

11 July 2016

To,
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001
By e-mail: corp.relations@bseindia.com
Per Fax: +91 22 2272 3121 / 2037

National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (East)
Mumbai - 400051
By e-mail: cmlist@nse.co.in
Per Fax: +91 22 2659 8237 /38

Subject: Notice of 43rd Annual General Meeting

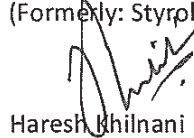
Dear Sir,

Please find the attached notice of the 43rd annual general meeting of the Company to be held **on Friday, 12 August 2016 at 11.30 a.m. at 'Chandarva Hall', WelcomHotel, R. C. Dutt Road, Alkapuri, Vadodara - 390007, Gujarat.**

You are requested to kindly take on your records.

Thanking you.

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



Haresh Khilnani
Company Secretary, Head – Legal and Compliance

CC: National Securities Depository Limited (NSDL)
Central Depository Services (India) Limited (CDSL)
M/s. Link Intime India Private Limited (Registrar & Share Transfer Agent)

Notice

To,
The Member(s),
INEOS Styrolution India Limited

Notice is hereby given that the 43rd annual general meeting (AGM) of the Members of **INEOS Styrolution India Limited** will be held **on Friday, 12 August 2016 at 11.30 a.m. at 'Chandarva Hall', WelcomHotel, R. C. Dutt Road, Alkapuri, Vadodara 390007, Gujarat** to transact the following business:

Ordinary business:

1. To receive, consider and adopt the financial statements of the Company for the year ended 31 March 2016, including the audited balance sheet as at 31 March 2016, the statement of profit and loss for the year ended on that date and the reports of the board of directors ('the board') and of auditors thereon.
2. To declare a dividend of Rs. 4/- per equity share for the year ended on 31 March 2016.
3. To appoint a director in place of Mr. Stephen Mark Harrington (DIN: 07131679), who retires by rotation and, being eligible, seeks re-appointment.
4. To consider and if thought fit, to pass, the following resolution

As an Ordinary Resolution:

"Resolved that pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force), Messrs Price Waterhouse Chartered Accountants LLP, Chartered Accountants (Firm registration number: 012754N/N500016), be and are hereby appointed as statutory auditors of the Company to hold office for a term of four years from the conclusion of this 43rd annual general meeting (subject to ratification of such appointment by the members at every annual general meeting) till the conclusion of the 47th annual general meeting of the Company, in place of Messrs B S R & Co. LLP, Chartered Accountants (Firm registration number: 101248W/W100022), the retiring auditors of the Company, on such remuneration as may be decided by the board of directors of the Company from time to time;

Resolved further that the board of directors of the Company (including any committee thereof), be and is, hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

Special business:

To consider and, if thought fit, to pass, the following resolutions:

5. **Appointment of Mr. Sanjiv Vasudeva as a retiring director of the Company.**

As an Ordinary Resolution:

"Resolved that Mr. Sanjiv Vasudeva (DIN: 06570945), who was appointed as an additional director of the Company w.e.f 1 March 2016 by the board of directors to hold office upto the date of this annual general meeting

under section 161(1) of the Act, who is eligible for appointment and in respect of whom the Company has received a requisite notice under section 160 of the Act, in writing, proposing his candidature for the office of director, be and is, hereby appointed as a director of the Company liable to retire by rotation;

Resolved further that the board of directors of the Company (including any committee thereof), be and is, hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

6. Appointment of Mr. Sanjiv Vasudeva as Managing Director and Chief Executive Officer of the Company.

As a **Special Resolution**:

“Resolved that pursuant to the provisions of sections 196, 197 & 203 read with schedule V and other applicable provision(s), if any, of the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and other applicable provisions of the Act, and subject to the approval of central government, and such other approvals / permissions, if any, the Company hereby accords its approval to the appointment of Mr. Sanjiv Vasudeva as the managing director and chief executive officer of the Company (MD and CEO) for a period of 3 years with effect from 1 March 2016 to 28 February 2019 (both days inclusive), on the terms and conditions including those relating to remuneration as set out under item No. 6 of the statement setting out the material facts annexed to this notice, with liberty to the board of directors (including any committee thereof) to alter and vary any terms and conditions including increase in remuneration in such manner as may be agreed to between Mr. Vasudeva and the board from time to time;

Resolved further that the board of directors of the Company (including any committee thereof), be and is, hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

7. Appointment of Mr. Bhupesh P. Porwal as a retiring director of the Company.

As an **Ordinary Resolution**:

“Resolved that Mr. Bhupesh P. Porwal (DIN: 07509097), who was appointed as an additional director of the Company w.e.f 16 May 2016 by the board of directors to hold office upto the date of this annual general meeting under section 161(1) of the Act, who is eligible for appointment and in respect of whom the Company has received a requisite notice under section 160 of the Act, in writing, proposing his candidature for the office of director, be and is, hereby appointed as a director of the Company liable to retire by rotation;

Resolved further that the board of directors of the Company (including any committee thereof) be and is, hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

8. Appointment of Mr. Bhupesh P. Porwal as Whole-time Director of the Company.

As a **Special Resolution**:

“Resolved that pursuant to the provisions of sections 196, 197 & 203 read with schedule V and other applicable provision(s), if any, of the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and other applicable provisions of the Act, and subject to the approval of central government, and such other approvals / permissions, if any, the Company hereby accords its approval to

the appointment of Mr. Bhupesh P. Porwal as the whole-time director of the Company for a period of three years with effect from 16 May 2016, on the terms and conditions including those relating to remuneration as set out under item No. 8 of the statement setting out the material facts annexed to this notice, with liberty to the board of directors (including any committee thereof) to alter and vary any terms and conditions including increase in remuneration in such manner as may be agreed to between Mr. Porwal and the board from time to time; Resolved further that the board of directors of the Company (including any committee thereof), be and is, hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

9. Appointment of Ms. Ryna Karani as an Independent Director of the Company.

As an **Ordinary Resolution**:

“Resolved that pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Act and the rules framed there under and regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (herein after referred to as 'Listing Regulations') (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force) read with Schedule IV to the Act, Ms. Ryna Karani (DIN: 00116930), additional director of the Company, in respect of whom the Company has received a notice in writing pursuant to section 160 of the Act, in writing, proposing her candidature for the office of independent director, be and is hereby appointed as an independent director of the Company, not liable to retire by rotation, to hold office for a period of three consecutive years w.e.f 16 May 2016;

Resolved further that the board of directors of the Company (including any committee thereof), be and is, hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

10. Related Party Transactions.

As an **Ordinary Resolution**:

“Resolved that pursuant to the provisions of regulation 23 of the Listing Regulations and in accordance with the applicable provisions of the Act read with rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the Members of the Company, be and is, hereby accorded to following related party transactions during the period from 1 April 2015 to 31 March 2016:

Sr. No.	Name of the related party	Relationship	Maximum value of transactions (In Rs. lakhs)
1.	INEOS Styrolution APAC Pte. Limited (Purchase of Styrene Monomere)	Holding Company	43,701.46
2.	INEOS Styrolution APAC Pte. Limited (Receiving of services)	Holding Company	2,260.40
3.	INEOS Styrolution APAC Pte. Limited (Rendering of services- commission)	Holding Company	31.04

Resolved further that the board of directors of the Company (including any committee thereof), be and is, hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

11. Payment of remuneration to the Cost Auditors of the Company for the FY 2016-17.

As an **Ordinary Resolution**:

“Resolved that pursuant to the provisions of section 148 and other applicable provisions, if any, of the Act read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force), Messrs Kailash Sankhlecha and Associates, Cost Accountants (Firm's registration no. 100221) appointed as cost auditors by the board of directors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31 March 2017, be paid a remuneration of Rs. 340,000 (Rupees three lakhs forty thousand only) per annum plus applicable service tax and out of pocket expenses that may be incurred during the course of audit;

Resolved further that the board of directors of the Company (including its committee thereof), be and is hereby 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 :

6th floor, ABS Towers,
Old Padra Road,
Vadodara-390007
Gujarat, India

By Order of the Board of Directors
For **INEOS Styrolution India Limited**

Haresh Khilnani
Company Secretary, Head – Legal and Compliance

13 June 2016
Vadodara

Notes:

1. The statement pursuant to section 102 of the Act with respect to the special business set out in the notice is annexed.

2. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and the proxy need not be a member of the company.**

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or member.

Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions / authority, as applicable, issued on behalf of the nominating organization.

3. Corporate members intending to send their authorised representatives to attend the AGM are requested to send a duly certified copy of their board resolution authorizing their representatives to attend and vote at the AGM.
4. The instrument appointing the proxy, duly completed, must be deposited at the Company's registered office not less than 48 hours before the commencement of the meeting. A proxy form for the AGM is enclosed.
5. Members / proxies / authorised representatives should bring the duly filled attendance slip enclosed herewith to attend the meeting.
6. The register of members and share transfer books of the Company will remain closed on **6 August 2016**.
7. Members are requested to notify immediately any change in their address, to their respective depository participants (DPs) in respect of their shares in electronic form quoting client ID No. and to Link Intime India Pvt. Ltd., the Company's registrar and share transfer agent in respect of their physical shares, quoting folio no.
8. Subject to provisions of the Act, dividend as recommended by the board of directors, if declared at the meeting, will be paid within a period of 30 days from the date of declaration, to those members whose names appear on the register of members as on **5 August 2016**.
9. In accordance with the provisions of section 101 of the Act read with rule 18 of the Companies (Management and Administration) Rules, 2014 the annual report 2015-16 is being sent through electronic mode only to the members whose email addresses are registered with the Company / depository participant(s), unless any member has requested for a physical copy of the report. For members who have not registered their email address, physical copies of the annual report 2015-16 are being sent by the permitted mode.
10. With a view to using natural resources responsibly, we request shareholders to update their email address with their depository participant(s) to enable the Company to send communications electronically.

INEOS Styrolution India Limited

11. Members may note that the notice of the 43rd AGM and the annual report 2015-16 will be available on the Company's website, **www.ineosstyrolutionindia.com**. The physical copies of the documents will also be available at the Company's registered office for inspection during 9.00 a.m. to 5.00 p.m. normal business hours on working days (i.e. excluding Saturdays and Sundays) upto the date of AGM. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at secshare@ineosstyrolutionindia.com.
12. Payment of dividend will be made through National Electronic Clearing Service (NECS) at the RBI Centers by crediting the dividend amount to the bank account of the shareholders wherever relevant information is made available to the Company. Members holding shares in physical form and covered under RBI centers, and who have not furnished requisite information and who wish to avail of the NECS facility to receive dividend from the Company, may furnish the information to Link Intime India Pvt. Ltd., the registrar and transfer agent. The members holding shares in electronic form may furnish the information to their respective depository participant(s) in order to receive dividend through NECS mechanism.
13. SEBI has mandated the submission of permanent account number (PAN) for participating in the securities market, deletion of name of deceased holder, transmission / transposition of shares. Members are requested to submit the PAN details to their depository participant (DP) in case of holdings in dematerialised form or to Link Intime India Pvt. Ltd in case of holdings in physical form, mentioning your correct reference folio number. As per the Listing Regulations, for registration of transfer of shares, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to Link Intime India Pvt. Ltd.
14. Pursuant to the provisions of section 124 and 125 and the relevant provisions of the Act, the dividend which remains unpaid / unclaimed from the date of transfer to the unpaid/unclaimed dividend account of the Company is required to be transferred to the investor education and protection fund (IEPF) of the central government. The unclaimed dividend for the financial year 2009 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 ended	Date of declaration of dividend	Tentative date for transfer to IEPF
2009	27-Apr-10	1-Jul-17
2010	5-May-11	9-Jul-18
2011	24-Apr-12	29-Jun-19
2012	26-Apr-13	30-Jun-20
2013	29-Apr-14	3-Jul-21
2014-15	04-Aug-15	8-Oct-22

Further, members are requested to note that unpaid / unclaimed dividend for the year 2008 has been transferred to IEPF as on 8 June 2016. 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, as per section 205A of the Companies Act, 1956 (section 124 of the Act), be transferred to the investor education and protection fund.

15. Members desirous of getting any information about the accounts of the Company are requested to write to the Company at least seven working days prior to the date of AGM so that the information can be kept ready at the meeting.
16. Members/proxies/authorized representatives attending the meeting are requested to bring their copy of annual report with them at the meeting and deliver the enclosed attendance slip at the entrance of the meeting hall.
17. Profile of the directors being appointed / re-appointed as required under regulation 36 of the Listing Regulations:

Name of Directors	Mr. Sanjiv Vasudeva	Mr. Bhupesh P. Porwal	Ms. Ryna Karani	Mr. Stephen Mark Harrington
Nationality Date of birth Date of Appointment Experience (Yrs.)	Indian 27/02/1968 01/03/2016 24 years	Indian 21/10/1967 16/05/2016 26 years	Indian 09/09/1967 16/05/2016 22 years	British 29/07/1968 18/05/2015 26years
Expertise in specific functional areas	Manufacturing operations, Quality/Six Sigma, Product management, Marketing, Sales & General management.	Financial & Tax management, Treasury, Business Excellence / Six Sigma & General management areas	Advising in M&A, Joint ventures, infrastructure projects, project finance, negotiating agreements	Strategic business managements, sales & marketing.
Qualification	Bachelor of Chemical Engineering, MS University, Vadodara Certified Master Black belt at General Electric (The Netherlands)	Bachelor of Commerce, Chartered Accountant, M.B.A (Finance), L.L.B (Taxation), Certified Six Sigma Green Belt	Bachelor of Arts, L.L.B	Bsc (Hons) in Chemistry, University of Hull, United Kingdom
Directorship held in other public companies in India	None	None	-Reliance Infrastructure Limited -BSES Yamuna Power Ltd. -BSES Rajdhani Power Ltd. -Reliance Defence and Engineering Ltd.	NIL
Membership of committees held in other public companies in India	None	None	-Reliance Infrastructure Limited (ACM,Risk Management, ESOP, CSR) -Reliance Defence and Engineering Ltd. (ACM, Risk Management, CSR, SRGC and NRC) -BSES Yamuna Power Limited and BSES Rajdhani Power Limited (ACM)	None
No. of equity shares held in the Company	NIL	NIL	NIL	NIL

18. E-Voting:

In compliance with section 108 of the Act read with prevailing rule 20 of the Companies (Management and Administration) Rules, 2014, and regulation 44 of the Listing Regulations the Company has provided a facility to the Members to exercise their votes electronically through the electronic voting service facility arranged by National Securities Depository Limited (NSDL). The facility for voting, through ballot paper, will also be made available at the AGM and the Members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The instructions for e-voting are as under:

PROCESS FOR MEMBERS OPTING FOR E-VOTING**a) In case of Members receiving E-mail from NSDL**

- (i) Open internet browser by typing the URL: <http://www.evoting.nsdl.com>.
- (ii) For Members whose e-mail addresses have been registered: open the attached PDF file "INEOSstyrolution.pdf" giving your client ID (in case you are holding shares in demat mode) or folio no. (in case you are holding shares in physical mode) as default password which contains your "User ID" and "Password for e-voting".
- (iii) Click on "Shareholder - Login".
- (iv) Insert your User ID and password as initial password as mentioned in step (ii) above and login. In case you are already registered with NSDL, you can use your existing User ID and password for casting your vote.
- (v) "Password Change" menu appears. Change the password with the new password of your choice with minimum 8 digits / characters or combination thereof. Please note your new password. We strongly recommend that you do not share your new password and take utmost care to keep your password confidential.
- (vi) Home page of "e-voting" opens. Click on "e-voting-Active Voting Cycles".
- (vii) Select "EVEN" (E-Voting Event Number) of INEOS Styrolution India Limited for casting your votes in favour of or against the resolution. For an EVEN, you can login any number of times on e-voting platform of NSDL till you have voted on the resolution or till the end of voting period i.e. up to **5 P.M. on 11 August 2016**, whichever is earlier.
- (viii) Now you are ready for "e-voting" as "Cast Vote" page opens.
- (ix) Cast your vote by selecting appropriate option and click "Submit" and also "Confirm" when prompted. Upon confirmation, the message, "Vote cast successfully" will be displayed. Once you have voted on the resolution, you will not be allowed to modify your vote.
- (x) Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned copy (PDF/JPG format) of the relevant board resolution / authority letter, etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorized to vote, to the scrutinizer through email at 'maildeveshpathak@rediffmail.com' with a copy marked to evoting@nsdl.co.in.

b) In case of Members receiving physical copy

- (i) User ID and initial password is provided on the form.
- (ii) Please follow all steps from Sl. No. a (ii) to (ix) above, to cast vote.

c) 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 “Downloads” section of www.evoting.nsdl.com or call NSDL on +91 22 2499 4600.

You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

d) Other Instructions:

- (i) The e-voting period commences on **9 August 2016 (9.00 a.m. IST)** and ends on **11 August 2016 (5.00 p.m. IST)**. During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date, i.e. **5 August 2016** may cast their vote electronically. The e-voting module shall be disabled by NSDL or voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently or cast the vote again.
- (ii) Any person, who acquires shares of the Company and becomes a shareholder of the Company after dispatch of the notice of AGM and holds shares as of the cut-off date i.e. 5 August 2016, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset the password by using 'Forgot User Details / Password' option available on www.evoting.nsdl.com.
- (iii) The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on **5 August 2016**
- (iv) CS Devesh A. Pathak, Practising company secretary (membership no. FCS 4559), has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (v) At the AGM, at the end of the discussion on the resolutions on which voting is to be held, the chairman shall, with the assistance of the scrutinizer, order voting through ballot paper for all those Members who are present but have not cast their votes electronically using the remote e-voting facility.
- (vi) The scrutinizer will, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting and thereafter will unblock the votes cast through remote e-voting in the presence of at least two witnesses, not in the employment of the Company, and will make, not later than three days of conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the chairman or a person authorised by him in writing who shall countersign the same.
- (vii) The results declared along with the scrutinizer's report will be communicated to the BSE Ltd. and National Stock Exchange of India Ltd. as also will be placed on the Company's website www.ineosstyrolutionindia.com and on the website of NSDL immediately after the result is declared by the chairman or any other person authorised by the chairman.

19. SPECIAL NOTE :

Messrs B S R & Co. LLP, Chartered Accountants (Firm registration no. 101248W/W100022) retiring auditors have, vide their letter dated 5 May 2016, expressed their unwillingness to be re-appointed as statutory auditors of the Company and it is proposed to appoint Messrs Price Waterhouse Chartered Accountants LLP, Chartered Accountants (Firm registration no.012754N/N500016) as statutory auditors of the Company who have given their consent, to be appointed as statutory auditors and have confirmed that their appointment, if made, would be in compliance with the provisions of sections 139 and 141 of the Act and rules framed there under as applicable. The board recommends their appointment as statutory auditors of the Company.

STATEMENT PURSUANT TO SECTION 102(1) OF THE ACT**Item no. 5**

Your directors at its meeting held on 4 February 2016 have appointed Mr. Sanjiv Vasudeva as an additional director to hold office upto ensuing annual general meeting.

Your directors recommend appointment of Mr. Vasudeva as Director liable to retire by rotation for whom requisite notice pursuant to section 160 of the Act has been received. Your approval is sought to the resolution as appearing in item no. 5 of the accompanying notice by way of ordinary resolution.

None of the directors / key managerial personnel and their relatives except Mr. Sanjiv Vasudeva shall be deemed to be interested or concerned financially or otherwise in the said resolution.

Item no. 6

Mr. Sanjiv Vasudeva is an Indian national and having over 24 years of industry experience. He holds a bachelor degree in chemical engineering from Maharaja Sayajirao University, Vadodara. He is also a certified master black belt at General Electric (The Netherlands).

Considering his knowledge and professional experience of various aspects relating to the Company's affairs and long business experience, the board of directors is of the opinion that for smooth and efficient running of the business, the services of Mr. Vasudeva should be available to the Company for a period of 3 years with effect from 1 March 2016 to 28 February 2019.

In terms of the provisions of the Act and the articles of association of the Company, the nomination and remuneration committee of the board and the board of directors have, at their respective meeting held on 4 February 2016, appointed him as managing director and chief executive officer of the Company for a term of three years with effect from 1 March 2016 to 28 February 2019 (both the days inclusive) on the terms and conditions set out below s u b j e c t to the approval of the shareholders:

- **BASIC SALARY**

Appointment of Mr. Sanjiv Vasudeva as a managing director, for a period of three years from 1 March 2016 to 28 February 2019 (both the days inclusive) on a salary not exceeding of Rs. 130.00 lacs per annum.

- **PERQUISITES & ALLOWANCES**

In addition to the salary, Mr. Vasudeva, as managing director, shall also be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof; provision of a Company car with driver and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the board of directors and Mr. Vasudeva, such perquisites and allowances subject to maximum of Rs. 12.75 lacs per annum.

Perquisites and allowances shall be evaluated as per the income tax rules, wherever applicable. In absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

- **PROVIDENT FUND, SUPERANNUATION / ANNUITY FUND**

Company's contribution to provident fund and superannuation or annuity fund and other retirals to the extent these either singly or together are not taxable under the Income-tax Act. Gratuity as per the rules of the Company.

- **PERFORMANCE INCENTIVES**

In addition to the salary and perquisites, the appointee would be entitled to such performance incentives in any financial year as may be determined by the board of directors of the Company or recommendation of nomination and remuneration committee having regard to the performance of the Company not exceeding Rs. 62.80 lakhs per annum.

Aforesaid remuneration payable to the appointee (including the salary, commission, perquisites, benefits and amenities) shall not exceed the overall limits laid down in section 196 and 197 of the Act, including any statutory modification(s) or enactment(s) thereof i.e. not exceeding 10% of the net profits as computed under section 198 of the Act. However, if the aforesaid remuneration exceeds the limits, the Company shall pay remuneration in line with limits mentioned in section 196 and 197 of the Act / Schedule V of the Act till the approval of central government is obtained.

- **MINIMUM REMUNERATION**

In any financial year during the currency of the tenure of the appointee, the Company has no profit or its profits are inadequate the Company may pay to the appointee, remuneration by way of salary and perquisites as specified above as minimum remuneration. If aforesaid remuneration exceeds the limit under section 197 and / or schedule V of the Act, aforesaid remuneration can be paid as minimum remuneration with the approval of central government.

The board of directors may, subject to the approval of shareholders at the general meeting and other requisites authorities, if any, increase, augment, vary and modify the remuneration payable and the benefits and amenities provided to Mr. Vasudeva including the monetary value thereof, upto the limits, prescribed in that behalf under or pursuant to the Act or any statutory amendment(s), modification(s) or re-enactment

thereof from time to time in force and/ or the guidelines in case of managerial remuneration issued by the Government of India, the Ministry of Corporate Affairs, from time to time, from the date the statutory amendment(s), modification(s) or re-enactment(s) and/ or the guidelines come into force.

The Company shall enter into an agreement with Mr. Vasudeva inter alia detailing the terms and conditions of appointment, powers, duties and the remuneration payable to him as detailed in the notice.

In the event that during the tenure of the subsisting agreement with Mr. Vasudeva, the statutory restrictions contained in the Company Law / Corporate Laws are removed or amended by the regulatory authorities, the board of directors will be at liberty to decide such variation in the terms as may be deemed necessary.

The above may be treated as an abstract of the terms of agreement between the Company and Mr. Vasudeva pursuant to Section 190 of the Act. The board of directors accordingly recommends the resolution set out at the item no. 6 of the accompanying notice for the approval of the shareholders of the company.

Your approval is sought to the resolution as appearing in item no. 6 of the accompanying notice by way of special resolution.

The draft agreement relating to the appointment of Mr. Vasudeva as managing director is open for inspection on any working day between 11.00 a.m. to 1.00 p.m. except Saturdays - Sundays, at the registered office of the Company till the date of AGM. None of the directors / key managerial personnel and their relatives except Mr. Vasudeva who shall be deemed to be interested or concerned financially or otherwise in the said resolution.

Item no. 7

Your directors at its meeting held on 16 May 2016 have appointed Mr. Bhupesh P. Porwal, CFO of the Company as an additional director to hold office upto ensuing annual general meeting.

Your directors recommend appointment of Mr. Porwal as director liable to retire by rotation for whom requisite notice pursuant to section 160 of the Act has been received. Your approval is sought to the resolution as appearing in item no. 7 of the accompanying notice by way of ordinary resolution.

None of the directors / key managerial personnel and their relatives except Mr. Porwal shall be deemed to be interested or concerned financially or otherwise in the said resolution.

Item no. 8

Mr. Bhupesh P. Porwal is an Indian national and having over 26 years of industry experience. He is a fellow member of the Institute of Chartered Accountants of India, MBA (Finance), Law Graduate and also a certified six sigma green belt,

In terms of the provisions of the Act and the articles of association of the Company, the nomination and remuneration committee of the board and the board of directors have, at their respective meeting held on 16 May 2016, appointed him as a whole-time director of the Company for a term of three years with effect from 16 May 2016 to 15 May 2019 (both the days inclusive) on the terms and conditions set out below subject to the approval of the shareholders:

- **BASIC SALARY**

Appointment of Mr. Porwal as whole-time director for a period of three years from 16 May 2016 on a salary not exceeding of Rs. 45.13 lacs per annum.

- **PROVIDENT FUND, SUPERANNUATION / ANNUITY FUND**

Company's contribution to provident fund and superannuation or annuity fund and other retirals to the extent these either singly or together are not taxable under the Income-tax Act. Gratuity as per the rules of the Company.

- **PERFORMANCE INCENTIVES**

In addition to the salary and perquisites, the appointee would be entitled to such performance incentives in any financial year as may be determined by the board of directors of the Company or recommendation of nomination and remuneration committee having regard to the performance of the Company not exceeding Rs. 19.70 lakhs per annum.

Aforesaid remuneration payable to the appointee (including the salary, commission, perquisites, benefits and amenities) shall not exceed the overall limits laid down in section 196 and 197 of the Act, including any statutory modification(s) or enactment(s) thereof i.e. not exceeding 10% of the net profits as computed under section 198 of the Act. However, if the aforesaid remuneration exceeds the limits, the Company shall pay remuneration in line with limits mentioned in section 196 and 197 of the Act / Schedule V of the Act till the approval of central government is obtained.

- **MINIMUM REMUNERATION**

In any financial year during the currency of the tenure of the appointee, the Company has no profit or its profits are inadequate the Company may pay to the appointee, remuneration by way of salary and perquisites as specified above as minimum remuneration. If aforesaid remuneration exceeds the limit under section 197 and / or schedule V of the Act, aforesaid remuneration can be paid as minimum remuneration with the approval of central government.

The board of directors may, subject to the approval of shareholders at the general meeting and other requisites authorities, if any, increase, augment, vary and modify the remuneration payable and the benefits and amenities provided to Mr. Porwal including the monetary value thereof, upto the limits, prescribed in that behalf under or pursuant to the Act or any statutory amendment(s), modification(s) or re-enactment thereof from time to time in force and/ or the guidelines in case of managerial remuneration issued by the Government of India, the Ministry of Corporate Affairs, from time to time, from the date the statutory amendment(s), modification(s) or re-enactment(s) and/ or the guidelines come into force.

The Company shall enter into an agreement with Mr. Porwal inter alia detailing the terms and conditions of appointment, powers, duties and the remuneration payable to him as detailed in the notice.

In the event that during the tenure of the subsisting agreement with Mr. Porwal, the statutory restrictions contained in the company law / corporate laws are removed or amended by the regulatory authorities, the board of directors will be at liberty to decide such variation in the terms as may be deemed necessary.

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The above may be treated as an abstract of the terms of agreement between the Company and Mr. Porwal pursuant to section 190 of the Act. The board of directors accordingly recommends the resolution set out at the Item no. 8 of the accompanying notice for the approval of the shareholders of the Company.

Information pursuant to part II section II (iv) of schedule V of the Act is set out as below:

I. General Information	
Nature of Industry	INEOS Styrolution is the leader and number one producer of ABSOLAC (ABS) in India. ABS is a plastic resin produced from Acrylonitrile, Butadiene & Styrene, used for manufacturing of home appliances, automobiles, consumer durables and business machines. The Company is also a leading manufacturer of ABSOLAN (SAN) which is a polymerized plastic resin produced from Styrene & Acrylonitrile, and mainly used for products such as lightings, stationeries, novelties, refrigerators and cosmetic packing.
Date or expected date of commencement of commercial production	The Company's plants are already operational.
In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospects	Not Applicable.
Financial performance based on given indicators	Please refer balance sheet, statement of profit and loss, cash flow statement and notes to accounts given in this annual report.
Foreign investments or collaborations, if any	Please refer notes to accounts given in this annual report.
ii. Information about the appointee:	Mr. Sanjiv Vasudeva Mr. Bhupesh P. Porwal
Background details, past remunerations, recognition or awards, job profile and his suitability, remuneration proposed	Please refer item no. 6 and 8 of statement pursuant to section 102(1) of the Act of this notice and report on corporate governance given in this annual report.

ii. Information about the appointee:	Mr. Sanjiv Vasudeva	Mr. Bhupesh P. Porwal
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Increased complexities & intricacies involved in today's business strategies, more particularly its survival, in today's thermoplastics industry, companies have had started recognizing its social responsibility towards rewarding its managerial personnel who have not only contributed significantly but also have adhered to the compliance of various laws of land and comprehensive global policies of its group. The basis of such remuneration to Mr. Vasudeva and Mr. Porwal is to recognize their achievements, experience and benefits that Company can derive from them. The remuneration offered to Mr. Vasudeva and Mr. Porwal is the most suitable in today's market scenario. Further details with regard to the size of the Company can be referred in the financials and director's report of this annual report.	
Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	NIL	
iii. Other information		
Reasons of loss or inadequate profits, steps taken or proposed to be taken for improvement & expected increase in productivity and profits in measurable terms.	Please refer management discussion and analysis report given in this annual report.	
iv. Disclosures		
All elements of remuneration package such as salary, benefits, bonuses, stock options, pension etc., of all the directors, details of fixed component and performance linked incentives along with the performance criteria and service contracts, notice period, severance fees.	Please refer item no. 6 and 8 of statement pursuant to section 102(1) of the Act of this notice and report on corporate governance given in this annual report.	
Stock option details, if any, and whether the same has been issued at a discount as well as the period over such accrued and over which exercisable.	Not applicable	

Your approval is sought to the resolution as appearing in item no. 8 of the accompanying notice by way of special resolution.

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The draft agreement relating to the appointment of Mr. Porwal as whole-time director is open for inspection on any working day between 11.00 a.m. to 1.00 p.m. except Saturdays - Sundays, at the registered office of the Company till the date of AGM.

None of the directors / key managerial personnel and their relatives except Mr. Porwal who shall be deemed to be interested or concerned financially or otherwise in the said resolution.

Item no. 9

Your directors at its meeting held on 16 May 2016 have appointed Ms. Ryna Karani as an additional director to hold office upto ensuing annual general meeting.

As per the provisions of section 149(4) of the Act and regulation 17 of Listing Regulations, every listed company shall have at least 1/3rd of its total number of directors as independent directors and section 149(6) of the Act and regulation 16(1) (b) of Listing Regulations, lays down the criteria for independence. Moreover, in terms of section 149(1) of the Act and regulation 17(1) of Listing Regulations, the company shall have atleast one woman director.

Ms. Ryna Karani, additional director of the Company, has furnished declaration to the Company under section 149(7) of the Act, confirming that she meets the criteria prescribed for independent directors under section 149(6) of the Act as well as regulation 16 (1) (b).

In the opinion of the board, the appointee is a person of integrity, possesses the relevant expertise and experience, fulfills the conditions specified in the act and the rules framed there under and under the Listing Regulations and is independent of the management of the Company.

In terms of section 149(11) of the Act, an independent director can hold office for two terms of up to 5 consecutive years each on the board of the company.

Accordingly, it is proposed to appoint Ms. Karani, as independent director of the Company for a period of three consecutive years with effect from 16 May 2016, as set out at Item No. 9. Notice as required under section 160 of the Act, has been received from her proposing her candidature as an independent director of the Company.

Upon the approval of the members of the Company on the said resolution, the appointment shall be formalized by way of issuance of the letter of appointment by the Company to the said independent director.

The Board accordingly recommends the resolution at item no. 9 of this notice for the approval of the Members.

None of the directors / key managerial personnel and their relatives except Ms. Ryna Karani shall be deemed to be interested or concerned financially or otherwise in the said resolution.

Item no.10

Transactions carried out by the Company with its related parties as specified in the resolutions appearing in item no. 10 of the accompanying notice are in the ordinary course of business and at arm's length basis. Accordingly the provisions of section 188 (1) of the Act would not apply to any of the transactions entered into by the Company.

However, pursuant to regulation 23 of the Listing Regulations, all material related party transactions to the aforesaid contracts require the approval of the shareholders of the Company by way of an ordinary resolution. As per the provisions of the Listing Regulations, all entities / persons that are directly / indirectly related parties of the Company shall abstain from voting on resolution(s) wherein approval of material related party transactions is sought from the shareholders.

The subjected contracts / arrangements / transactions were approved by the audit committee meetings held during the year and recommended by the board of directors to the shareholders of the Company for their approval. None of the directors / key managerial personnel of the Company and their relatives, except Mr. Stephen Mark Harrington, is in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 10 of the notice.

Item no. 11

The board of directors of the Company, on the recommendation of the audit committee, has approved the appointment of Messrs Kailash Sankhlecha and Associates, Cost Accountants (Firm's registration no. 100221), as the cost auditors to conduct the audit of the cost records of the Company for the financial year ending 31 March 2017. In accordance with the provisions of section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the cost auditors has to be determined by the members of the Company. Accordingly, consent of the members is sought by way of an ordinary resolution as set out at item no. 11 of the notice for ratification of the remuneration amounting to Rs. 340,000/- per annum plus applicable service tax and out of pocket expenses payable to the cost auditors for the financial year 2016-17.

None of the directors or key managerial personnel or their relatives are in any way concerned or interested, financially or otherwise, in the resolution at item no. 11 of this Notice.

Registered office :

6th floor, ABS Towers,
Old Padra Road,
Vadodara-390007
Gujarat, India

By Order of the Board of Directors
For **INEOS Styrolution India Limited**

Haresh Khilnani
Company Secretary, Head – Legal and Compliance

13 June 2016
Vadodara