value through profit or loss. Dividends are recognized as other income in profit or loss when the right to receive payment is established.

(l) Derivatives

Derivatives are taken as the hedging instrument by the Company.

For derivatives taken against underlying asset/liability or that are used to hedge forecast transactions, the Company generally designates only the change in fair value of the forward contract related to the spot component and aligned forward element on reporting date.

Gains or losses relating to the effective portion of the change in the spot component and aligned forward element of the forward contracts are recognized in Statement of profit and loss.

(m) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

(n) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods and estimated useful lives:

Depreciation is calculated using the straight-line method over useful lives of assets as follows:

| Asset Category | Estimated useful life |
|---|-----------------------|
| Lease hold land & Improvements | Lease Term |
| Building, including temporary structure (*) | 3-60 Years |
| Road (*) | 10 Years |
| Plant & Machinery (*) | 3-40 Years |
| Furniture & Fixtures (*) | 6-16Years |
| Office Equipment (*) | 3-7 Years |
| Vehicles (*) | 8-10Years |

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended March 31, 2024

(*) Based on technical evaluation, the management believes that the useful life given above best represent the period over which management expects to use these assets. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Useful life of Leasehold Improvements is considered based on lease term.

Depreciation and amortization methods and useful lives are reviewed periodically, including at each financial year end. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of profit and loss.

(o) Non-Current Assets Classified as Held for sale

Non-current Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognized for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the asset is recognized at the date of de-recognition.

Assets are not depreciated or amortized while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognized.

Assets classified as held for sale are presented separately from the other assets in the balance sheet.

(p) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid or not due for payment. The amounts are unsecured and are usually paid as per the agreed payment terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

(q) Borrowings

Borrowings are initially recognized at fair value and are subsequently measured at amortized cost. In case of foreign currency loan, any difference between the proceeds received and repayment amount is recognized in the Statement of profit and loss.

Borrowings are derecognized from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(r) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

(s) Provisions and contingent liabilities

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each reporting period and reflect the best current estimate. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

(t) Employee benefits

Short-term employee benefits obligations:

All employee benefits payable within twelve months of service such as salaries, wages, bonus, ex-gratia, medical benefits etc. are classified as short-term employee benefits and are recognized in the Statement of Profit and Loss as an expense and are presented as current employee benefit obligations in the Balance sheet at the undiscounted amount on an accrual basis. Short-term leave encashment is provided at undiscounted amount during the accounting period based on service rendered by employees.

Termination benefits are recognized as an expense as and when incurred.

Defined contribution plans

Contributions to defined contribution schemes such as contribution to Provident Fund, Super annuation fund, Employees' State Insurance Corporation, National Pension Scheme and Labours Welfare Fund are charged as an expense to the Statement of Profit and Loss based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

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. Remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognized in other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2024

Non-current compensated absences: The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

(u) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(v) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(w) Earnings per share

Earnings per share (EPS) is calculated by dividing the net profit or loss for the period attributable to Equity Shareholders by the weighted average number of Equity shares outstanding during the period. Earnings considered in ascertaining the EPS is the net profit for the period and any attributable tax thereto for the period (Refer Note 34).

(x) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off in Crore as per the requirement of Schedule III, unless otherwise stated.

(y) Exceptional items

When items of income or expense are of such nature, size and incidence that their disclosure is necessary to explain the performance of the Company for the year, the Company makes a disclosure of the nature and amount of such items separately under the head "Exceptional items"

(z) Measurement of PBITDA

As permitted by the Guidance Note on Division II - INDAS Schedule III to the Companies Act, 2013 the Company has opted to present Profit before interest (finance cost), tax, depreciation and amortization as a separate line item on the face of the Statement of Profit and Loss for the year. The Company measures PBITDA on the basis of profit / (loss) from continuing operations and other income. In its measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense.

Critical estimates and judgments:

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Areas involving critical estimates and judgements are:

Estimated useful life of tangible assets

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation and amortization expense in future periods. The policy has been detailed in note 1 (n).

Estimated defined benefit obligation

The Company's retirement benefit obligations are subject to number of assumptions including discount rates, inflation and salary growth. Significant assumptions are required when setting these criteria and a change in these assumptions would have a significant impact on the amount recorded in the Company's balance sheet and the statement of profit and loss. The Company sets these assumptions based on previous experience and third party actuarial advice. Further details on the Company's retirement benefit obligations, including key judgements are set out in note 1 (t) and note 40.

Impairment of financial assets

The impairment provisions for financial assets disclosed are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Further details on impairment of financial assets, including key judgements are set out in note 1 (k) (iii) and note 36 (i)

Leases

Ind AS 116 Leases requires a lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying lease to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics. Further details on Leases, including key judgements are set out in note 1 (f) and note 2 (B)

Provisions and contingent liabilities

A provision is recognized when the Company has a present obligation as result of a past event and it is probable that the outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities may arise in the ordinary course of business in relation to the claims against the Company. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgements and use of estimates regarding the outcome of future events. While ascertaining the possible outcome of contingencies, the management of the Company exercises judgements basis evaluation of the judicial pronouncements and/or legal opinions from an independent expert. Further details are set out in note 1 (s) and note 38.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Styrenix Performance Materials Limited

(formerly known as INEOS Styrolution India Ltd.)

NOTES FORMING PART OF FINANCIAL STATEMENTS

For the year ended March 31, 2024

Note - 2 (A)

Property, Plant and Equipment - As at March 31, 2024

₹ in Crores

| Particulars | Gross carrying amount | | | | Depreciation | | | | Net carrying amount |
|--------------------------|------------------------------|--------------|------------------------|------------------------------|------------------------------|---------------------|------------------------|------------------------------|------------------------------|
| | Balance as at March 31, 2023 | Additions* | Deduction/ Adjustments | Balance as at March 31, 2024 | Balance as at March 31, 2023 | Charge for the year | Deduction/ Adjustments | Balance as at March 31, 2024 | Balance as at March 31, 2024 |
| Freehold land | 8.29 | 0.10 | - | 8.39 | - | - | - | - | 8.39 |
| Building | 85.29 | 4.20 | (0.23) | 89.24 | 25.38 | 4.45 | (0.15) | 29.68 | 59.56 |
| Leasehold Improvements | 15.49 | - | (0.64) | 14.85 | 1.07 | 0.21 | (0.64) | 0.64 | 14.22 |
| Plant and machinery | 363.08 | 13.86 | (2.61) | 374.33 | 160.31 | 22.87 | (2.37) | 180.81 | 193.52 |
| Furniture and fixtures | 2.64 | 1.82 | (0.14) | 4.32 | 1.86 | 0.48 | (0.14) | 2.20 | 2.12 |
| Vehicles | 0.56 | 0.43 | - | 0.99 | 0.53 | 0.03 | - | 0.56 | 0.43 |
| Office equipments | 11.55 | 1.32 | (0.60) | 12.28 | 7.48 | 1.41 | (0.60) | 8.28 | 4.00 |
| TOTAL | 486.90 | 21.73 | (4.21) | 504.41 | 196.62 | 29.45 | (3.89) | 222.17 | 282.24 |
| Capital work in progress | 11.88 | 37.74 | (21.54) | 28.09 | - | - | - | - | 28.09 |

* Addition for the year FY 2023-24 includes asset transferred to re-use which were previous declared as asset held for sale.

Property, Plant and Equipment - As at March 31, 2023

₹ in Crores

| Particulars | Gross carrying amount | | | | Depreciation | | | | Net carrying amount |
|--------------------------|------------------------------|--------------|------------------------|------------------------------|------------------------------|---------------------|------------------------|------------------------------|------------------------------|
| | Balance as at March 31, 2022 | Additions | Deduction/ Adjustments | Balance as at March 31, 2023 | Balance as at March 31, 2022 | Charge for the year | Deduction/ Adjustments | Balance as at March 31, 2023 | Balance as at March 31, 2023 |
| Freehold land | 8.29 | - | - | 8.29 | - | - | - | - | 8.29 |
| Building | 82.68 | 2.67 | (0.06) | 85.29 | 21.18 | 4.24 | (0.03) | 25.38 | 59.90 |
| Leasehold Improvements | 15.49 | - | - | 15.49 | 0.55 | 0.51 | - | 1.07 | 14.43 |
| Plant and machinery | 355.22 | 9.18 | (1.32) | 363.08 | 138.75 | 22.79 | (1.23) | 160.31 | 202.77 |
| Furniture and fixtures | 2.77 | - | (0.13) | 2.64 | 1.61 | 0.35 | (0.11) | 1.86 | 0.79 |
| Vehicles | 0.65 | - | (0.09) | 0.56 | 0.58 | 0.04 | (0.09) | 0.53 | 0.03 |
| Office equipments | 10.72 | 1.64 | (0.80) | 11.55 | 6.66 | 1.61 | (0.80) | 7.48 | 4.08 |
| TOTAL | 475.82 | 13.49 | (2.41) | 486.90 | 169.33 | 29.55 | (2.26) | 196.62 | 290.28 |
| Capital work in progress | 7.05 | 18.32 | (13.49) | 11.88 | - | - | - | - | 11.88 |

Notes

- 1) The Company has initiated formalities to get the Immovable property at Mumbai having Gross Block INR 3.75 Lacs (Net Block : INR NIL) updated in its current name viz. Styrenix Performance Materials Limited.
- 2) Refer Note 39 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- 3) Capital work-in-progress mainly comprises of cost of engineering services, safety and sustenance projects for plant & machinery and building.

Note - 2 (A)
Property, Plant and Equipment - As at March 31, 2024

₹ in Crores

| Particulars | As at March 31, 2024 | | | | |
|---|--------------------------------|-------------|-------------|-------------|--------------|
| | Amount in CWIP for a period of | | | | |
| | < 1 Year | 1-2 Yrs. | 2-3 Yrs. | > 3 Yrs. | Total |
| Capital Work in Progress ageing schedule | | | | | |
| - Projects in progress | 26.51 | 1.32 | 0.05 | 0.21 | 28.09 |
| Total | 26.51 | 1.32 | 0.05 | 0.21 | 28.09 |
| | To be completed in | | | | |
| | < 1 Year | 1-2 Yrs. | 2-3 Yrs. | > 3 Yrs. | Total |
| CWIP completion schedule, whose completion is overdue or has exceeded its cost compared to its original plan | | | | | |
| - Projects in progress | - | - | - | - | - |
| - Safety Projects | 9.59 | 1.02 | - | - | 10.61 |
| - Sustenance Projects | | | | | |
| Total | 9.59 | 1.02 | - | - | 10.61 |

Property, Plant and Equipment - As at March 31, 2023

₹ in Crores

| Particulars | As at March 31, 2023 | | | | |
|---|--------------------------------|-------------|-------------|-------------|--------------|
| | Amount in CWIP for a period of | | | | |
| | < 1 Year | 1-2 Yrs. | 2-3 Yrs. | > 3 Yrs. | Total |
| Capital Work in Progress ageing schedule | | | | | |
| - Projects in progress | 10.73 | 0.83 | 0.12 | 0.21 | 11.88 |
| Total | 10.73 | 0.83 | 0.12 | 0.21 | 11.88 |
| | To be completed in | | | | |
| | < 1 Year | 1-2 Yrs. | 2-3 Yrs. | > 3 Yrs. | Total |
| CWIP completion schedule, whose completion is overdue or has exceeded its cost compared to its original plan | | | | | |
| - Projects in progress | | | | | |
| - Safety Projects | 1.73 | 0.71 | 0.04 | - | 2.49 |
| - Sustenance Projects | 5.05 | 2.26 | 0.84 | 0.75 | 8.90 |
| Total | 6.79 | 2.97 | 0.88 | 0.75 | 11.39 |

Styrenix Performance Materials Limited

(formerly known as INEOS Styrolution India Ltd.)

NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTINUED)

For the year ended March 31, 2024

Note - 2 (B)

This note provides information for leases where the Company is a lessee.

The Company leases various offices, warehouses, windmill lands, vehicles, employee quarters, equipment etc. Rental contracts typically ranges from 1 year to 5 years but may have extension option.

(i) Amounts recognised in balance sheet

The balance sheet shows the following amounts relating to leases:

Right of use assets - As at March 31, 2024

₹ in Crores

| Particulars | Gross carrying amount | | | | Depreciation | | | | Net carrying amount |
|---------------------|------------------------------|-------------|------------------------|------------------------------|------------------------------|---------------------|------------------------|------------------------------|------------------------------|
| | Balance as at March 31, 2023 | Additions | Deduction/ Adjustments | Balance as at March 31, 2024 | Balance as at March 31, 2023 | Charge for the year | Deduction/ Adjustments | Balance as at March 31, 2024 | Balance as at March 31, 2024 |
| Land | 2.63 | - | - | 2.63 | 0.74 | 0.03 | - | 0.78 | 1.85 |
| Building | 3.05 | 1.23 | (0.73) | 3.55 | 2.88 | 1.19 | (0.73) | 3.35 | 0.21 |
| Plant and machinery | 35.96 | - | - | 35.96 | 21.12 | 5.28 | - | 26.40 | 9.56 |
| Vehicles | 2.97 | - | - | 2.97 | 0.72 | 0.82 | - | 1.53 | 1.43 |
| TOTAL | 44.60 | 1.23 | (0.73) | 45.10 | 25.46 | 7.32 | (0.73) | 32.05 | 13.05 |

Right of use assets - As at March 31, 2023

₹ in Crores

| Particulars | Gross carrying amount | | | | Depreciation | | | | Net carrying amount |
|------------------------------------|------------------------------|-------------|------------------------|------------------------------|------------------------------|---------------------|------------------------|------------------------------|------------------------------|
| | Balance as at March 31, 2022 | Additions | Deduction/ Adjustments | Balance as at March 31, 2023 | Balance as at March 31, 2022 | Charge for the year | Deduction/ Adjustments | Balance as at March 31, 2023 | Balance as at March 31, 2023 |
| Land | 2.69 | - | (0.06) | 2.63 | 0.77 | 0.03 | (0.06) | 0.74 | 1.89 |
| Building | 8.19 | 0.13 | (5.26) | 3.05 | 4.19 | 2.38 | (3.69) | 2.88 | 0.17 |
| Plant and machinery ⁽¹⁾ | 46.45 | - | (10.49) | 35.96 | 15.84 | 5.28 | - | 21.12 | 14.84 |
| Vehicles | 2.09 | 3.00 | (2.13) | 2.97 | 2.04 | 0.78 | (2.11) | 0.72 | 2.25 |
| TOTAL | 59.42 | 3.12 | (17.94) | 44.60 | 22.85 | 8.47 | (5.86) | 25.46 | 19.14 |

1. Deduction/adjustment in ROU is due to Lease contract modification for future period in some of the lease assets.

Note - 2 (B)

(i) Amounts recognised in balance sheet

The balance sheet shows the following amounts relating to leases:

₹ in Crores

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| Lease Liabilities | | |
| Current | 9.01 | 7.98 |
| Non-Current | 8.42 | 17.29 |
| Total | 17.43 | 25.27 |
| Maturity Analysis (undiscounted) : | | |
| - Year 1 | 10.23 | 9.88 |
| - Year 2-5 | 8.65 | 18.66 |
| - Year 6 onwards | - | - |
| Total | 18.88 | 28.54 |

(ii) Amounts recognised in statement of profit and loss

The statement of profit and loss shows following amounts relating to leases:

₹ in Crores

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Amortisation of right of use assets | | |
| Land | 0.03 | 0.03 |
| Building | 1.19 | 2.38 |
| Plant and machinery | 5.28 | 5.28 |
| Vehicles | 0.82 | 0.78 |
| Total | 7.32 | 8.47 |
| Interest Expenses (included in Finance Costs) | 1.88 | 4.11 |
| Expense relating to short-term leases (included in other expenses) | 2.65 | 0.51 |
| Expense relating to leases of low value assets that are not shown above as short term leases (included in other expenses) | 0.01 | 0.04 |
| Gain on termination of lease contract (included in miscellaneous income) | - | (0.50) |
| Total | 4.53 | 4.17 |

The total cash outflow including interest for leases for the year ended March 31, 2024 was INR 13.61 Crores. (March 31, 2023 - INR 12.49 Crores)

(iii) Extension and termination options in Lease Contracts

These options are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. Extension and termination options are included in the lease term, only if the Company has the right to exercise these options and reasonably certain to exercise the right.

During the previous financial year, the Company had exercised extension and termination option in case of some leases which has resulted into a net decrease in recognized lease liabilities of INR 12.58 Crore and right-of-use assets of INR 12.08 Crore

Note - 3

Investments

₹ in Crores

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| Investments in equity shares accounted at fair value through profit and loss (fully paid-up) | | |
| Quoted | | |
| 27,790 equity shares of Supreme Petrochem Ltd. of face value INR 2 each fully paid-up | 1.74 | 1.03 |
| | 1.74 | 1.03 |
| Aggregate market value of quoted investments | 1.74 | 1.03 |
| Total | 1.74 | 1.03 |

Styrenix Performance Materials Limited

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NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTINUED)

For the year ended March 31, 2024

| Note - 4 | ₹ in Crores | |
|---|----------------------|----------------------|
| Particulars | As at March 31, 2024 | As at March 31, 2023 |
| Loans | | |
| Non-current | | |
| Loans and Advances to employees | 0.06 | 0.03 |
| Total | 0.06 | 0.03 |
| Breakup of Loans | | |
| - Considered good - secured | - | - |
| - Considered good - unsecured | 0.06 | 0.03 |
| - Which have significant increase in Credit Risk | - | - |
| - Credit - impaired | - | - |
| Total | 0.06 | 0.03 |
| Note - 5 | | |
| Other financial assets | | |
| Non-current | | |
| Security deposits for utilities and premises | 1.80 | 3.20 |
| Bank deposits* | 0.34 | 0.33 |
| Total | 2.14 | 3.53 |
| * Bank deposit held by government authorities and/or held as lien under court order. | | |
| Note - 6 | | |
| Other assets | | |
| Non-current | | |
| Deposit with government authorities | 8.91 | 9.84 |
| Deposit * | 2.50 | 2.50 |
| Capital advances | 2.99 | 0.73 |
| Total | 14.40 | 13.07 |
| * Deposit given to Kandla Port Trust under the order of Honourable High Court of Gujarat. | | |
| Note - 7 | | |
| Inventories * | | |
| Raw materials | 108.87 | 158.89 |
| Raw materials (goods-in-transit) | 4.85 | 38.04 |
| | 113.72 | 196.93 |
| Work-in-progress | 32.74 | 32.10 |
| Finished goods | 96.80 | 102.46 |
| Finished goods (goods-in-transit) | 10.78 | 1.47 |
| Stores and spares | 13.09 | 11.22 |
| Packing materials | 1.53 | 1.36 |
| Total | 268.66 | 345.55 |

* At cost and net realisable value whichever is lower.

* Refer Note 20 for inventories pledged as security for credit facility limits.

* Write-downs / (write back) of inventories amounted to INR 0.39 Crore (March 31, 2023 - INR 1.10 Crore). These were recognised as an expense during the year and included in the respective financial statement line item in the Statement of profit and loss.

Note - 8

₹ in Crores

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| Trade receivables | | |
| - Considered good - secured | - | - |
| - Considered good - unsecured | 296.87 | 318.69 |
| - Which have significant increase in Credit Risk | - | - |
| - Credit - impaired | 4.83 | 4.90 |
| | 301.70 | 323.58 |
| Less: Allowance for doubtful debts (Refer Note 36 (i)) | 4.83 | 4.90 |
| Total | 296.87 | 318.69 |
| Receivables from related parties (Refer Note 41) | 0.92 | - |
| Receivables from others | 295.95 | 318.69 |
| Total | 296.87 | 318.69 |

* Refer Note 20 for trade receivables pledged as security for credit facility limits.

₹ in Crores

| Particulars | As at March 31, 2024 | | | | | | |
|--|--|-------------------|-------------------|----------|----------|------------------|---------------|
| | Outstanding for following periods from due date of payment | | | | | | |
| | Not Due | Less than 6 Month | 6 Months - 1 Year | 1-2 Yrs. | 2-3 Yrs. | More than 3 Yrs. | Total |
| Trade receivables ageing schedule | | | | | | | |
| - Undisputed Trade receivables - considered good | 280.62 | 16.26 | - | - | - | - | 296.87 |
| - Undisputed Trade receivables - credit impaired | - | - | - | - | - | - | - |
| - Disputed Trade receivables - considered good | - | - | - | - | - | - | - |
| - Disputed Trade receivables - credit impaired | - | - | - | - | - | 4.83 | 4.83 |
| Total | 280.62 | 16.26 | - | - | - | 4.83 | 301.70 |

| Particulars | As at March 31, 2023 | | | | | | |
|--|--|-------------------|-------------------|----------|----------|------------------|---------------|
| | Outstanding for following periods from due date of payment | | | | | | |
| | Not Due | Less than 6 Month | 6 Months - 1 Year | 1-2 Yrs. | 2-3 Yrs. | More than 3 Yrs. | Total |
| Trade receivables ageing schedule | | | | | | | |
| - Undisputed Trade receivables - considered good | 301.04 | 17.64 | - | - | - | - | 318.68 |
| - Undisputed Trade receivables - credit impaired | - | - | - | - | - | - | - |
| - Disputed Trade receivables - considered good | - | - | - | - | - | - | - |
| - Disputed Trade receivables - credit impaired | - | - | - | - | - | 4.90 | 4.90 |
| Total | 301.04 | 17.64 | - | - | - | 4.90 | 323.58 |

Styrenix Performance Materials Limited

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NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTINUED)

For the year ended March 31, 2024

Note - 9

₹ in Crores

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|-----------------------------------|----------------------|----------------------|
| Investment in mutual funds | | |
| Investment in mutual funds | 56.12 | - |
| Total | 56.12 | - |

₹ in Crores

Quoted (at FVTPL)

| Investment in mutual Funds | Face Value INR/Unit | No. of Units | Current Value |
|--|---------------------|--------------|---------------|
| Nippon India Arbitrage Fund - Direct growth Plan option | 10.00 | 4,28,166 | 11.20 |
| Nippon India Liquid fund - Growth Option | 10.00 | 76,016 | 44.92 |
| Total | | | 56.12 |

Note - 10

₹ in Crores

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| Cash and cash equivalents | | |
| Balances with bank | | |
| In current accounts | 11.65 | 6.70 |
| Deposits with original maturity of less than three months | 42.83 | 96.08 |
| Cash on hand | - | - |
| Total | 54.48 | 102.78 |

Note - 11

Bank balances other than Cash and cash equivalents above Earmarked balances with banks

| | | |
|---|-------------|---------------|
| Deposits with maturity of more than three month but less than twelve months | - | - |
| Balance in interim dividend payable account [Refer Note 17] | - | 140.68 |
| Balance In unclaimed dividend account | 2.13 | 1.73 |
| Total | 2.13 | 142.41 |

Note - 12

Loans

Current

| | | |
|---------------------------------|-------------|-------------|
| Loans and Advances to employees | 0.15 | 0.30 |
| Security deposits for utilities | - | - |
| Total | 0.15 | 0.30 |

Breakup of Loans

| | | |
|--|-------------|-------------|
| - Considered good - secured | - | - |
| - Considered good - unsecured | 0.15 | 0.30 |
| - Which have significant increase in Credit Risk | - | - |
| - Credit - impaired | - | - |
| Total | 0.15 | 0.30 |

Note - 13

₹ in Crores

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|--|----------------------|-------------|----------------------|-------------|
| | No. of shares | Amount | No. of shares | Amount |
| Other financial assets | | | | |
| Current | | | | |
| Other financial assets | | 0.21 | | 0.29 |
| Derivative - Foreign Exchange Forward Contracts | | 0.50 | | - |
| Total | | 0.71 | | 0.29 |
| Receivables from related parties (Refer Note 41) | | 0.21 | | 0.29 |
| Receivables from others | | 0.50 | | - |
| Total | | 0.71 | | 0.29 |

Note - 14
Other assets
Current

| | | | | |
|---|--|--------------|--|--------------|
| Balance with government authorities | | 7.05 | | 6.81 |
| Advances for supply of goods & services | | 2.92 | | 0.98 |
| Advances to employees | | - | | 0.00 |
| Prepaid expenses | | 3.18 | | 3.54 |
| Other Receivables | | 2.14 | | 0.37 |
| Total | | 15.29 | | 11.70 |

Note - 15
Asset classified as held for Sale
Current

| | | | | |
|------------------------------------|--|-------------|--|-------------|
| Asset classified as held for Sale* | | 0.24 | | 0.40 |
| Total | | 0.24 | | 0.40 |

* During the year ended March 31, 2024, the Company had decided to discard certain plant and machinery assets which has reached its end of useful life. The Company has identified buyers for majority of the assets and is actively looking for prospective buyers for the remaining assets and the intention is to complete the sale within one year.

Note - 16
Equity share capital

₹ in Crores

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|--|----------------------|--------------|----------------------|--------------|
| | No. of shares | Amount | No. of shares | Amount |
| Authorised share capital | | | | |
| Equity shares of INR 10 each | 5,00,00,000 | 50.00 | 5,00,00,000 | 50.00 |
| Issued and subscribed share capital | | | | |
| Fully paid equity shares of INR 10 each | 1,75,85,625 | 17.59 | 1,75,85,625 | 17.59 |
| Total share capital | | 17.59 | | 17.59 |

NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTINUED)

For the year ended March 31, 2024

The Reconciliation of number of shares outstanding at the beginning and at the end of the year

₹ in Crores

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|----------------------|--------------|----------------------|--------------|
| | No. of shares | Amount | No. of shares | Amount |
| Balance at the beginning of the reporting year | 1,75,85,625 | 17.59 | 1,75,85,625 | 17.59 |
| Changes in equity share capital during the year | - | - | - | - |
| Balance at the end of the reporting year | 1,75,85,625 | 17.59 | 1,75,85,625 | 17.59 |

a) Equity shares held by holding company

| Name of shareholder | Relationship | As at March 31, 2024 | As at March 31, 2023 |
|---|-----------------|----------------------|----------------------|
| Shiva Performance Materials Private Limited | Holding company | 1,10,31,158 | 1,10,31,158 |

**b) Rights, preferences and restrictions attached to shares
Equity Shares**

The Company has one class of equity share having a par value of INR 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

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|----------------------|------------|----------------------|------------|
| | No. of shares | Percentage | No. of shares | Percentage |
| Shiva Performance Materials Private Limited | 1,10,31,158 | 62.73% | 1,10,31,158 | 62.73% |

d) Disclosure of Shareholding of Promoters

| Shares held by Promoters at the end of the year | As at March 31, 2024 | | As at March 31, 2023 | | % Change during the year |
|---|----------------------|------------|----------------------|------------|--------------------------|
| | No. of shares | Percentage | No. of shares | Percentage | |
| Shiva Performance Materials Private Limited | 1,10,31,158 | 62.73% | 1,10,31,158 | 62.73% | No Change |

e) Information on equity shares allotted without receipt of cash or allotted as bonus shares or shares bought back during five years immediately preceding March 31, 2024.

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

Note - 17
Other equity

₹ in Crores

| Particulars | Reserves and surplus | | | | | Total |
|--|----------------------|--------------------|------------------------------|-----------------|-------------------|---------------|
| | Capital reserve | Securities premium | Surplus on capital reduction | General reserve | Retained earnings | |
| Balance at March 31, 2022 | 0.00 | 43.28 | 1.34 | 51.56 | 742.66 | 838.85 |
| Profit for the year | - | - | - | - | 183.01 | 183.01 |
| Other comprehensive income for the year | | | | | | |
| Items of OCI recognised directly in retained earnings | | | | | | |
| Remeasurements of post-employment benefit obligation, net of tax | - | - | - | - | 0.64 | 0.64 |
| Total comprehensive income for the year | - | - | - | - | 183.65 | 183.65 |
| Transaction with owners in their capacity as owners: | | | | | | |
| 2 nd Interim dividend for FY 2021-22 at INR 105 per equity [@ 1050%] share declared on May 26, 2022 * | - | - | - | - | (184.65) | (184.65) |
| Interim dividend for FY 2022-23 at INR 80 per equity share [@ 800%] declared on Mar 16, 2023 ** | - | - | - | - | (140.69) | (140.69) |
| Balance at March 31, 2023 | 0.00 | 43.28 | 1.34 | 51.56 | 600.97 | 697.16 |
| Profit for the year | - | - | - | - | 173.17 | 173.17 |
| Other comprehensive income for the year | | | | | | |
| Items of OCI recognised directly in retained earnings | | | | | | |
| Remeasurements of post-employment benefit obligation, net of tax | - | - | - | - | 0.12 | 0.12 |
| Total comprehensive income for the year | - | - | - | - | 173.29 | 173.29 |
| Transaction with owners in their capacity as owners: | | | | | | |
| Final dividend for FY 2022-23 at INR 24 per equity share [@ 240%] declared on May 26, 2023 and approved in annual general meeting held on Aug 10, 2023 | - | - | - | - | (42.21) | (42.21) |
| 1 st Interim dividend for FY 2023-24 at INR 22 per equity share [@ 220%] declared on Oct 20, 2023 | - | - | - | - | (38.68) | (38.68) |
| 2 nd Interim dividend for FY 2023-24 at INR 48 per equity share [@ 480%] declared on Feb 3, 2024 | - | - | - | - | (84.41) | (84.41) |
| Balance at March 31, 2024 | 0.00 | 43.28 | 1.34 | 51.56 | 608.96 | 705.15 |

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NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTINUED)

For the year ended March 31, 2024

Nature and purpose of reserves

Capital reserve

Capital reserve (INR 0.14 Lacs) is on account of profit on re-issue of forfeited Shares in the earlier years.

Securities premium

Securities premium represents the premium on issue of shares. The reserve is available for utilisation in accordance with the provisions of the Act.

Surplus on capital reduction

Surplus on capital reduction is created as per order no. O/14505/2004 dated June 24, 2004 passed by the Honourable High Court of Gujarat in Company Petition No. 60 of 2004.

General reserve

General reserve represents amounts appropriated out of retained earnings in accordance with the provisions of the Act.

Note - 18

₹ in Crores

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|------------------------------------|----------------------|----------------------|
| Other financial liabilities | | |
| Non-current | | |
| Employee related liabilities | - | - |
| Total | - | - |

Note - 19

Provisions

Non-current

| | | |
|---|--------------|--------------|
| Provision for contingencies (Refer Note 38) | 25.89 | 24.55 |
| Provision for compensated absences (Refer Note 40 and 24) | 3.33 | 3.63 |
| Total | 29.22 | 28.18 |

Note - 20

Borrowings

Non-current

Unsecured

| | | |
|--|-------------|-------------|
| External Commercial Borrowing ⁽¹⁾ | 9.72 | 9.62 |
| Total Non-Current Borrowings | 9.72 | 9.62 |

Current

Unsecured

| | | |
|--|-------------|-------------|
| External Commercial Borrowing ⁽¹⁾ | 0.19 | 0.19 |
| Total | 0.19 | 0.19 |

Total

| | |
|-------------|-------------|
| 9.91 | 9.81 |
|-------------|-------------|

Notes:

- External Commercial Borrowing (ECB) loan was availed from INEOS Styrolution Group GmbH at a fixed interest rate of 7.60% which is repayable on August 31, 2026 (revised from 8.90% to 7.60% w.e.f. July 1, 2020). Effective November 17, 2022 INEOS Styrolution Group GmbH ceases to be related party due to change in ownership during the previous year.
- Credit limits amounting to INR 650.00 Crore (March 31, 2023 - INR 295.50 Crore) was availed from banks, secured by first charge on current assets and quarterly statements of net working capital filed by the Company with banks are in agreement with books of accounts. The Company had utilized INR 76.40 Crore (March 31, 2023 - INR 204.87 crore) for non-fund-based facility.
- Current borrowing includes interest accrued but not due amounting to INR 0.19 Crore (March 31, 2023 - INR 0.19 Crore).

Note - 21

₹ in Crores

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| Trade payables | | |
| (a) Total outstanding dues of micro and small enterprises | 17.14 | 6.12 |
| (b) Total outstanding dues of creditors other than (a) above | 210.38 | 304.29 |
| Total | 227.52 | 310.41 |
| Trade payables to related parties (Refer Note 41) | | |
| | 0.93 | 0.83 |
| Trade payables to others | 226.59 | 309.58 |
| Total | 227.52 | 310.41 |

Note: Details of Dues to Micro and Small Enterprises as defined under MSMED Act, 2006

| | | |
|--|-------|------|
| (a) The principal amount and interest due thereon remaining unpaid to suppliers | | |
| (i) Principal | 16.45 | 5.43 |
| (ii) Interest due thereon | - | - |
| (b) (i) Interest actually paid under Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 | - | - |
| (c) (i) Interest accrued during the year, for all the delayed payments, as per the agreed terms. | - | - |
| (ii) 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 | 0.29 |
| (ii) Total Interest accrued during the year and remaining unpaid | 0.08 | 0.29 |
| (e) Further interest remaining due and payable for earlier years | 0.61 | 0.40 |

The above information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information and confirmation provided to the Company as on March 31, 2024

₹ in Crores

| Particulars | As at March 31, 2024 | | | | | |
|---------------------------------------|--|------------------|----------|----------|------------------|---------------|
| | Outstanding for following periods from due date of payment | | | | | |
| | Not Due | Less than 1 Year | 1-2 Yrs. | 2-3 Yrs. | More than 3 Yrs. | Total |
| Trade payables ageing schedule | | | | | | |
| - Undisputed MSME | 17.14 | - | - | - | - | 17.14 |
| - Undisputed Others | 209.04 | - | - | - | - | 209.04 |
| - Disputed Dues - MSME | - | - | - | - | - | - |
| - Disputed Dues - Others | - | - | - | - | 1.34 | 1.34 |
| Total | 226.18 | - | - | - | 1.34 | 227.52 |

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NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTINUED)

For the year ended March 31, 2024

₹ in Crores

| Particulars | As at March 31, 2023 | | | | | Total |
|---|----------------------|------------------|-------------|----------|------------------|---------------|
| | Not Due | Less than 1 Year | 1-2 Yrs. | 2-3 Yrs. | More than 3 Yrs. | |
| Outstanding for following periods from due date of payment | | | | | | |
| Trade payables ageing schedule | | | | | | |
| - Undisputed MSME | 5.85 | 0.19 | - | - | - | 6.04 |
| - Undisputed Others | 302.40 | 0.51 | 0.01 | - | 0.03 | 302.95 |
| - Disputed Dues - MSME | - | - | - | - | 0.08 | 0.08 |
| - Disputed Dues - Others | - | - | - | - | 1.34 | 1.34 |
| Total | 308.25 | 0.70 | 0.01 | - | 1.45 | 310.41 |

Note - 22

₹ in Crores

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| Other financial liabilities | | |
| Current | | |
| Unclaimed dividend * | 2.13 | 1.73 |
| Employee related liabilities | 6.32 | 3.57 |
| Payables for capital goods | 2.23 | 0.87 |
| Interim dividend payable ** | - | 139.94 |
| Derivative - Foreign Exchange Forward Contracts | - | 1.01 |
| Total | 10.68 | 147.11 |

*There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.

** Interim dividend payable is net of TDS accounted under Sec 195 and 196D of Income tax act.

Note - 23

Contract liabilities

| | | |
|----------------------|-------------|-------------|
| Contract liabilities | 0.49 | 0.29 |
| Total | 0.49 | 0.29 |

Revenue recognised in relation to contract liabilities :

There were no contract liabilities in relation to which performance obligation was satisfied in prior year. Revenue recognised in the current reporting period in relation to contract liabilities existing at the beginning of the year is INR 0.29 Crore (March 31, 2023: INR 0.66 Crore).

Note - 24

Provisions

Current

| | | |
|---|-------------|-------------|
| Provision for gratuity (Refer Note 40) | 0.31 | - |
| Provision for compensated absences (Refer Note 40)* | 0.87 | 0.71 |
| Total | 1.19 | 0.71 |

*Based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. Accordingly INR 3.33 Crores (March 31, 2023: INR 3.63 Crores has been recognised as Non-current (Refer Note 19).

Note - 25

₹ in Crores

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---------------------------------------|----------------------|----------------------|
| Other liabilities | | |
| Current | | |
| Advance received for sale of property | - | 0.61 |
| Statutory dues | 7.46 | 12.92 |
| Total | 7.46 | 13.53 |

Note - 26

₹ in Crores

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Current and deferred tax | | |
| (a) Income tax expense | | |
| (i) Current tax | | |
| Current income tax charge | 61.60 | 65.27 |
| (ii) Deferred tax | | |
| Deferred tax relating to origination and reversal of temporary differences | (1.51) | (1.32) |
| Deferred tax charged / (credited) to OCI relating to remeasurements of defined benefit plans | 0.04 | 0.21 |
| Income tax expense | 60.13 | 64.17 |
| | | |
| (b) Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate of India for the year ended | | |
| Accounting profit before income tax | 233.26 | 246.97 |
| Statutory income tax rate | 25.168% | 25.168% |
| Tax at statutory income tax rate | 58.71 | 62.16 |
| Tax effects of : | | |
| Permanent disallowance | 1.83 | 1.50 |
| Others | (0.41) | 0.51 |
| | 1.42 | 2.01 |
| Income tax expense | 60.13 | 64.17 |

(c) No aggregate amounts of current and deferred tax have arisen in the reporting periods which have been recognised in equity and not in Statement of Profit and Loss or other comprehensive income.

*The Company has elected to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

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NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTINUED)

For the year ended March 31, 2024

Note - 26

Current and deferred tax

(d) Deferred tax liabilities (net)

₹ in Crores

| Particulars | As at March 31, 2024 | Charged/ (credited) to profit and loss/OCI | As at March 31, 2023 | Charged/ (credited) to profit and loss/OCI | As at March 31, 2022 |
|---|----------------------|--|----------------------|--|----------------------|
| Property, plant and equipment | 26.20 | (1.32) | 27.52 | 0.22 | 27.30 |
| Provision for doubtful debts | (1.22) | 0.01 | (1.23) | 0.06 | (1.30) |
| ECB Fair Valuation Impact | 0.07 | (0.03) | 0.10 | (0.02) | 0.12 |
| Provision for gratuity | (0.08) | (0.17) | 0.09 | 0.09 | - |
| Provision for leave encashment | (1.06) | 0.03 | (1.09) | 0.02 | (1.11) |
| Provision for contingency | (10.66) | (0.28) | (10.38) | (1.31) | (9.07) |
| Impact of Right of Use Asset and Lease Liabilities | (1.81) | 0.45 | (2.25) | (0.16) | (2.08) |
| (Decrease) / Increase in other deferred tax liabilities | (0.22) | (0.17) | (0.05) | - | (0.05) |
| Deferred tax expense/(income) | - | (1.47) | - | (1.10) | - |
| Net deferred tax (assets)/liabilities | 11.23 | - | 12.70 | - | 13.80 |

Reconciliation of deferred tax liabilities (net):

₹ in Crores

| Particulars | Amount |
|--|--------------|
| Closing Balance as of March 31, 2022 | 13.80 |
| Tax (income)/expense during the period recognised in P&L | (1.32) |
| Tax (income)/expense during the period recognised in OCI | 0.21 |
| Closing balance as on March 31, 2023 | 12.70 |
| Tax (income)/expense during the period recognised in P&L | (1.51) |
| Tax (income)/expense during the period recognised in OCI | 0.04 |
| Closing balance as on March 31, 2024 | 11.23 |

Note:

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Note - 27

₹ in Crores

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---------------------------------------|-----------------------------------|-----------------------------------|
| Revenue from Operations | | |
| Revenue from contracts with customers | | |
| - Sale of goods | 2,222.17 | 2,367.83 |
| Other operating revenue | | |
| Commission income | - | 4.44 |
| Total | 2,222.17 | 2,372.27 |

Disaggregation of revenue from contracts with customers

The Company derives revenue from transfer of goods at a point of time as follows:

Revenue from contracts with customers

- Sale of goods

₹ in Crores

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Within India | | |
| Specialties | - | 1,594.74 |
| Polystyrene | - | 772.84 |
| Outside India | | |
| Specialties | - | - |
| Polystyrene | - | 0.25 |
| Total | - | 2,367.83 |
| (Also Refer Note - 42) | | |
| Reconciliation of revenue with contract price is set out below | 2,254.72 | 2,382.70 |
| Contract price | | |
| Adjustments for: | | |
| Volume discount / cash discount / rebates" | (32.55) | (14.86) |
| Revenue from operations | 2,222.17 | 2,367.83 |

Hitherto up to the previous year, the Company had identified two business segments namely Polystyrene and Specialties whose separate operating results were regularly reviewed by the entity's chief operating decision maker (CODM) to make decisions about resources to be allocated to the segment and assess its performance. From the financial year 2023-24 pursuant to internal restructuring, the CODM reviews the business as whole since the products of the company are all engineering polymers and do not result into identification of different ways / sources into which the CODM sees the performance of the Company. Accordingly, from the financial year FY2023-24, the Company has a single reportable segment namely "Engineering Polymers". Hence, the disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 in terms of Ind AS 108 "Operating Segments" are not applicable.

Note - 28

Other Income

| | | |
|---|-------------|--------------|
| Interest income | | |
| On deposits | 4.75 | 5.38 |
| Others | 0.38 | 0.21 |
| Dividend Income | 0.03 | 0.00 |
| Gain on sale of investment | 0.76 | 0.00 |
| Gain on fair valuation of equity shares accounted at FVTPL | 1.00 | - |
| Provision / Credit balances no longer required written back | 0.21 | 0.08 |
| Profit on disposal of property, plant and equipment (net) | 0.56 | 4.21 |
| Allowance for doubtful debts (Refer Note 36) | 0.09 | 0.25 |
| Proceeds from Insurance Claim | - | 1.55 |
| Miscellaneous income | 1.47 | 3.43 |
| Total | 9.26 | 15.10 |

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NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTINUED)

For the year ended March 31, 2024

| Note - 29 | ₹ in Crores | |
|--|--------------------------------------|--------------------------------------|
| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
| Cost of materials consumed | | |
| Raw materials consumed: | | |
| Opening stock | 196.93 | 201.04 |
| Add: Purchases | 1566.76 | 1,766.16 |
| Less: Closing stock | 113.72 | 196.93 |
| | 1649.97 | 1,770.26 |
| Packing materials consumed: | | |
| Opening stock | 1.36 | 1.88 |
| Add: Purchases | 16.73 | 14.19 |
| Less: Closing stock | 1.53 | 1.36 |
| | 16.56 | 14.71 |
| Total | 1,666.53 | 1,784.97 |
| | | |
| Note - 30 | | |
| Changes in inventories of finished goods and work-in-progress | | |
| Opening Stock: | | |
| Finished goods | 103.93 | 79.26 |
| Work-in-progress | 32.10 | 48.17 |
| | 136.03 | 127.42 |
| Less: | | |
| Closing Stock: | | |
| Finished goods | 107.58 | 103.93 |
| Work-in-progress | 32.74 | 32.10 |
| | 140.32 | 136.03 |
| Total | (4.28) | (8.61) |
| | | |
| Note - 31 | | |
| Employee benefit expense | | |
| Salaries and wages | 56.55 | 61.96 |
| Contribution to provident and other funds (Refer Note 40) | 4.34 | 3.51 |
| Staff welfare expenses | 6.31 | 6.75 |
| Total | 67.20 | 72.23 |
| | | |
| Note - 32 | | |
| Finance costs | | |
| Interest expenses on borrowings | 0.87 | 0.86 |
| Interest on lease liabilities | 1.88 | 4.11 |
| Others | 0.01 | 0.35 |
| Total | 2.76 | 5.33 |

Note - 33

₹ in Crores

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Other Expenses | | |
| Power, Fuel and Water | 95.32 | 94.51 |
| Environment expenses | 3.87 | 3.39 |
| Consumption of stores and spares | 8.74 | 9.67 |
| Processing charges | 5.82 | 3.68 |
| Repair & Maintenance - Plant & Machinery and Building | 9.52 | 11.37 |
| Contractor Labour Charges | 8.85 | 6.71 |
| Freight and forwarding expenses | 52.46 | 46.17 |
| Commission | 1.67 | - |
| Advertisements and publicity | 0.18 | 0.58 |
| Corporate cost sharing expenses (Refer Note 41) | - | 10.47 |
| Rent | 12.28 | 10.96 |
| IT charges | 2.63 | 12.37 |
| Legal and professional charges | 2.34 | 2.68 |
| Royalty | 0.26 | 1.83 |
| Foreign exchange fluctuation (net) (including MTM gain / loss) | 2.56 | 8.86 |
| Insurance | 4.60 | 4.54 |
| Repair - Others | 0.76 | 0.51 |
| Rates and taxes | 2.23 | 5.97 |
| Payment to the Auditor (Refer Note 1 below) | 0.21 | 0.43 |
| Expenditure on corporate social responsibility activities (Refer Note 2 below) | 7.09 | 5.35 |
| Commission & Sitting fees to Independent Directors (Refer Note 41) | 0.60 | 0.59 |
| Bank and other financial charges | 0.79 | 0.43 |
| Travelling and conveyance expenses | 4.05 | 4.34 |
| Loss on fair valuation of equity shares accounted at FVTPL | - | 0.26 |
| Miscellaneous expenses | 2.34 | 2.80 |
| Total | 229.19 | 248.46 |
| 1 Payment to statutory auditors as: | | |
| Audit fees | 0.12 | 0.32 |
| Tax audit fees | 0.03 | 0.04 |
| Others (Limited review, certification etc.) | 0.05 | 0.07 |
| Out of pocket expenses | 0.01 | 0.00 |
| Total | 0.21 | 0.43 |

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NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTINUED)

For the year ended March 31, 2024

2 Corporate Social Responsibility

- a As per Section 135 of the Companies Act, 2013, the Company was required to spend INR 7.09 Crore (March 31, 2023: INR 5.35 Crore) towards corporate social responsibility activities in FY2023-24. The Company has spent INR 0.70 Crore during the current financial year (FY2022-23 : INR 0.60 Crore). The Company has spent/disbursed following amounts which does not include any payment towards construction/ acquisition of asset during the year:

| Particulars | ₹ in Crores | |
|---|--------------------------------------|--------------------------------------|
| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
| Art galleries, studios and infrastructure for protection of art | 6.39 | 4.90 |
| Health care, nutrition, sanitation and safe drinking water | 0.05 | 0.14 |
| Education and vocational skill development | 0.65 | 0.21 |
| Poverty alleviation, livelihood enhancement, environment and infrastructure support | - | 0.10 |
| Total | 7.09 | 5.35 |

b Disclosure:

| | | |
|--|-----------------|-----------------|
| a) Amount required to be spent by the company during the year | 7.09 | 5.35 |
| b) Amount of expenditure incurred | 0.70 | 0.60 |
| c) Shortfall at the end of the year | 6.39 | 4.75 |
| d) Total of previous year shortfall | NIL | NIL |
| e) Reason of shortfall | Ongoing Project | Ongoing Project |
| f) Nature of CSR activities | As per 2a above | As per 2a above |
| g) Details of related Party transactions* | | |
| Uttarayan Art Foundation | - | 0.15 |
| h) Where a provision is made with respect to a liability incurred by entering into contractual obligation, the movements in the provision during the year shown separately | - | - |

Details of expenditure:

| | | |
|---|-------------|-------------|
| Amount disbursed and utilized | 0.70 | 0.60 |
| Amount spent over and above disbursed amount - deposited to unspent account | - | - |
| Amount disbursed but unspent - deposited to unspent account** | 6.39 | 4.75 |
| Amount neither disbursed nor utilized - deposited to unspent account | - | - |
| Total | 7.09 | 5.35 |

*Unspent amount during the current year (INR 6.39 Crore) and previous year (INR 4.75 Crore) has been deposited to ongoing projects unspent account within stipulated timeline. The unspent amount INR 4.75 Crore pertaining to previous year has been spent during current year. The said amounts in current year and previous year is contributed to Uttarayan art foundation where key managerial personnel have significant influence.

Note - 34

₹ in Crores

| Earnings per share | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| i. Profit / (Loss) attributable to equity holders of the Company | 173.17 | 183.01 |
| ii. Weighted average number of outstanding equity shares (In numbers) | 1,75,85,625 | 1,75,85,625 |
| Basic earnings per share (In INR) | 98.47 | 104.07 |
| Diluted earnings per share (In INR) | 98.47 | 104.07 |

Note - 35
Fair value measurements
A. Accounting classification and fair values

This section mentions the classification of financial instruments and explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

As at March 31, 2024

₹ in Crores

| Particulars | Carrying amount | | | | Fair value | | | |
|------------------------------------|-----------------|----------|----------------|---------------|--|---|---|--------------|
| | FVTPL | FVTOCI | Amortised Cost | Total | Level 1 - Quoted price in active markets | Level 2 - Significant observable inputs | Level 3 - Significant unobservable inputs | Total |
| Financial assets | | | | | | | | |
| Investments in equity shares | 1.74 | - | - | 1.74 | 1.74 | - | - | 1.74 |
| Investments in mutual funds | 56.12 | - | - | 56.12 | 56.12 | - | - | 56.12 |
| Non current loans | - | - | 0.06 | 0.06 | - | - | - | - |
| Other non current financial assets | - | - | 2.13 | 2.13 | - | - | - | - |
| Trade receivables | - | - | 296.87 | 296.87 | - | - | - | - |
| Cash and cash equivalents | - | - | 54.48 | 54.48 | - | - | - | - |
| Other bank balances | - | - | 2.13 | 2.13 | - | - | - | - |
| Current loans | - | - | 0.15 | 0.15 | - | - | - | - |
| Other current financial assets | 0.50 | - | 0.21 | 0.71 | - | 0.50 | - | 0.50 |
| Total | 58.36 | - | 356.02 | 414.38 | 57.85 | 0.50 | - | 58.36 |
| Financial liabilities | | | | | | | | |
| Non Current borrowings | - | - | 9.72 | 9.72 | - | - | - | - |
| Non current lease liabilities | - | - | 8.42 | 8.42 | - | - | - | - |
| Current borrowings | - | - | 0.19 | 0.19 | - | - | - | - |
| Current lease liabilities | - | - | 9.01 | 9.01 | - | - | - | - |
| Trade payables | - | - | 227.52 | 227.52 | - | - | - | - |
| Other financial liabilities | - | - | 10.68 | 10.68 | - | - | - | - |
| Total | - | - | 265.54 | 265.54 | - | - | - | - |

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NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTINUED)

For the year ended March 31, 2024

| As at March 31, 2023 | | | | | ₹ in Crores | | | |
|------------------------------------|-----------------|----------|----------------|---------------|--|---|---|-------------|
| Particulars | Carrying amount | | | | Fair value | | | |
| | FVTPL | FVTOCI | Amortised Cost | Total | Level 1 - Quoted price in active markets | Level 2 - Significant observable inputs | Level 3 - Significant unobservable inputs | Total |
| Financial assets | | | | | | | | |
| Investments in equity shares | 1.03 | - | - | 1.03 | 1.03 | - | - | 1.03 |
| Non current loans | - | - | 0.03 | 0.03 | - | - | - | - |
| Other non current financial assets | - | - | 3.53 | 3.53 | - | - | - | - |
| Trade receivables | - | - | 318.69 | 318.69 | - | - | - | - |
| Cash and cash equivalents | - | - | 102.78 | 102.78 | - | - | - | - |
| Other bank balances | - | - | 142.41 | 142.41 | - | - | - | - |
| Current loans | - | - | 0.30 | 0.30 | - | - | - | - |
| Other current financial assets | - | - | 0.29 | 0.29 | - | - | - | - |
| Total | 1.03 | - | 568.02 | 569.05 | 1.03 | - | - | 1.03 |
| Financial liabilities | | | | | | | | |
| Non Current borrowings | - | - | 9.62 | 9.62 | - | - | - | - |
| Non current lease liabilities | - | - | 17.29 | 17.29 | - | - | - | - |
| Current borrowings | - | - | 0.19 | 0.19 | - | - | - | - |
| Current lease liabilities | - | - | 7.98 | 7.98 | - | - | - | - |
| Trade payables | - | - | 310.41 | 310.41 | - | - | - | - |
| Other financial liabilities | 1.01 | - | 146.10 | 147.11 | - | 1.01 | - | 1.01 |
| Total | 1.01 | - | 491.60 | 492.61 | - | 1.01 | - | 1.01 |

Note: There were no transfers between Level 1, Level 2 and Level 3 during the year.

B. Measurement of fair values

i) Valuation techniques and significant unobservable inputs

The carrying amounts of financial assets and liabilities other than those valued at Level 1 and Level 2 are considered to be the same as their fair values due to the current and short term nature of such balances and no material differences in the values. Difference between fair value of non-current borrowings carried at amortised cost and the carrying value is not considered to be material to the financial statement.

ii) Levels 1, 2 and 3

Level 1 : This includes listed equity instruments that have a quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

iii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments.
- the fair value of forward foreign exchange contracts are determined using forward exchange rates at the Balance Sheet date.

All of the resulting fair value estimates are included in level 1 and 2.

Note - 36

Financial risk management

Risk management framework

Financial Risk Evaluation and Management is an ongoing process within the Organisation. The Company has a robust risk management framework to identify, monitor and minimize risks. As a process, the risk associated with each area are identified and prioritized based on severity, likelihood and effectiveness. Process owners are identified for each risk and metrics are developed for monitoring and reviewing the risk mitigation controls. Risk evaluation and assessments are reviewed by the Chief Financial Officer (CFO) and Managing Director on a quarterly basis. This is constantly monitored by the Board.

The Company has exposure to the following risks arising from financial instruments:

- i) Credit risk
- ii) Liquidity risk
- iii) Market risk

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact on the financial statements.

i) Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument leading to a financial loss. The Company is exposed to credit risk from its operating activities, primarily trade receivables and from its financing activities, including deposits with banks and other financial instruments.

The carrying amount of financial assets represents the maximum credit exposure, being the total of the carrying amount of balances with banks, short term deposits with banks, trade receivables and other financial assets excluding equity investments.

Trade receivables

Trade receivables of the Company are typically unsecured and derived from sales made to a large number of independent customers. Customer credit risk is managed by the Company based on established policies, procedures and control relating to customer credit risk management. Before accepting any new customer, the Company has appropriate level of control procedures to assess the potential customer's credit quality. The credit-worthiness of its customers are reviewed based on their financial position, past experience and other relevant factors. Outstanding customer receivables are reviewed periodically. The credit period provided by the Company to its customers generally ranges from 0-60 days.

The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors, the Company's historical experience for customers and forward looking information. Based on the industry practices and the business environment in which the entity operates, management considers that the trade receivables are credit impaired if the payments are more than 180 days past due.

Trade receivables (net of allowance for doubtful debts)

₹ in Crores

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| Trade receivables (net of allowance for doubtful debts) | 296.87 | 318.69 |

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NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTINUED)

For the year ended March 31, 2024

| Trade receivables (net of allowance for doubtful debts) | | ₹ in Crores |
|--|-------------|-------------|
| Particulars | Amount | |
| Allowance for doubtful debts as on March 31, 2022 | 5.15 | |
| Changes in allowance for doubtful debts | (0.25) | |
| Bad Debt written off during the year | (0.00) | |
| Allowance for doubtful debts as on March 31, 2023 | 4.90 | |
| Changes in allowance for doubtful debts | (0.07) | |
| Bad Debt written off during the year | - | |
| Allowance for doubtful debts as on March 31, 2024 | 4.83 | |

Other financial assets

The Company has mainly cash and cash equivalents, investment in mutual funds, deposits with banks (PSU and high rated private banks) and government authorities, and security deposits for utilities with government bodies and reputed corporate entities, and for leasehold premises. These are periodically confirmed by respective parties.

Note - 36

Financial risk management

ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's cash flow management system ensures, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments.

As at March 31, 2024

₹ in Crores

| Particulars | Contractual cash flows | | | |
|---|------------------------|---------------|---------------------|---------------------|
| | Carrying amount | Total | Less than 12 months | More than 12 months |
| Financial liabilities | | | | |
| Other non current financial liabilities | - | - | - | - |
| Lease liabilities (Including interest) | 17.43 | 18.88 | 10.23 | 8.65 |
| Borrowings (including interest) | 9.91 | 12.05 | 0.77 | 11.28 |
| Trade payables | 227.52 | 227.52 | 227.52 | - |
| Other financial liabilities | 10.68 | 10.68 | 10.68 | - |
| Total | 265.54 | 269.13 | 249.19 | 19.93 |

As at March 31, 2023

₹ in Crores

| Particulars | Contractual cash flows | | | |
|---|------------------------|---------------|---------------------|---------------------|
| | Carrying amount | Total | Less than 12 months | More than 12 months |
| Financial liabilities | | | | |
| Other non current financial liabilities | - | - | - | - |
| Lease liabilities (Including interest) | 25.27 | 28.54 | 9.88 | 18.66 |
| Borrowings (including interest) | 9.81 | 12.82 | 0.77 | 12.05 |
| Trade payables | 310.41 | 310.41 | 310.41 | - |
| Other financial liabilities | 147.11 | 147.11 | 147.11 | - |
| Total | 492.61 | 498.89 | 468.18 | 30.71 |

The gross outflows of the contractual undiscounted cash flows relating to derivative financial liabilities disclosed in the above table are held for risk management purposes and are not usually settled before contractual maturity.

Note - 36

Financial instruments – Fair values and risk management

iii) Market risk

Market risk is mainly driven by changes in economic and political environment across globe, fluctuation in foreign exchange rates and interest rates movement, which affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables, payables and current borrowings. The objective of market risk management is to avoid excessive exposure in foreign currency revenues and costs.

1. Currency risk

The functional currency of the Company is Indian Rupee. The Company is exposed to currency risk on account of payables and receivables in foreign currency. Since there is no material export sales, this is not perceived to be a major risk. Raw materials are mostly imported. The company has a policy to mitigate this risk by taking derivative contracts to protect against any adverse exchange rate fluctuation. This policy is reviewed on a periodic basis.

Company does not use derivative financial instruments for trading or speculative purposes.

(a) Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

₹ in Crores

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|--|----------------------|-----------------|----------------------|-----------------|
| | USD denominated | EUR denominated | USD denominated | EUR denominated |
| Financial assets | | | | |
| Trade receivables | - | - | 1.29 | - |
| Net exposure to foreign currency risk (assets) | - | - | 1.29 | - |
| Financial liabilities | | | | |
| Trade payables | 119.73 | - | 240.71 | 0.01 |
| Less: | | | | |
| Derivative liability: | | | | |
| Foreign exchange forward contracts | (126.90) | - | (123.73) | - |
| Net exposure to foreign currency risk (liabilities) | (7.17) | - | 116.98 | 0.01 |

(b) Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

₹ in Crores

| Particulars | Impact on profit after tax and equity | |
|--------------------------|---------------------------------------|----------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| USD sensitivity * | | |
| INR/USD - Increase by 3% | 0.16 | (2.60) |
| INR/USD - Decrease by 3% | (0.16) | 2.60 |
| EUR sensitivity * | | |
| INR/EUR - Increase by 3% | - | (0.00) |
| INR/EUR - Decrease by 3% | - | 0.00 |

* Holding all other variables constant

NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTINUED)

For the year ended March 31, 2024

2. Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of variable interest bearing liabilities because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing liabilities will fluctuate because of fluctuations in the interest rates. The Company does not have variable interest rate borrowing.

The Company's fixed rate borrowings were carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Note - 37

Capital Management

The primary objective of the Company's capital management is to maximise shareholder's value. The Company monitors capital using Debt-Equity ratio, which is total debt divided by total equity.

For the purposes of the Company's capital management, the Company considers the following components of its balance sheet to be managed as capital:

Total equity as shown in the Balance Sheet includes Share capital, General reserve, Retained earnings, Securities premium and Capital reserve. Total debt includes current debt plus non-current debt (including current maturities of long term debt and lease liabilities). The Company's adjusted net debt to equity ratio at March 31, 2024 and March 31, 2023 are as follows.

₹ in Crores

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| Borrowings (including interest accrued) | 9.91 | 9.81 |
| Lease liabilities | 17.43 | 25.27 |
| Total Debt | 27.34 | 35.08 |
| Less : Cash and cash equivalents | 54.48 | 102.78 |
| Adjusted net debt | (27.14) | (67.69) |
| Total equity | 722.73 | 714.75 |

*The adjusted net debt to equity ratio for the current year improved to (-) 0.04 from (-) 0.09

Note - 38

Contingent liabilities

₹ in Crores

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| Claims against the Company not acknowledged as debts | | |
| 1 Income tax | 42.84 | 64.43 |
| 2 Excise duty and service tax | 10.74 | 92.98 |
| 3 Custom duty | 1.17 | 1.17 |
| 4 Sales tax, VAT & GST | 2.20 | 1.22 |
| 5 Others | 2.42 | 3.30 |
| Total | 59.37 | 163.10 |

The above matters are under adjudication and the Company expects the judgment will be in its favor and has therefore, not recognised the provision in relation to these claims. Future cash outflow in respect of above will be determined only on receipt of judgement/decision. The potential undiscounted amount of total payments that the Company could be required to make if there was an adverse decision related to above matters as of the date reporting period ends are disclosed above.

Income tax

The Company has ongoing disputes with income tax authorities relating to various previous years. These disputes mainly includes disallowance of expenses, transfer pricing adjustments and withholding tax matters. The matters are pending with various forums.

Excise duty and Service Tax Matter

The Company has ongoing disputes with respect to admissibility of input tax credit claimed by the Company for various previous years and the matters are pending with various forums.

Note - 39

Capital commitments

₹ in Crores

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of capital advance) | 16.01 | 9.19 |

Note - 40

Employee benefit obligations

I Defined Contribution plan

The defined contribution plans operated by the Company are as below :

Provident Fund

Contributions are made to employees provident fund organization in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the Government. The obligation of the Company is limited to the amount contributed and it has no further contractual or any constructive obligation.

Superannuation Fund

Contributions are made to Life Insurance Corporation of India for eligible employees at the rate of 15% of basic salary as per superannuation scheme of the Company.

NPS Fund

Contributions are made to NPS trust for eligible employees who have opted for the same at the rate of 10% of basic salary as per NPS scheme of the Company.

Employee's State Insurance

Contributions are made to ESI Corporation for all eligible employees at rate of 4.75% of ESI wage as per the definition under the ESI Act.

The contributions recognised as an expense in the statement of profit and loss during the year on account of the above defined contribution plans amounted to INR 3.50 Cr (March 31,2023 : INR 3.40 Crore).

II Defined benefit plan

(i) Funded

Gratuity

The employee's gratuity fund schemes managed by Trusts are defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service to build up the final obligation. The obligation for leave encashment is recognised in the same manner as for gratuity.

Styrenix Performance Materials Limited

(formerly known as INEOS Styrolution India Ltd.)

NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTINUED)

For the year ended March 31, 2024

| ₹ in Crores | | | |
|---|-----------------------------|---------------------------|---------------|
| Particulars | Present value of obligation | Fair value of plan assets | Net amount |
| Balance at March 31, 2022 | 14.77 | (14.33) | 0.44 |
| Current service cost | 1.07 | - | 1.07 |
| Interest expense/(income) | 0.93 | (0.94) | (0.01) |
| Total amount recognised in the statement of profit and loss | 2.01 | (0.94) | 1.06 |
| Remeasurements | | | - |
| Return on plan assets, excluding amount included in interest expense/(income) | - | 0.06 | 0.06 |
| (Gain)/Loss from change in financial assumptions | (0.49) | - | (0.49) |
| (Gain)/Loss from change in demographic assumptions | - | - | - |
| Experience (gains)/losses | (0.42) | - | (0.42) |
| Total amount recognised in other comprehensive income | (0.91) | 0.06 | (0.85) |
| Employer contributions | - | (0.20) | (0.20) |
| Liabilities assumed in case of transferred employees | - | - | - |
| Benefit payments | (2.66) | 1.84 | (0.82) |
| Balance at March 31, 2023 | 13.20 | (13.57) | (0.37) |
| Current service cost | 1.06 | - | 1.06 |
| Interest expense/(income) | 0.91 | (0.97) | (0.06) |
| Total amount recognised in the statement of profit and loss | 1.97 | (0.97) | 1.00 |
| Remeasurements | | | - |
| Return on plan assets, excluding amount included in interest expense/(income) | - | 0.02 | 0.02 |
| (Gain)/Loss from change in financial assumptions | (1.06) | - | (1.06) |
| (Gain)/Loss from change in demographic assumptions | - | - | - |
| Experience (gains)/losses | 0.88 | - | 0.88 |
| Total amount recognised in other comprehensive income | (0.19) | 0.02 | (0.16) |
| Employer contributions | - | (0.16) | (0.16) |
| Liabilities assumed in case of transferred employees | - | - | - |
| Benefit payments | (1.53) | 1.53 | - |
| Balance at March 31, 2024 | 13.46 | (13.15) | 0.31 |

The net liability disclosed above relates to funded plans are as follows:

| ₹ in Crores | | |
|---|----------------------|----------------------|
| Particulars | As at March 31, 2024 | As at March 31, 2023 |
| Present value of funded obligations | 13.46 | 13.20 |
| Fair value of plan assets | (13.15) | (13.57) |
| (Surplus) / Deficit of Gratuity plan (Refer Note 24) | 0.31 | (0.37) |

Significant estimates: Actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| a. Discount rate (per annum) | 7.20% | 7.35% |
| b. Estimated rate of return on Plan Assets (per annum) | 7.20% | 7.35% |
| c. Rate of escalation in salary (per annum) | 6.00% | 8.00% |

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risks and historical results of return on plan assets.

Sensitivity analysis

Reasonable possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

₹ in Crores

| Particulars | As at March 31, 2024 | |
|------------------------------------|----------------------|----------|
| | Increase | Decrease |
| Discount rate (0.5% movement) | (0.35) | 0.36 |
| Salary growth rate (0.5% movement) | 0.36 | (0.36) |

| Particulars | As at March 31, 2023 | |
|------------------------------------|----------------------|----------|
| | Increase | Decrease |
| Discount rate (0.5% movement) | (0.38) | 0.41 |
| Salary growth rate (0.5% movement) | 0.40 | (0.36) |

Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

i) Asset volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. The plan assets are managed by LIC and are subject to market risk. Any shortfall is contributed to the fund by the Company. The Company intends to maintain the above investment in the continuing years.

ii) Changes in bond yields

A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.

The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The Company has not changed the processes used to manage its risks from previous periods. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

Expected contributions to post-employment benefit plans for the year ending March 31, 2024 are INR : 0.31 Crore (March 31, 2023: NIL)

The weighted average duration of the defined benefit obligation is 5.57 years (2022-23: 6.11 years). The expected maturity analysis of gratuity is as follows:

₹ in Crores

| Particulars | Less than a year | Between 1 - 5 year | Over 5 year | Total |
|---------------------------------------|------------------|--------------------|-------------|-------|
| Defined benefit obligation (gratuity) | | | | |
| As at March 31, 2024 | 2.32 | 6.89 | 4.25 | 13.46 |
| As at March 31, 2023 | 1.79 | 6.56 | 4.86 | 13.20 |

(ii) Unfunded

Compensated absences

The Compensated absences covers the liability for sick and earned leave. The Actuarial liability for compensated absences as at year ending March 31, 2024 is INR 4.20 Crore (March 31, 2023: INR 4.34 Crore). Current year charge is included in Employee benefit expense (Refer Note 31).

Styrenix Performance Materials Limited

(formerly known as INEOS Styrolution India Ltd.)

NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTINUED)

For the year ended March 31, 2024

Note - 41

Related party transactions

The names of related parties with relationship and transactions with them:

A Relationship:

I Where control exists:

Ultimate Holding Company Shiva Performance Materials Pvt Ltd.

II Where transactions have taken place

Holding Company Shiva Performance Materials Pvt Ltd.

Entity over which Key Managerial Personnel or their close family member have control Geetganga Investment Pvt Ltd
Monet Properties LLP
Shiva Pharmachem Pvt Ltd
Shiva Performance Solutions Pvt Ltd
Uttarayan Art Foundation

Entity over which Key Managerial Personnel have significant influence Shiva Premises Owners Association

Partnership firm in which an Independent Director is interested K C Mehta & Co. LLP.

III Key management personnel:

| Particulars | Designation |
|---|--|
| Mr. Rakesh Shiwebhagwan Agrawal | Chairman |
| Mr. Rahul Rakesh Agrawal | Managing Director |
| Mr. Vishal Rakesh Agrawal* | Joint Managing Director |
| Mr. Ravishankar Balakoteswararao Kompalli | Whole-time Director |
| Mr. Bhupesh P. Porwal | Chief Financial Officer (w.e.f Nov 10, 2023) |
| Mr. Sanjeev Madan | Chief Financial Officer (upto Sep 19, 2023) |
| Mr. Abhijaat Sinha | Company Secretary (upto Dec 8, 2023) |
| Mr. Chintan Doshi | Company Secretary (w.e.f Dec 22, 2023) |
| Mr. Milin Kaimas Mehta | Independent Director |
| Mr. P. N. Prasad | Independent Director |
| Ms. Radhika Nath | Independent Director |
| Mr. Premkumar Taneja | Independent Director |

* No transactions during the period

Note - 41

Related party transactions

IV Key management personnel compensation:

₹ in Crores

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Short-term employee benefits | 8.22 | 8.42 |
| Long-term employee benefits | - | 3.35 |
| Post-employment benefits | 0.32 | 1.23 |
| Commission & Sitting fees to independent directors | 0.60 | 0.59 |
| Total compensation | 9.14 | 13.59 |

* Compensation exclude provision for gratuity and compensated absences since these are based on actuarial valuation on an overall company basis.

V Other related parties

Post employment benefit plan of Styrenix Performance Materials Limited

Styrenix Performance Materials Limited Group Gratuity Scheme
Styrenix Performance Materials Limited Employee Superannuation Scheme

Note - 41

Related party transactions

₹ in Crores

| Particulars | For the year ended March 31, 2024 | | | For the year ended March 31, 2023 | | |
|---|-----------------------------------|-----------------------|-------------|-----------------------------------|-----------------------|---------------|
| | Holding Company | Other Related parties | Total | Holding Company | Other Related parties | Total |
| 1 Purchase of raw materials | | | | | | |
| Shiva Performance Materials Pvt Ltd. | 9.91 | - | 9.91 | 3.10 | - | 3.10 |
| INEOS Styrolution Korea Ltd | - | - | - | - | 25.91 | 25.91 |
| INEOS Styrolution (Thailand) Co., Ltd. | - | - | - | - | 31.71 | 31.71 |
| INEOS Styrolution Europe GmbH | - | - | - | - | 20.96 | 20.96 |
| INEOS Europe AG (Nitriles) | - | - | - | - | 90.54 | 90.54 |
| Total | 9.91 | - | 9.91 | 3.10 | 169.12 | 172.22 |
| 2 Receiving of services (including reimbursements) | | | | | | |
| Monet Properties LLP | - | 0.48 | 0.48 | - | 0.04 | 0.04 |
| Geetganga Investment Pvt Ltd | - | 0.47 | 0.47 | - | 0.04 | 0.04 |
| K C Mehta & Co | - | 0.22 | 0.22 | - | 0.08 | 0.08 |
| Shiva Premises Owners Association | - | 0.11 | 0.11 | - | - | - |
| INEOS Styrolution APAC Pte. Ltd. | - | - | - | 3.70 | - | 3.70 |
| INEOS Styrolution Group GmbH | - | - | - | - | 10.38 | 10.38 |
| Total | - | 1.29 | 1.29 | 3.70 | 10.54 | 14.24 |
| 3 Royalty | | | | | | |
| Shiva Performance Materials Pvt Ltd. | 0.26 | - | 0.26 | - | - | - |
| INEOS Styrolution Group GmbH | - | - | - | - | 1.83 | 1.83 |
| Total | 0.26 | - | 0.26 | - | 1.83 | 1.83 |
| 4 Rendering of services | | | | | | |
| Shiva Performance Solutions Pvt Ltd ** | - | 0.00 | 0.00 | - | - | - |
| INEOS Styrolution Korea Ltd | - | - | - | - | 3.96 | 3.96 |
| INEOS Styrolution Group GmbH | - | - | - | - | 2.05 | 2.05 |
| INEOS Styrolution (Thailand) Co., Ltd. | - | - | - | - | 0.26 | 0.26 |
| INEOS Styrolution APAC Pte. Ltd. | - | - | - | 0.74 | - | 0.74 |
| INEOS Europe AG | - | - | - | - | 1.31 | 1.31 |
| INEOS Acetyls UK Ltd. | - | - | - | - | 1.20 | 1.20 |
| INEOS US Chemicals Company | - | - | - | - | 0.78 | 0.78 |
| Total | - | 0.00 | 0.00 | 0.74 | 9.56 | 10.30 |

Styrenix Performance Materials Limited

(formerly known as INEOS Styrolution India Ltd.)

NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTINUED)

For the year ended March 31, 2024

₹ in Crores

| Particulars | For the year ended March 31, 2024 | | | For the year ended March 31, 2023 | | |
|---|-----------------------------------|-----------------------|---------------|-----------------------------------|-----------------------|---------------|
| | Holding Company | Other Related parties | Total | Holding Company | Other Related parties | Total |
| 5 Receipt against Reimbursements of Expenses | | | | | | |
| INEOS Styrolution Group GmbH | - | - | - | - | 0.11 | 0.11 |
| INEOS Styrolution APAC Pte. Ltd. | - | - | - | 0.14 | - | 0.14 |
| INEOS Europe AG | - | - | - | - | 0.13 | 0.13 |
| Total | - | - | - | 0.14 | 0.23 | 0.37 |
| 6 Sale of Goods | | | | | | |
| Shiva Performance Materials Pvt Ltd | 7.57 | - | 7.57 | 0.92 | - | 0.92 |
| Total | 7.57 | - | 7.57 | 0.92 | - | 0.92 |
| 7 Interest on ECB | | | | | | |
| INEOS Styrolution Group GmbH | - | - | - | - | 0.49 | 0.49 |
| Total | - | - | - | - | 0.49 | 0.49 |
| 8 Free Sample issued | | | | | | |
| INEOS Styrolution Korea Ltd | - | - | - | - | 0.00 | 0.00 |
| Total | - | - | - | - | 0.00 | 0.00 |
| 9 Dividend payment | | | | | | |
| Shiva Performance Materials Pvt Ltd | 103.69 | - | 103.69 | 88.25 | - | 88.25 |
| INEOS Styrolution APAC Pte. Ltd. | - | - | - | - | 112.99 | 112.99 |
| Total | 103.69 | - | 103.69 | 88.25 | 112.99 | 201.24 |
| 10 Return of Capital Advance | | | | | | |
| Shiva Pharmachem Pvt Ltd | - | - | - | - | 1.50 | 1.50 |
| Total | - | - | - | - | 1.50 | 1.50 |
| 11 CSR Amount spent during the year | | | | | | |
| Uttarayan Art Foundation | - | - | - | - | 0.15 | 0.15 |
| Total | - | - | - | - | 0.15 | 0.15 |

₹ in Crores

| Particulars | At as March 31, 2024 | | | At as March 31, 2023 | | |
|--|----------------------|-----------------------|-------------|----------------------|-----------------------|-------------|
| | Holding Company | Other Related parties | Total | Holding Company | Other Related parties | Total |
| 12 Outstanding Balances [Refer note 4 below] | | | | | | |
| Balances of Trade payables | | | | | | |
| Shiva Performance Materials Pvt Ltd | 0.87 | - | 0.87 | 0.83 | - | 0.83 |
| Shiva Premises Owners Association | - | 0.02 | 0.02 | - | - | - |
| K C Mehta & Co | - | 0.05 | 0.05 | - | 0.00 | 0.00 |
| Total | 0.87 | 0.07 | 0.93 | 0.83 | 0.00 | 0.83 |
| Unspent CSR Amount | | | | | | |
| Uttarayan Art Foundation | - | 6.39 | 6.39 | - | 4.75 | 4.75 |
| Total | - | 6.39 | 6.39 | - | 4.75 | 4.75 |
| Balance of Other Assets | | | | | | |
| Styrenix Performance Materials Limited Group Gratuity Scheme | - | 0.21 | 0.21 | - | 0.29 | 0.29 |
| Total | - | 0.21 | 0.21 | - | 0.29 | 0.29 |
| Balance of Trade receivables | | | | | | |
| Shiva Performance Materials Pvt Ltd | 0.92 | 0.00 | 0.92 | - | - | - |
| Shiva Performance Solutions Pvt Ltd ** | - | 0.00 | 0.00 | - | - | - |
| Total | 0.92 | 0.00 | 0.92 | - | - | - |

** Rendering of services and outstanding balance of trade receivable from Shiva Performance Solutions Pvt. Ltd is INR 0.20 Lacs

Note to Related Party transaction:

- 1 All transactions entered into with related parties as defined under the Companies Act, 2013 and regulation 23 of the Listing Obligation and Disclosure Requirement Regulations 2015, during the financial year were in the ordinary course of business and at contractually agreed transaction prices.
- 2 Transactions relating to dividends were on the same terms and conditions that applied to other shareholders.
- 3 All outstanding balances are unsecured and are repayable in cash.
- 4 Entities relating to INEOS Group ceases to be related party w.e.f 17th November 2022.
- 5 There are no allowances on account for impaired receivables in relation to any outstanding balances, and no expense have been recognised in respect of impaired receivables due from related parties.

Note - 42

Segment information

(a) Description of segments and principle activities

Hitherto up to the previous year, the Company had identified two business segments namely Polystyrene and Specialties whose separate operating results were regularly reviewed by the entity's chief operating decision maker (CODM) to make decisions about resources to be allocated to the segment and assess its performance. From the financial year 2023-24 pursuant to internal restructuring, the CODM reviews the business as whole since the products of the company are all engineering polymers and do not result into identification of different ways / sources into which the CODM sees the performance of the Company. Accordingly, from the financial year Fy2023-24, the Company has a single reportable segment namely "Engineering Polymers". Hence, the disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 in terms of Ind AS 108 "Operating Segments" are not applicable.

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NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTINUED)

For the year ended March 31, 2024

(b) Details for reportable segments as required by Ind AS 108 is as follows:

₹ in Crores

| Particulars | For the year ended March 31,2024 | For the year ended March 31,2023 |
|---------------------------------------|-------------------------------------|-------------------------------------|
| 1. Segment revenue | | |
| (Revenue from operations) | | |
| Revenue from contracts with customers | | |
| (a) Specialties | - | 1,599.19 |
| (b) Polystyrene | - | 773.09 |
| Total | - | 2,372.27 |
| Less : Inter segment revenue | - | - |
| Revenue from operations | - | 2,372.27 |

₹ in Crores

| Particulars | for the year ended March 31,2024 | for the year ended March 31,2023 |
|---|-------------------------------------|-------------------------------------|
| 2. Segment results | | |
| (Segment profit before interest and tax) | | |
| (a) Specialties | - | 174.36 |
| (b) Polystyrene | - | 81.88 |
| Total | - | 256.25 |
| Add/(Less): | | |
| (i) Finance cost | - | (5.33) |
| (ii) Interest income | - | 5.59 |
| (iii) Other unallocable expenditure (net of income) | - | (9.55) |
| Profit before tax | - | 246.97 |

₹ in Crores

| Particulars | As at March 31,2024 | As at March 31,2023 |
|----------------------------------|---------------------|---------------------|
| 3. Segment assets | | |
| a. Specialties | - | 755.07 |
| b. Polystyrene | - | 249.62 |
| c. Unallocated | - | 258.09 |
| Total segment assets | - | 1,262.77 |
| 4. Segment liabilities | | |
| a. Specialties | - | 247.06 |
| b. Polystyrene | - | 145.59 |
| c. Unallocated | - | 155.37 |
| Total segment liabilities | - | 548.02 |

Note - 43

Movement in Provisions

Provision for contingencies represents estimates made mainly for probable claims arising out of litigations / disputes in respect of certain matters like VAT, Contractual disputes, etc. This includes positions taken on matters under dispute involving judgements and assumptions to determine the possible outcome. The probability and the timing of the outflow with regard to these matters depend on the ultimate settlement /conclusion with the relevant authorities.

Movements in provision for contingencies during the financial year, is set out below:

₹ in Crores

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| Balance as at the beginning of the year | 24.55 | 19.36 |
| Less: Paid / Written back during the year | - | - |
| Add: Provision made during the year | 1.34 | 5.19 |
| Balance as at the end of the year | 25.89 | 24.55 |

Note - 44 Ratios

₹ in Crores

| Particulars | Numerator | Denominator | For the year ended March 31, 2024 | For the year ended March 31, 2023 | % Variance |
|--|--|--------------------------------------|-----------------------------------|-----------------------------------|------------|
| Current Ratio ⁽²⁾ | Current Assets | Current Liabilities | 2.71 | 2.30 | 17.66% |
| Debt - Equity Ratio | Total Debt | Shareholder's Equity | 0.01 | 0.01 | -0.10% |
| Debt Service Coverage Ratio | Earning for Debt Service | Debt service | 17.72 | 17.26 | 2.67% |
| Return on Equity | Net Profits after taxes | Average Shareholder's Equity | 24.1% | 23.4% | 3.42% |
| Inventory Turnover Ratio | Sales | Average Inventory | 7.24 | 8.39 | -13.72% |
| Trade receivables turnover ratio | Revenue | Average Trade Receivable | 8.52 | 8.95 | -4.86% |
| Trade payables turnover ratio | Purchases of goods and other expenses | Average Trade Payables | 6.74 | 7.40 | -8.94% |
| Net Capital turnover ratio | Revenue | Working Capital | 5.99 | 6.33 | -5.52% |
| Net Profit ratio | Net Profit | Revenue | 7.8% | 7.7% | 1.01% |
| Return on Capital Employed ROCE | Earning before interest and taxes | Capital Employed | 31.7% | 34.2% | -7.28% |
| Return on Investment in equity shares ⁽¹⁾ | Income generated from Investments in equity shares | Average Investments in equity shares | 51.1% | 0.0% | 0.00% |
| Return on Investment in Mutual funds ⁽¹⁾ | Income generated from Investments in mutual funds | Average Investments in Mutual funds | 7.4% | 0.0% | 0.00% |

⁽¹⁾ Fixed Deposits being short term in nature are not considered as Investments.

⁽²⁾ Current ratio does not include unpaid interim dividend for FY2022-23

Notes :

(1) Net capital turnover ratio improved due to better working capital management.

(2) Return on Investments depends on fair market valuation of quoted investments.

(3) Reduction in overall profit is driven by market dynamics and external conditions. This is resulting in change in Profitability related ratio.

Note - 45

Registration of charges or satisfaction with Registrar of Companies (ROC)

The Company had repaid certain loans which were taken against pledge of movable properties on due dates as per the agreed terms in past. The Company had also filed manual forms for satisfaction of these charges as per requirement with ROC-Ahmedabad. However, the satisfaction of the charges has not been updated by MCA while digitizing the manual records. The Company has sent request letters to the respective lending institutions and is awaiting their feedback.

NOTES FORMING PART OF FINANCIAL STATEMENTS

For the year ended March 31, 2024

Note - 46

Disclosure of transactions with Struck off Companies

There are no transactions done during the year with struck off companies.

Note - 47

Undisclosed Income

There is no income surrendered or disclosed as income during the current or preceding year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961), that has not been recorded in the books of account.

Note - 48

Details of benami property held

No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the Rules made thereunder

Note - 49

Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in crypto currency or virtual currency during the financial year.

Note - 50

(1) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(2) No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note - 51

The Company has initiated formalities to get the name updated in its current name viz. Styrenix Performance Materials Limited from the erstwhile name.

Note - 52

The Company is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.

Note - 53

Previous year figures have been regrouped to make them comparable with the current year figures wherever considered necessary. As the figures are in crore, rounding-off calculation to be ignored.

Note - 54

Events occurring after the reporting period

The Board of Directors at its meeting held on May 6, 2024 recommended a dividend of INR 28 per share [@ 280 %] for the year ended March 31, 2024 subject to approval of the Shareholders at the ensuing Annual General Meeting.

As per our attached report of even date.

For Talati & Talati LLP
Chartered Accountants
FRN 110758W / W100377

For and on behalf of the Board of Directors of
Styrenix Performance Materials Limited
(formerly known as INEOS Styrolution India Limited)

Manish Baxi
Partner
Membership No. 045011

Rakesh S Agrawal
Chairman
DIN : 00057955

Rahul R Agrawal
Managing Director
DIN : 01226996

Bhupesh P. Porwal
CFO

Chintan Doshi
Company Secretary

Place : Vadodara
Date : May 6, 2024

Place : Vadodara
Date : May 6, 2024



Applications across diverse industries



Automotive



Electronic



Health care



Construction



House holds



Toys, Sports,
Leisure



Packaging



Styrenix Performance Materials Limited

(formerly known as INEOS Styrolution India Ltd.)

Registered Office

9th Floor, "Shiva", Sarabhai Complex,
Dr. Vikram Sarabhai Marg, Vadiwadi,
Vadodara - 390023.

Tel : +91 265 2303201/2

E-mail: secshare@styrenix.com

Website: www.styrenix.com

CIN: L25200GJ1973PLC002436