



**RP - Sanjiv Goenka
Group**
Growing Legacies



Phillips Carbon Black Limited

19th July, 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 Ltd,
7, Lyons Range,
Kolkata – 700001

Dear Sir,

Sub:- Outcome of the Board Meeting

Pursuant to Regulations 30 and 33 of the SEBI Listing Regulations, we wish to inform you that the Board of Directors of the Company, at its Meeting held today, i.e. 19th July, 2019, has inter alia, approved the following:-

- 1.) Unaudited Standalone Financial Results of the Company along with the Limited Review Report for the first quarter ended 30th June, 2019 (enclosed herewith, marked as 'Annexure – 1').
- 2.) Unaudited Consolidated Financial Results of the Company along with the Limited Review Report for the first quarter ended 30th June, 2019 (enclosed herewith, marked as 'Annexure – 2').

The Meeting of the Board of Directors commenced at 1.00 P.M. and concluded at 2.15 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 ended 30 June, 2019

(₹ in Crores unless otherwise stated)

Particulars	Standalone			
	Quarter ended			Year ended
	30.06.2019	31.03.2019	30.06.2018	31.03.2019
	Unaudited	Audited (Refer Note 2)	Unaudited	Audited
Revenue from Operations	911.52	920.99	781.42	3,528.56
Other Income	5.78	8.32	3.81	19.41
Total Income	917.30	929.31	785.23	3,547.97
Expenses				
Cost of materials consumed	607.50	625.57	514.65	2,351.96
Change in inventories of finished goods	23.33	(2.15)	(22.64)	(55.40)
Employee benefits expense	30.29	21.56	24.81	110.92
Finance costs	12.70	10.56	8.21	36.77
Foreign Exchange Fluctuation (Net)	(0.28)	0.95	5.68	(2.05)
Depreciation and amortisation expense	21.20	17.77	15.47	66.38
Other expenses	137.20	163.29	101.93	500.59
Total Expenses	831.94	837.55	648.11	3,009.17
Profit before Tax	85.36	91.76	137.12	538.80
Tax expense				
Current Tax	18.46	18.60	38.78	150.87
Deferred Tax	2.24	(1.27)	0.80	(0.60)
Total tax expense	20.70	17.33	39.58	150.27
Profit after tax	64.66	74.43	97.54	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	(0.42)	0.26	(0.49)	(1.20)
Changes in fair value of equity instruments through OCI	(0.82)	16.54	(10.64)	(1.89)
Other Comprehensive Income (Net of tax)	(1.24)	16.80	(11.13)	(3.09)
Total Comprehensive Income (Comprising Profit after tax and Other Comprehensive Income)	63.42	91.23	86.41	385.44
Paid-up Equity Share Capital (Face value of ₹ 2/- each)	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	3.75*	4.32*	5.66*	22.54
(* not annualised)				

Segment Information

Particulars	Standalone			
	Quarter ended			Year ended
	30.06.2019	31.03.2019	30.06.2018	31.03.2019
	Unaudited	Audited (Refer Note 2)	Unaudited	Audited
1. Segment Revenue :				
(a) Carbon Black	888.55	900.57	754.54	3,431.11
(b) Power	39.63	39.21	42.47	162.99
Total	928.18	939.78	797.01	3,594.10
Less : Inter Segment Revenue	16.66	18.79	15.59	65.54
Net Sales / Income from Operations	911.52	920.99	781.42	3,528.56
2. Segment Profit Before Interest and Tax :				
(a) Carbon Black	125.21	151.14	136.60	619.03
(b) Power	27.22	25.60	30.98	108.91
Total	152.43	176.74	167.58	727.94
Less : (i) Finance cost	12.70	10.56	8.21	36.77
(ii) Other Un-allocable Expenditure net of Un-allocable Income	54.37	74.42	22.25	152.37
Total Profit Before Tax	85.36	91.76	137.12	538.80
Segment Assets				
Carbon Black	2,480.20	2,496.48	2,027.08	2,496.48
Power	328.90	331.32	312.55	331.32
Unallocated	712.73	546.83	509.19	546.83
Total	3,521.83	3,374.63	2,848.82	3,374.63
Segment Liabilities				
Carbon Black	715.55	616.80	661.84	616.80
Power	7.23	8.77	7.47	8.77
Unallocated	1,092.54	1,100.99	720.75	1,100.99
Total	1,815.32	1,726.56	1,390.06	1,726.56



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Notes to the Financial Results :

- 1 The above unaudited standalone financial results of the Company for the quarter ended June 30, 2019 has been reviewed by the Audit Committee and thereafter approved by the Board of Directors at their respective meetings held on July 19, 2019. The Statutory auditors have carried out a Limited review of these financial results.
- 2 The figures for the quarter ended March 31, 2019 are the balancing figures between audited figures in respect of full financial year upto March 31, 2019 and the unaudited published year-to-date figures upto December 31, 2018, being the date of the end of the third quarter of previous year, which was subject to limited review.
- 3 During the quarter, 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 Assets 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) recognized in retained earnings as at 01.04.2019. Further, expense 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 quarter ended June 30, 2019 is lower by Rs. 0.22 Crores.
- 4 The figures for the corresponding previous periods have been regrouped/reclassified wherever necessary.

Kolkata
19 July, 2019



By Order of the Board

Kaushik Roy
Managing Director
DIN: 06513489



Independent Auditor's Review Report on the Quarterly 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 June 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 ('the Regulation') as amended, read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ('the Circular').
2. The preparation of the Statement 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, read with the Circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. 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 is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and 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 applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, 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: 19058652 AAAA P1339



Kolkata

July 19, 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 ended 30 June, 2019

(` in Crores unless otherwise stated)

Particulars	Consolidated			
	Quarter ended			Year ended
	30.06.2019	31.03.2019	30.06.2018	31.03.2019
	Unaudited	Unaudited	Unaudited	Audited
Revenue from Operations	911.52	920.99	781.42	3,528.56
Other Income	8.36	8.29	4.07	19.93
Total Income	919.88	929.28	785.49	3,548.49
Expenses				
Cost of materials consumed	607.50	626.24	514.65	2,351.96
Change in inventories of finished goods	23.33	(2.14)	(22.64)	(55.40)
Employee benefits expense	30.34	21.61	24.85	111.12
Finance costs	12.70	10.56	8.21	36.78
Foreign Exchange Fluctuation (Net)	(0.28)	0.95	3.91	(2.05)
Depreciation and amortisation expense	21.20	17.78	15.47	66.38
Other expenses	137.57	167.17	103.73	506.77
Total Expenses	832.36	842.17	648.18	3,015.56
Profit before Tax	87.52	87.11	137.31	532.93
Tax expense				
Current Tax	18.46	18.60	38.78	150.87
Deferred Tax	2.24	(1.27)	0.80	(0.60)
Total tax expense	20.70	17.33	39.58	150.27
Profit after tax	66.82	69.78	97.73	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	(0.57)	(0.96)	1.65	1.13
Items that will not be reclassified to profit or loss (Net of tax) :				
Remeasurements of post employment defined benefit plans	(0.42)	0.26	(0.49)	(1.20)
Changes in fair value of equity instruments through OCI	(0.82)	16.54	(10.64)	(1.89)
Other Comprehensive Income (Net of tax)	(1.81)	15.84	(9.48)	(1.96)
Total Comprehensive Income (Comprising Profit after tax and Other Comprehensive Income)	65.01	85.62	88.25	380.70
Profit attributable to :				
Owners of the equity	66.36	70.70	97.66	383.69
Non-controlling interest	0.46	(0.92)	0.07	(1.03)
Other Comprehensive Income attributable to :				
Owners of the equity	(1.76)	15.90	(9.76)	(2.24)
Non-controlling interest	(0.05)	(0.06)	0.28	0.28
Total Comprehensive Income attributable to :				
Owners of the equity	64.60	86.60	87.90	381.45
Non-controlling interest	0.41	(0.98)	0.35	(0.75)
Paid-up Equity Share Capital (Face value of ₹ 2/- each)	34.47	34.47	34.47	34.47
Other Equity				1,615.42
Earning per equity share (EPS) (₹)				
(Nominal value per share ₹ 2/-)				
Basic & Diluted	3.88*	4.05*	5.67*	22.20
(* not annualised)				




Segment Information

Particulars	Consolidated			
	Quarter ended			Year ended
	30.06.2019	31.03.2019	30.06.2018	31.03.2019
	Unaudited	Unaudited	Unaudited	Audited
1. Segment Revenue :				
(a) Carbon Black	888.55	900.57	754.54	3,431.11
(b) Power	39.63	39.21	42.47	162.99
Total	928.18	939.78	797.01	3,594.10
Less : Inter Segment Revenue	16.66	18.79	15.59	65.54
Net Sales / Income from Operations	911.52	920.99	781.42	3,528.56
2. Segment Profit Before Interest and Tax :				
(a) Carbon Black	125.05	151.14	136.60	619.03
(b) Power	27.22	25.60	30.98	108.91
Total	152.27	176.74	167.58	727.94
Less : (i) Finance cost	12.70	10.56	8.21	36.78
(ii) Other Un-allocable Expenditure net of Un-allocable Income	52.05	79.07	22.06	158.23
Total Profit Before Tax	87.52	87.11	137.31	532.93
Segment Assets				
Carbon Black	2,480.20	2,496.48	2,027.08	2,496.48
Power	328.90	331.32	312.55	331.32
Unallocated	722.61	559.31	501.29	559.31
	3,531.71	3,387.11	2,840.92	3,387.11
Segment Liabilities				
Carbon Black	715.55	616.80	661.84	616.80
Power	7.23	8.77	7.47	8.77
Unallocated	1,092.75	1,105.80	699.20	1,105.80
	1,815.53	1,731.37	1,368.51	1,731.37

Notes to the Financial Results :

1 The above unaudited consolidated financial results of the Group for the quarter ended June 30, 2019 has been reviewed by the Audit Committee and thereafter approved by the Board of Directors at their respective meetings held on July 19, 2019. The Statutory auditors have carried out a Limited review of these financial results. However, the comparative figures for the quarters ended March 31, 2019 and June 30, 2018 have been compiled by the Management in accordance with accounting principles generally accepted in India and have not been subjected to audit/ review.

2 During the quarter, the Group 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 Assets 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) recognized in retained earnings as at 01.04.2019. Further, expense 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 quarter ended June 30, 2019 is lower by Rs. 0.22 crores.

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

Kolkata
19 July, 2019



By Order of the Board

Kaushik Roy
Kaushik Roy
Managing Director
DIN: 06513489



Independent Auditor's Review Report on the Quarterly 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 Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as 'the Group') for the quarter ended June 30, 2019 (the "Statement") attached herewith, being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('the Regulation'), read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ('the Circular'). Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended June 30, 2018 and previous quarter ended March 31, 2019, as reported in these unaudited consolidated financial results have been approved by the Parent's Board of Directors, but have not been subjected to review.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent'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 read with the Circular. 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. 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 issued by the Securities and Exchange Board of India under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, 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 Parent.
 - 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 Standard 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 Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.



S.R. BATLIBOI & CO. LLP

Chartered Accountants

6. We did not review the interim financial results and financial information of one subsidiary, included in the consolidated unaudited financial results, whose interim financial results and financial information reflect total revenue from operations of Rs. Nil, total net profit after tax of Rs. 2.38 crores and total comprehensive income of Rs. 2.38 crores for the quarter ended June 30, 2019, as considered in the consolidated unaudited financial results. These interim financial results and financial information has been audited by other auditor, whose report have 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 the other auditor and procedures performed by us as stated in paragraph 3 above. Our conclusion on the Statement is not modified in respect of the above matter.

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 Parent's management has converted the financial results of such subsidiary located outside India from accounting principles generally accepted in its country to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Parent'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 Parent and reviewed by us.

7. The accompanying unaudited consolidated financial results includes unaudited interim financial results and other unaudited financial information in respect of two subsidiaries, which have not been reviewed by their auditors, whose interim financial information and financial results reflect total revenue from operations of Rs. Nil, total net profit after tax of Rs. 0.01 crores and total comprehensive income of Rs. 0.01 crores, for the quarter ended June 30, 2019, as considered in the unaudited consolidated financial results. These unaudited financial results and other unaudited financial information have been approved and furnished to us by the management. Our conclusion, in so far as it relates to the affairs of these subsidiaries, is based solely on such unaudited financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these interim financial results and financial information are not material to the Group. Our conclusion on the Statement is not modified in respect of the above matter.

For S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm registration number: 301003E/E300005


per Kamal Agarwal
Partner

Membership No.: 058652

UDIN: 19058652AAAAAQ4690



Kolkata

July 19, 2019