

30th October, 2019

The Manager,
Listing Department,
National Stock Exchange of India Ltd.,
Exchange Plaza,
Plot No. – C-1, G Block,
Bandra – Kurla Complex,
Bandra (East),
Mumbai – 400051

The General Manager,
Department of Corporate Services,
BSE Ltd.
1st Floor, New Trading Ring,
Rotunda Building,
P.J. Towers,
Dalal Street, Fort,
Mumbai – 400001

The Secretary,
The Calcutta Stock Exchange Limited,
7, Lyons Range,
Kolkata – 700001

Dear Sir,

Sub:- Outcome of Board Meeting - Unaudited Financial Results for the Quarter and Six Months ended 30th September, 2019

Further to our letter dated 1st October, 2019, we wish to inform you that pursuant to Regulations 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, as amended (referred to as the “SEBI Listing Regulations”), the Board of Directors of the Company, at its Meeting held today, i.e. 30th October, 2019, has *inter alia*, approved the following:-

- i) Unaudited Financial Results of the Company, both Standalone and Consolidated, for the Quarter and Six Months ended 30th September, 2019;
- ii) Unaudited Segment wise Revenue, Results, Assets and Liabilities of the Company, both Standalone and Consolidated, for the Quarter and Six Months ended 30th September, 2019;
- iii) Unaudited Cash Flow Statement, both Standalone and Consolidated, for the Six Months ended 30th September, 2019;

- iv) Unaudited Statement of Assets and Liabilities, both Standalone and Consolidated, as at 30th September, 2019; and
- v) Limited Review Reports from the Statutory Auditors, Messrs. S.R. Batliboi & Co. LLP, on the aforesaid Standalone and Consolidated Financial Results.

The Meeting of the Board of Directors commenced at 11 A.M. and concluded at 12:25 P.M.



Kindly take the afore-mentioned information in record and oblige.

Yours faithfully,
For **Phillips Carbon Black Limited**


K. Mukherjee
Company Secretary and Chief Legal Officer

Encl:- As above

Phillips Carbon Black Limited

Registered Office : 31, Netaji Subhas Road, Kolkata - 700 001. CIN : L23109WB1960PLC024602
Statement of Unaudited Standalone Financial Results for the quarter and half year ended 30 September, 2019

(₹ in Crores unless otherwise stated)

Particulars	Quarter ended			Six Months ended		Year ended
	30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue from Operations	862.99	911.52	880.26	1,774.51	1,661.68	3,528.56
Other income	4.90	5.78	3.18	10.68	6.99	19.41
Total Income	867.89	917.30	883.44	1,785.19	1,668.67	3,547.97
Expenses						
Cost of materials consumed	610.87	607.50	572.19	1,218.37	1,086.84	2,351.96
Change in inventories of finished goods	(30.48)	23.33	(20.44)	(7.15)	(43.08)	(55.40)
Employee benefits expense	36.62	30.29	34.71	66.91	59.52	110.92
Finance costs	9.08	12.70	7.12	21.78	15.33	36.77
Foreign Exchange Fluctuation (Net)	3.09	(0.28)	(0.38)	2.81	3.53	(2.05)
Depreciation and amortisation expense	21.82	21.20	17.50	43.02	32.97	66.38
Other expenses	114.17	137.20	119.16	251.37	222.86	500.59
Total Expenses	765.17	831.94	729.86	1,597.11	1,377.97	3,009.17
Profit before Tax	102.72	85.36	153.58	188.08	290.70	538.80
Tax expense						
Current Tax	23.26	18.46	48.23	41.72	87.01	150.87
Deferred Tax	2.41	2.24	(2.62)	4.65	(1.82)	(0.60)
Total tax expense	25.67	20.70	45.61	46.37	85.19	150.27
Profit after tax	77.05	64.66	107.97	141.71	205.51	388.53
Other Comprehensive Income (OCI)						
Items that will not be reclassified to profit or loss (Net of tax) :						
Remeasurements of post employment defined benefit plans	(0.43)	(0.42)	(0.49)	(0.85)	(0.98)	(1.20)
Changes in fair value of equity instruments through OCI	(12.05)	(0.82)	(13.47)	(12.87)	(24.11)	(1.89)
Other Comprehensive Income (Net of tax)	(12.48)	(1.24)	(13.96)	(13.72)	(25.09)	(3.09)
Total Comprehensive Income (Comprising Profit after tax and Other Comprehensive Income)	64.57	63.42	94.01	127.99	180.42	385.44
Paid-up Equity Share Capital (Face value of ₹ 2/- each)	34.47	34.47	34.47	34.47	34.47	34.47
Other Equity						1,613.60
Earnings per equity share (EPS) (₹) (Nominal value per share ₹ 2/-)						
Basic & Diluted	4.47*	3.75*	6.26*	8.22*	11.92*	22.54
(* not annualised)						

Notes to the Unaudited Standalone Financial Results

1. Segment Information

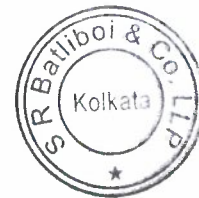
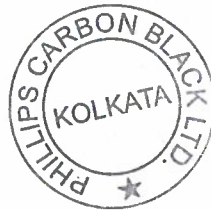
Particulars	Quarter ended			Six Months ended		Year ended
	30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Segment Revenue :						
(a) Carbon Black	839.50	888.55	856.29	1,728.05	1,610.83	3,431.11
(b) Power	40.23	39.63	38.72	79.86	81.19	162.99
Total	879.73	928.18	895.01	1,807.91	1,692.02	3,594.10
Less : Inter Segment Revenue	16.74	16.66	14.75	33.40	30.34	65.54
Net Sales / Income from Operations	862.99	911.52	880.26	1,774.51	1,661.68	3,528.56
2. Segment Profit Before Interest and Tax :						
(a) Carbon Black	125.00	122.66	163.86	247.66	300.46	619.03
(b) Power	26.03	27.22	25.16	53.25	56.14	108.91
Total	151.03	149.88	189.02	300.91	356.60	727.94
Less : (i) Finance cost	9.08	12.70	7.12	21.78	15.33	36.77
(ii) Other Un-allocable Expenditure net of Un-allocable Income	39.23	51.82	28.32	91.05	50.57	152.37
Total Profit Before Tax	102.72	85.36	153.58	188.08	290.70	538.80
Segment Assets						
Carbon Black	2,518.88	2,480.20	2,330.64	2,518.88	2,330.64	2,496.48
Power	331.27	328.90	331.81	331.27	331.81	331.32
Unallocated	550.94	712.73	610.33	550.94	610.33	546.83
Total	3,401.09	3,521.83	3,272.78	3,401.09	3,272.78	3,374.63
Segment Liabilities						
Carbon Black	666.39	715.55	746.98	666.39	746.98	616.80
Power	11.13	7.23	9.84	11.13	9.84	8.77
Unallocated	950.74	1,092.54	988.12	950.74	988.12	1,100.99
Total	1,628.26	1,815.32	1,744.94	1,628.26	1,744.94	1,726.56



2. Statement of Unaudited Standalone Assets and Liabilities as at 30 September, 2019

(₹ in Crores)

Particulars	Standalone	
	As at 30.09.2019	As at 31.03.2019
	(Unaudited)	(Audited)
ASSETS		
Non-current assets		
Property, Plant and Equipment	1,541.57	1,494.40
Capital work-in-progress	258.93	175.04
Investment Property	4.48	4.48
Intangible assets	1.22	1.43
Financial Assets		
(i) Investments	264.68	278.68
(ii) Loans	19.81	19.35
(iii) Other Financial Assets	1.39	1.39
Other non-current assets	40.98	24.97
Total Non-current assets	2,133.06	1,999.74
Current assets		
Inventories	348.68	460.29
Financial Assets		
(i) Other Investments	154.39	105.11
(ii) Trade receivables	634.84	652.66
(iii) Cash and cash equivalents	39.20	73.94
(iv) Other bank balances	1.88	1.89
(v) Loans	1.95	1.79
(vi) Other Financial Assets	11.97	19.94
Other current assets	75.12	77.27
Total Current assets	1,268.03	1,374.89
TOTAL ASSETS	3,401.09	3,374.63
EQUITY AND LIABILITIES		
EQUITY		
Equity Share Capital	34.47	34.47
Other Equity	1,738.36	1,613.60
TOTAL EQUITY	1,772.83	1,648.07
LIABILITIES		
Non-current liabilities		
Financial Liabilities		
(i) Borrowings	245.55	270.66
(ii) Other financial liabilities	48.44	-
Provisions	1.08	1.31
Deferred tax liabilities (Net)	259.28	256.72
Total Non-current liabilities	554.35	528.69
Current liabilities		
Financial Liabilities		
(i) Borrowings	345.45	454.99
(ii) Trade payables		
a) Total Outstanding Dues of Micro Enterprises and Small Enterprises	1.42	3.59
b) Total Outstanding Dues of creditors other than Micro Enterprises and Small Enterprises	490.39	504.38
(iii) Other financial liabilities	138.40	139.46
Provisions	79.78	83.21
Current Tax Liabilities (Net)	1.25	0.88
Other current liabilities	17.22	11.36
Total Current liabilities	1,073.91	1,197.87
TOTAL LIABILITIES	1,628.26	1,726.56
TOTAL EQUITY AND LIABILITIES	3,401.09	3,374.63



3. Statement of Standalone Cash Flows for the period ended 30 September , 2019

(₹ in Crores unless otherwise stated)

Particulars	Six Months ended 30 September , 2019 (Unaudited)	Six Months ended 30 September , 2018 (Unaudited)
A. Cash Flow from Operating Activities		
Profit before Tax	188.08	290.70
<u>Adjustments to reconcile profit before tax to net cash flows:</u>		
Depreciation and amortisation expenses	43.02	32.97
Finance costs	21.78	15.33
Interest income from certain financial assets	-	(0.35)
Interest income from loan to subsidiary	(0.28)	(0.26)
Dividend income from equity instruments designated at FVTPL	-	(0.96)
Gain on sale of investments carried at FVTPL	(3.09)	(3.86)
Fair Value gains on investments at FVTPL	(4.85)	(1.35)
Allowance for doubtful debts written back	(0.46)	-
Allowance for doubtful debts/expected credit losses - trade receivable	-	1.16
Liabilities no longer required written back	(0.74)	-
(Profit)/Loss on disposal/discard of property, plant and equipment and right of use assets	(0.09)	0.12
Provisions for claims and litigations	2.85	19.32
Unrealised Foreign exchange differences (net)	21.81	31.98
	<u>79.95</u>	<u>94.10</u>
Operating profit before changes in operating assets and liabilities	268.03	384.80
Working capital adjustments		
(Increase)/Decrease in inventories	111.61	(127.18)
(Increase)/Decrease in financial and non-financial assets	3.67	(150.04)
Increase/(Decrease) in financial and non-financial liabilities	(53.28)	216.41
	<u>62.00</u>	<u>(60.81)</u>
Cash generated from operations	330.03	323.99
Income taxes paid (net of refunds)	(39.62)	(66.00)
NET CASH FLOWS FROM OPERATING ACTIVITIES	290.41	257.99
B. Cash Flow from Investing Activities		
Purchase of property, plant and equipment	(107.60)	(138.83)
Proceeds from disposal of property, plant and equipment	0.01	0.01
Purchase of current investments	(1,869.91)	(1,408.00)
Proceeds from sale/redemption of current investments	1,828.07	1,282.86
Interest received	-	1.19
Dividend received from equity instruments designated at FVTPL	-	0.96
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(149.43)	(261.81)
C. Cash Flow from Financing Activities		
Proceeds from non-current borrowings	-	(230.00)
Repayment of non-current borrowings	(43.00)	34.49
Payment of lease Liability	(10.35)	-
Increase/(decrease) in cash credit facilities from banks	(98.39)	167.81
Proceeds from current borrowings	393.27	660.00
Repayment of current borrowings	(404.61)	(666.77)
Dividends paid	-	(24.61)
Finance cost paid	(12.64)	(12.19)
NET CASH FLOWS USED IN FINANCING ACTIVITIES	(175.72)	(71.27)
Net increase/(decrease) in Cash and Cash Equivalents	(34.74)	(75.09)
Opening Cash and Cash Equivalents	<u>73.94</u>	<u>132.85</u>
Closing Cash and Cash Equivalents	<u>39.20</u>	<u>57.76</u>

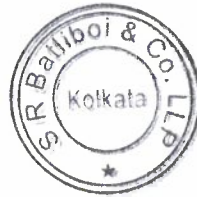


4 The above unaudited standalone financial results of the Company for the quarter ended September 30, 2019 have been reviewed by the Audit Committee and thereafter approved by the Board of Directors at their respective meetings held on October 30, 2019. The statutory auditors have carried out a limited review of these financial results. The comparative figures for the half year ended September 30, 2018 in the Statement of Cash Flows have been compiled by the Management in accordance with accounting principles generally accepted in India and have not been subjected to audit/review.

5 The Company has applied Ind AS 116 - Leases (applicable from 01.04.2019), using the Modified Retrospective Approach. As a result, the Company has recognised Right of Use Asset amounting to Rs. 61.32 crores, and lease liability of Rs. 66.30 crores, with net impact of Rs. (3.24) crores (net of tax) recognised in retained earnings as at 01.04.2019. Further, expenses towards such leases is now recorded as depreciation on Right of Use Assets and finance cost on lease liability, instead of rent. Consequently, Profit before tax for the quarter and half year ended September 30, 2019 is lower by Rs.0.46 crores and Rs.0.68 crores respectively.

6 The figures for the corresponding previous periods have been regrouped/reclassified wherever necessary.

Kolkata
30th October 2019



By Order of the Board

Kausnik Roy
Managing Director
DIN: 06513489



Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**Review Report to
The Board of Directors
Phillips Carbon Black Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Phillips Carbon Black Limited (the "Company") for the quarter ended September 30, 2019 and year to date from April 1, 2019 to September 30, 2019 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"). Attention is drawn to the fact that the Statement of cash flows for the corresponding period from April 1, 2018 to September 30, 2018, as reported in these unaudited standalone financial results have been approved by the Board of Directors of the Company but have not been subjected to review.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm registration number: 301003E/E300005


per Kamal Agarwal

Partner

Membership No.: 058652



UDIN: 19058652AAAABQ4300

Kolkata

October 30, 2019

Phillips Carbon Black Limited

Registered Office : 31, Netaji Subhas Road, Kolkata - 700 001. CIN : L23109WB1960PLC024602
Statement of Unaudited Consolidated Financial Results for the quarter and half year ended 30 September, 2019

(₹ in Crores unless otherwise stated)

Particulars	Consolidated					
	Quarter ended			Six Months ended		Year ended
	30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue from Operations	862.99	911.52	880.26	1,774.51	1,661.68	3,528.56
Other Income	5.62	8.36	3.46	13.98	7.53	19.93
Total Income	868.61	919.88	883.72	1,788.49	1,669.21	3,548.49
Expenses						
Cost of materials consumed	610.87	607.50	572.19	1,218.37	1,086.84	2,351.96
Change in inventories of finished goods	(30.48)	23.33	(20.44)	(7.15)	(43.08)	(55.40)
Employee benefits expense	36.66	30.34	34.76	67.00	59.61	111.12
Finance costs	9.08	12.70	7.12	21.78	15.33	36.78
Foreign Exchange Fluctuation (Net)	3.09	(0.28)	(0.38)	2.81	3.53	(2.05)
Depreciation and amortisation expense	21.82	21.20	17.50	43.02	32.97	66.38
Other expenses	114.44	137.57	119.27	252.01	223.00	506.77
Total Expenses	765.48	832.36	730.02	1,597.84	1,378.20	3,015.56
Profit before Tax	103.13	87.52	153.70	190.65	291.01	532.93
Tax expense						
Current Tax	23.21	18.46	48.23	41.67	87.01	150.87
Deferred Tax	2.41	2.24	(2.62)	4.65	(1.82)	(0.60)
Total tax expense	25.62	20.70	45.61	46.32	85.19	150.27
Profit after tax	77.51	66.82	108.09	144.33	205.82	382.66
Other Comprehensive Income (OCI)						
Items that will be reclassified to profit or loss (Net of tax) :						
Exchange differences on translation of foreign operations	1.34	(0.57)	1.76	0.77	3.41	1.13
Items that will not be reclassified to profit or loss (Net of tax) :						
Remeasurements of post employment defined benefit plans	(0.43)	(0.42)	(0.49)	(0.85)	(0.98)	(1.20)
Changes in fair value of equity instruments through OCI	(12.05)	(0.82)	(13.47)	(12.87)	(24.11)	(1.89)
Other Comprehensive Income (Net of tax)	(11.14)	(1.81)	(12.20)	(12.95)	(21.68)	(1.96)
Total Comprehensive Income (Comprising Profit after tax and Other Comprehensive Income)	66.37	65.01	95.89	131.38	184.14	380.70
Profit attributable to :						
Owners of the equity	77.37	66.36	108.02	143.73	205.68	383.69
Non-controlling interest	0.14	0.46	0.07	0.60	0.14	(1.03)
Other Comprehensive Income attributable to :						
Owners of the equity	(11.34)	(1.76)	(12.50)	(13.10)	(22.26)	(2.24)
Non-controlling interest	0.20	(0.05)	0.30	0.15	0.58	0.28
Total Comprehensive Income attributable to :						
Owners of the equity	66.03	64.60	95.52	130.63	183.42	381.45
Non-controlling interest	0.34	0.41	0.37	0.75	0.72	(0.75)
Paid-up Equity Share Capital (Face value of ₹ 2/- each)	34.47	34.47	34.47	34.47	34.47	34.47
Other Equity						1,615.42
Earnings per equity share (EPS) (₹) (Nominal value per share ₹ 2/-)						
Basic & Diluted	4.50*	3.88*	6.27*	8.37*	11.94*	22.20
(* not annualised)						

Notes to the Unaudited Consolidated Financial Results

1. Segment Information

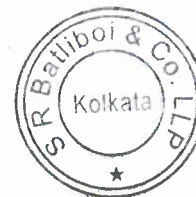
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	Quarter ended			Six Months ended		Year ended
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	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Segment Revenue :						
(a) Carbon Black	839.50	888.55	856.29	1,728.05	1,610.83	3,431.11
(b) Power	40.23	39.63	38.72	79.86	81.19	162.99
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Net Sales / Income from Operations	862.99	911.52	880.26	1,774.51	1,661.68	3,528.56
2. Segment Profit Before Interest and Tax :						
(a) Carbon Black	125.00	122.66	163.86	247.66	300.46	619.03
(b) Power	26.03	27.22	25.16	53.25	56.14	108.91
Total	151.03	149.88	189.02	300.91	356.60	727.94
Less : (i) Finance cost	9.08	12.70	7.12	21.78	15.33	36.78
(ii) Other Un-allocable Expenditure net of Un-allocable Income	38.82	49.66	28.20	88.48	50.26	158.23
Total Profit Before Tax	103.13	87.52	153.70	190.65	291.01	532.93
Segment Assets						
Carbon Black	2,518.88	2,480.20	2,330.64	2,518.88	2,330.64	2,496.48
Power	331.27	328.90	331.81	331.27	331.81	331.32
Unallocated	562.59	722.61	626.15	562.59	626.15	559.31
Total	3,412.74	3,531.71	3,288.60	3,412.74	3,288.60	3,387.11
Segment Liabilities						
Carbon Black	666.39	715.55	746.98	666.39	746.98	616.80
Power	11.13	7.23	9.84	11.13	9.84	8.77
Unallocated	951.04	1,092.75	988.40	951.04	988.40	1,105.80
Total	1,628.56	1,815.53	1,745.22	1,628.56	1,745.22	1,731.37



2. Statement of Unaudited Consolidated Assets and Liabilities as at 30 September, 2019

(₹ in Crores)

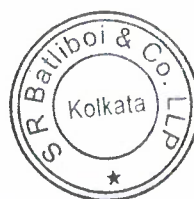
Particulars	Consolidated	
	As at 30.09.2019	As at 31.03.2019
	(Unaudited)	(Audited)
ASSETS		
Non-current assets		
Property, Plant and Equipment	1,541.57	1,494.40
Capital work-in-progress	258.93	175.04
Investment Property	4.48	4.48
Intangible assets	1.22	1.43
Financial Assets		
(i) Investments	243.03	257.03
(ii) Loans	13.90	13.72
(iii) Other Financial Assets	1.39	1.39
Other non-current assets	40.98	24.97
Total Non-current assets	2,105.50	1,972.46
Current assets		
Inventories	348.68	460.29
Financial Assets		
(i) Other Investments	154.39	105.11
(ii) Trade receivables	634.84	652.66
(iii) Cash and cash equivalents	77.74	113.57
(iv) Other bank balances	1.88	1.89
(v) Loans	1.95	1.79
(vi) Other Financial Assets	11.97	1.94
Other current assets	75.79	77.40
Total Current assets	1,307.24	1,414.65
TOTAL ASSETS	3,412.74	3,387.11
EQUITY AND LIABILITIES		
EQUITY		
Equity Share Capital	34.47	34.47
Other Equity	1,743.11	1,615.42
Non Controlling Interest	6.60	5.85
TOTAL EQUITY	1,784.18	1,655.74
LIABILITIES		
Non-current liabilities		
Financial Liabilities		
(i) Borrowings	245.55	270.66
(ii) Other financial liabilities	48.44	-
Provisions	1.08	1.31
Deferred tax liabilities (Net)	259.28	256.72
Total Non-current liabilities	554.35	528.69
Current liabilities		
Financial Liabilities		
(i) Borrowings	345.45	454.99
(ii) Trade payables		
a) Total Outstanding Dues of Micro Enterprises and Small Enterprises	1.42	3.59
b) Total Outstanding Dues of creditors other than Micro Enterprises and Small Enterprises	490.66	504.69
(iii) Other financial liabilities	138.40	139.46
Provisions	79.78	83.21
Current Tax Liabilities (Net)	1.28	5.38
Other current liabilities	17.22	11.36
Total Current liabilities	1,074.21	1,202.68
TOTAL LIABILITIES	1,628.56	1,731.37
TOTAL EQUITY AND LIABILITIES	3,412.74	3,387.11



3. Statement of Consolidated Cash Flows for the period ended 30 September , 2019

(₹ in Crores unless otherwise stated)

Particulars	Six Months ended 30 September , 2019 (Unaudited)	Six Months ended 30 September , 2018 (Unaudited)
A. Cash Flow from Operating Activities		
Profit before Tax	190.65	291.01
<u>Adjustments to reconcile profit before tax to net cash flows:</u>		
Depreciation and amortisation expenses	43.02	32.97
Finance costs	21.78	15.33
Interest income from certain financial assets	(1.70)	(1.13)
Dividend income from equity instruments designated at FVTPL	-	(0.96)
Gain on sale of investments carried at FVTPL	(3.09)	(3.86)
Fair Value gains on investments at FVTPL	(4.85)	(1.35)
Allowance for doubtful debts written back	(0.46)	-
Allowance for doubtful debts/expected credit losses - trade receivable	-	1.16
Liabilities no longer required written back	(2.62)	-
(Profit)/Loss on disposal/discard of property, plant and equipment and right of use assets	(0.09)	0.12
Provisions for claims and litigations	2.85	19.32
Unrealised Foreign exchange differences (net)	21.81	31.97
	<u>76.65</u>	<u>93.57</u>
Operating profit before changes in operating assets and liabilities	267.30	384.58
Working capital adjustments		
(Increase)/Decrease in inventories	111.61	(127.18)
(Increase)/Decrease in financial and non-financial assets	3.13	(150.04)
Increase/(Decrease) in financial and non-financial liabilities	(52.05)	219.93
	<u>62.69</u>	<u>(57.29)</u>
Cash generated from operations	329.99	327.29
Income taxes paid (net of refunds)	(42.37)	(66.00)
NET CASH FLOWS FROM OPERATING ACTIVITIES	287.62	261.29
B. Cash Flow from Investing Activities		
Purchase of property, plant and equipment	(107.60)	(138.83)
Proceeds from disposal of property, plant and equipment	0.01	0.01
Purchase of current investments	(1,869.91)	(1,408.00)
Proceeds from sale/redemption of current investments	1,828.07	1,282.86
Interest received	1.70	1.98
Dividend received from equity instruments designated at FVTPL	-	0.96
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(147.73)	(261.02)
C. Cash Flow from Financing Activities		
Proceeds from non-current borrowings	-	(230.00)
Repayment of non-current borrowings	(43.00)	34.49
Payment of lease Liability	(10.35)	-
Increase/(Decrease) in cash credit facilities from banks	(98.39)	167.81
Proceeds from current borrowings	393.27	660.00
Repayment of current borrowings	(404.61)	(666.77)
Dividends paid	-	(24.61)
Finance cost paid	(12.64)	(12.19)
NET CASH FLOWS USED IN FINANCING ACTIVITIES	(175.72)	(71.27)
Net increase/(decrease) in Cash and Cash Equivalents	(35.83)	(71.00)
Opening Cash and Cash Equivalents	113.57	171.60
Closing Cash and Cash Equivalents	<u><u>77.74</u></u>	<u><u>100.60</u></u>



- 4 The above unaudited consolidated financial results of the Group for the quarter and half year ended September 30, 2019 have been reviewed by the Audit Committee and thereafter approved by the Board of Directors at their respective meetings held on October 30, 2019. The statutory auditors have carried out a limited review of these financial results. The comparative figures for the quarter and half year ended September 30, 2018 (including Statement of Cash Flows) have been compiled by the Management in accordance with accounting principles generally accepted in India and have not been subjected to audit/review.
- 5 The Group has applied Ind AS 116 - Leases (applicable from 01.04.2019), using the Modified Retrospective Approach. As a result, the Group has recognised Right of Use Asset amounting to Rs. 61.32 crores, and lease liability of Rs. 66.30 crores, with net impact of Rs. (3.24) crores (net of tax) recognised in retained earnings as at 01.04.2019. Further, expenses towards such leases is now recorded as depreciation on Right of Use Assets and finance cost on lease liability, instead of rent. Consequently, Profit before tax for the quarter and half year ended September 30, 2019 is lower by Rs.0.46 crores and Rs.0.68 crores respectively.
- 6 The figures for the corresponding previous periods have been regrouped/reclassified wherever necessary.

Kolkata
30th October 2019



By Order of the Board

Kaushik Roy
Managing Director
DIN: 06513489

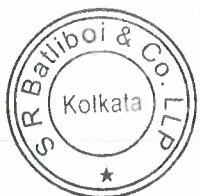
A circular stamp with the text "PHILIPS CARBON BLACK LTD." around the perimeter and "KOLKATA" in the center, with a small star at the bottom.

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**Review Report to
The Board of Directors
Phillips Carbon Black Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Phillips Carbon Black Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") for the quarter ended September 30, 2019 and year to date from April 1, 2019 to September 30, 2019 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"). Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended September 30, 2018 and the consolidated figures as well as the consolidated figures for the net cash outflows for the corresponding period from April 1, 2018 to September 30, 2018, as reported in these unaudited consolidated financial results have been approved by the Holding Company's Board of Directors, but have not been subjected to review.
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:
 - a) Phillips Carbon Black Cyprus Holdings Limited (PCBCHL) – wholly owned subsidiary of the Holding Company.
 - b) PCBL Netherlands Holdings B.V. (PCBNH) – wholly owned subsidiary of PCBCHL
 - c) Phillips Carbon Black Vietnam Joint Stock Company - subsidiary of PCBNH
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the audit report of other auditor referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the interim financial results and financial information of one subsidiary, whose interim financial results and financial information reflect total assets of Rs. 39.22 crores as at September 30, 2019, and total revenue from operations of Rs. Nil and Rs. Nil, total net profit after tax of Rs. 0.63 crores and Rs.3.01 crores, total comprehensive income of Rs. 0.63 crores and Rs. 3.01 crores, for the quarter ended



S.R. BATLIBOI & CO. LLP

Chartered Accountants

September 30, 2019 and for the period from April 1, 2019 to September 30, 2019, respectively, and net cash outflows of Rs. 1.09 crores for the period from April 1, 2019 to September 30, 2019, as considered in the Statement, which have been audited by its independent auditors. The independent auditor's report on interim financial results of this entity has been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of this subsidiary is based solely on the report of such auditors and procedures performed by us as stated in paragraph 3 above.

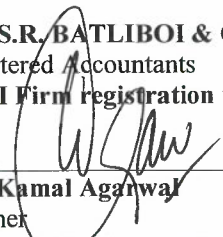
The above subsidiary is located outside India whose financial results and other financial information have been prepared in accordance with accounting principles generally accepted in its country and which have been audited by other auditor under generally accepted auditing standards applicable in its country. The Holding Company's management has converted the financial results of such subsidiary located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Holding Company's management. Our conclusion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditor and the conversion adjustments prepared by the management of the Holding Company and reviewed by us.

7. The accompanying Statement of unaudited consolidated financial results include unaudited interim financial results and other unaudited financial information in respect of two subsidiaries, whose interim financial results reflect total assets of Rs. 54.21 crores as at September 30, 2019, total revenue from operations of Rs. Nil and Rs. Nil, total net loss after tax of Rs. 0.11 crores and Rs. 0.10 crores, Group's share of total comprehensive loss of Rs. 0.11 crores and Rs. 0.10 crores, for the quarter ended September 30, 2019 and for the period from April 1, 2019 to September 30, 2019, respectively, and net cash flows of Rs. Nil for the period from April 1, 2019 to September 30, 2019, as considered in the Statement. These unaudited interim financial results and other unaudited financial information have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of these subsidiaries, is based solely on such unaudited interim financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.
8. Our conclusion on the Statement in respect of matters stated in para 6 and 7 above is not modified with respect to our reliance on the work done and the reports of the other auditor and the financial results/financial information certified by the Management.

For S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm registration number: 301003E/E300005


per Kamal Agarwal
Partner

Membership No.: 058652

UDIN: 19058652AAAABR5433



Kolkata

Date October 30, 2019