Sector: Specialty Chemicals | **RESULT REVIEW Q2FY27** | **Declared On: 28 Oct 2026**

Styrenix Performance Materials Limited

RECOMMENDATION SNAPSHOT				
*CMP	Target	Potential Upside	MCap (Rsbn)	Recommendation
Rs1749	Rs2575	47%	30.75	Accumulate

**as on 02nd Nov, 2026*

About the Company:

Styrenix Performance Materials Limited (SPML formerly known as INEOS Styrolution India Limited) is the number one producer of Absolac® (ABS) and Absolan® (SAN) in India. With an experience of more than 5 decades; SPML has been the most preferred supplier to its customers with offerings which are best-in-class solutions, innovative, competitive and sustainable. SPML was the founder/developer of the ABS technology in India, which was introduced at a time when there was hardly any demand for such products due to lack of awareness of its versatile applications. SPML is a true pioneer in the engineering thermoplastics industry in India and since its inception, the company has been committed to revolutionizing the world of engineering thermoplastics in India. The company follows the philosophy of Made in India-Made for the world. SPML has recognized the need for sustainable solutions and have been at the forefront of developing environmentally friendly polymer resins. The company is involved in operations of a number of industries related to automotive, home appliances, electrical, electronics, construction, packaging, healthcare industry etc. SPML is headquartered at Vadodara, Gujarat. The company is a technology leader in styrenics domain with 5 state-of-the-art plants/facilities located at Nandesari, Katol, Dahej, Moxi and Map Ta Phut, Thailand with well-established sales and distribution network. Mr. Rahul Agrawal is the Managing Director of the company, who comes with a rich academic background as well extensive experience in the field of R&D in polymers.

Results: Quick Glance:

- The net sales for the quarter reported a growth of 24.4% to Rs9935mn as compared to Rs7989mn in the same quarter last year
- The blended Ebitda margins for the quarter under review stood at 7.2% as compared to 10.7% in the comparative quarter last year
- The company reported profit of Rs232mn as compared to Rs447mn in the same quarter last year
- The EPS for the quarter stood at Rs13.18 as compared to Rs25.43 in the corresponding period of last year
- For H1FY27, the revenues came in at Rs20044mn as compared to Rs17424mn; growth of 15% while the PAT stood at Rs1615mn as against Rs967mn. The EPS came in at Rs91.82 as against Rs54.97 in H1FY26

Conference Call Highlights:

- The company has reported a more or less normalized quarter after a one-off in Q1FY27. The overall ABS volumes increased sharply as the supply chain issues relaxed a bit. Styrene monomer prices have been highly volatile. The margins of bulk of business (ABS, HIPS) are more or less protected via formula based pricing strategy followed by SPML. This helps in absorbing the increased raw-material costs, which are passed on and accepted by customers thus maintaining the spreads. During the quarter under review, the non-OEM demand was seen reviving in parts; the overall prices on finished goods and raw materials remained elevated but the clients have accepted these prices. The Management anticipates the GPPS to see a little improvement
- The Management had made a conscious decision to walk away from speculative non-OEM demand for GPPS volumes. The standalone per kg performance in Q2FY27 is more or less at a fair run-rate baseline. The consolidated sales volume came in at 55.1KT in Q2FY27 as compared to 57.5KT in Q2FY26
- As far as the development at the newly acquired plant in Thailand is concerned, SPML is looking at the same restructuring story for the next ~6-8 quarters. The gross margins of this entity are higher than India however, the cost structures are dragging the profitability lower. The Management believes Q2FY27 is more or less the quarterly volume floor and anticipates gradual improvement. The biggest challenge for this unit is the manufacturing cost base. During the quarter under review, the company has received some approvals and some business were rebalanced when moving from the earlier international brand to SPML own brand. In addition to this, the Management also believes, savings in rubber efficiency and production cost can impact the Thailand standalone profitability. The incremental volume growth across Thailand, China, Japan, Indonesia, Vietnam, and Korea are anticipated in ~6-8 quarters before they materialize and ~8-12 quarters before the same runs potentially full capacity
- As per the Management commentary, new capacities across all three plants is expected to be commissioned this financial year; where the refrigeration liner ABS grades business is an opportunity of ~30,000-40,000ton import-substitution. The phase-2 of expansion plans are expected to start once the first phase comes online

Conference Call Highlights (contd.):

- SPML does not see any real change in competitive intensity; the ability to utilize the entire upcoming capacities remains unchanged. The new product businesses have seen encouraging demand, where the newer products like Styroloy/Asalac business has shown good growth. The current mix fluctuates owing to the changes in the end market
- The Management believes that the preference of Indian consumers to buy from local suppliers and manufacturers will continue to persist. Despite the dumping or exports can lead to a small portion of substitution among foreign producers however, this is not expected to affect most local manufacturers' ability to retain market share

Financials:

Performance (Q2FY27)									
Q2FY27 Result (Rs mn)	**Sept-26**	**Sept-25**	**y-o-y**	**Jun-26**	**q-o-q**	**H1FY27**	**H1FY26**	**y-o-y**	**FY27E**
Total Revenue	9935	7989	24.4%	10109	(1.7%)	20044	17424	15.0%	37818
EBITDA	718	855	(16.0%)	2203	(67.4%)	2937	1820	61.4%	4065
Other Income	38	30	28.0%	33	13.8%	55	63	(12.5%)	142
Interest	49	54	(10.0%)	44	10.0%	93	100	(7.1%)	194
Depreciation	304	262	16.1%	305	(0.6%)	609	509	19.7%	1223
Exceptional Items	0	0	-	0	-	0	0	-	0
Tax	172	122	41.6%	503	(65.8%)	675	308	-	642
Net Profit	**232**	**447**	**(48.2%)**	**1383**	**(83.2%)**	**1615**	**967**	**67.0%**	**2149**

Outlook and Recommendations:

Q2FY27 also witnessed continued geopolitical uncertainty and disruptions across global supply chains which also led to availability and pricing of key raw materials volatile. Despite these challenges the company has performed well in the domestic market. Despite the external headwinds, the overall demand continued to remain robust during the quarter. The Thailand business continues to face challenges arising from significant capacity overhang and competitive pressures, however, the company has received encouraging acceptance of the Styrenix brand across regional markets. The Management believes that continued market development, customer engagement and commercial focus can support improvement in capacity utilization, coupled with strong growth plans. For the Thailand acquisition plant, the goal of the Management is to build a structurally profitable business regardless of market dynamics.

The Management continues to view both ABS and polystyrene as strategically important. For ABS, the auto and appliance mix is expected to remain broadly similar in the current year, although it can fluctuate depending on the relative growth of the two end markets. SPML believes both segments offer growth opportunities under a normalized demand environment. SPML has agile operating capabilities with a diversified sourcing strategy, strong relationships with suppliers and long-standing relationships across the value chain. The first phase of the ABS capacity augmentation plan in India continues to be on track for commissioning during the current financial year which will help the company capitalize on long term growth opportunities in the Indian engineering polymers market. The **capital allocation** strategy continues to remain unchanged and the company intends to deploy capital towards planned growth capex. Some of the key factors that need to be monitored constantly include the GPPS volumes uptick (if any) as non-OEM demand stabilizes without any speculative RM bets, the pace of Thailand project and its execution and focus on the timeline of phase-1 commissioning. We continue to stick to the normalized historical margins and continue to maintain our target price of Rs2575.

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