

10th November, 2016

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

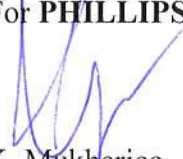
Dear Sir,

Sub:- Re: Press Release

Please find enclosed herewith a copy of the Press Release dated 10th November, 2016.

This is for your information and record.

Yours faithfully,
For **PHILLIPS CARBON BLACK LIMITED**


K. Mukherjee
Company Secretary and Chief Legal Officer

Encl: As above

Phillips Carbon Black PAT grows 271%

Kolkata, November 10 2016

The Board of Directors of Phillips Carbon Black Limited, a RP-Sanjiv Goenka Group Company, met in Kolkata today to consider and approve the financial results for the quarter ended September 2016.

Highlights for the quarter ended September 30, 2016

- ❖ PCBL, India's largest carbon black manufacturer registered a sales volume growth of 18% during the quarter as compared to same quarter last year, riding on strong demand growth in the domestic market.
- ❖ PAT during the quarter stood at Rs. 15.2 crore against Rs. 4.1 crore in same quarter previous year, a growth of 271%
- ❖ The improvement in capacity utilisation was on account of higher demand of carbon black in India and initiatives taken by the Company to improve efficiency.
- ❖ Average revenue realization came down YoY due to a fall in raw material prices
- ❖ Improvement in product and customer mix resulted in higher margins.
- ❖ EBIDTA margins stood at 15.5% during the quarter, driven by rising sales of speciality black. Demand for speciality black used in plastics and coatings reported healthy growth and contributed to higher profit.
- ❖ Higher capacity utilisation and lower manufacturing cost was driven by improved plant performance
- ❖ The company's diversified raw material procurement strategy led to reduced dependence on US Gulf Coast and innovative inventory management.
- ❖ Finance and hedging cost was lower by 26% during the quarter on account of initiatives including replacement of high cost borrowings.

Palej and Mundra expansion

- ❖ The FY'17 outlook of Phillips Carbon Black Limited is encouraging. The company's current manufacturing capacity is 4.72 lacs tonnes per year. Steps have been taken to increase the capacity further by about 8% through brownfield expansion at the Palej and Mundra plants, Gujarat.



Phillips Carbon Black Limited

Registered Office : 31, Netaji Subhas Road, Kolkata - 700 001. CIN : L23109WB1960PLC024602

Statement of Standalone Unaudited Financial Results for the Quarter ended 30th September, 2016

Part I

(₹ Crores)

Sr. No.	Particulars	Quarter ended 30.09.2016	Quarter ended 30.06.2016	Quarter ended 30.09.2015	Six month ended 30.09.2016	Six month ended 30.09.2015
		(Unaudited)	(Unaudited)	(Not subjected to review/audit)	(Unaudited)	(Not subjected to review/audit)
1	Income from operations					
	(a) Net Sales/Income from Operations	508.93	477.80	565.87	986.73	1,098.74
	(b) Other Operating Income	0.21	0.42	0.42	0.63	1.08
	Total Income from Operations (net)	509.14	478.22	566.29	987.36	1,099.82
2	Expenses					
	(a) Cost of Materials Consumed	295.48	261.82	363.75	557.30	686.70
	(b) Changes in inventories of finished goods	(1.98)	21.27	(2.04)	19.29	31.63
	(c) Employee benefits expense	27.57	19.47	22.71	47.04	40.58
	(d) Hedging cost and Foreign Exchange Fluctuation (net)	9.00	11.15	8.68	20.15	11.65
	(e) Selling Expenditure	16.45	17.47	16.54	33.92	34.19
	(f) Depreciation and amortisation expense	15.26	15.10	15.60	30.36	31.03
	(g) Excise Duty	48.23	47.63	60.85	95.86	113.68
	(h) Other Expenses	56.29	46.40	51.52	102.69	94.09
	Total expenses	466.30	440.31	537.81	906.61	1,043.65
3	Profit from operations before Other Income and Finance Costs (1-2)	42.84	37.91	28.68	80.75	56.27
4	Other Income	4.35	3.52	2.89	7.87	5.39
5	Profit from ordinary activities before Finance Costs (3+4)	47.19	41.43	31.57	88.62	61.66
6	Finance costs	12.99	12.80	21.19	25.79	45.07
7	Profit from ordinary activities before Tax (5-6)	34.20	28.63	10.38	62.83	16.59
8	Tax expenses	19.02	16.61	6.27	35.63	9.49
9	Net Profit for the period (7-8)	15.18	12.02	4.11	27.20	7.10
10	Other comprehensive income, net of income tax					
	A. Items that will not be reclassified to profit or loss	0.16	0.16	0.05	0.32	0.31
	B. Items that will be reclassified to profit or loss	-	-	-	-	-
	Total other comprehensive income, net of income tax	0.16	0.16	0.05	0.32	0.31
11	Total comprehensive income for the period (9 - 10)	16.02	11.86	4.06	26.88	6.79
12	Paid-up Equity Share Capital (Face Value of Rs. 10/- each)	34.47	34.47	34.47	34.47	34.47
13	Earning per share(of Rs. 10/- each) (Basic & Diluted) (not annualised) (Rs.)	4.40	3.49	1.19	7.89	2.06

Particulars	Quarter ended 30.09.2016	Quarter ended 30.06.2016	Quarter ended 30.09.2015	Six month ended 30.09.2016	Six month ended 30.09.2015
	(Unaudited)	(Unaudited)	(Not subjected to review/audit)	(Unaudited)	(Not subjected to review/audit)
1. Segment Revenue :					
(a) Carbon Black	489.89	455.88	549.13	945.77	1,062.56
(b) Power	35.49	34.85	27.37	70.34	60.33
Total	525.38	490.73	576.50	1,016.11	1,122.89
Less : Inter Segment Revenue	16.24	12.51	10.21	28.75	23.07
Net Sales / Income from Operations	509.14	478.22	566.29	987.36	1,099.82
2. Segment Profit Before Interest and Tax :					
(a) Carbon Black	41.96	29.57	29.57	71.53	50.31
(b) Power	22.86	24.46	16.94	47.32	40.44
Total	64.82	54.03	46.51	118.85	90.75
Less : (i) Interest (Including other Finance Costs)	12.99	12.80	21.19	25.79	45.07
(ii) Other Un-allocable Expenditure net off Un-allocable Income	17.63	12.60	14.94	30.23	29.09
Total Profit Before Tax	34.20	28.63	10.38	62.83	16.59
3. Segment Assets :					
(a) Carbon Black	1,839.32	1,813.20	2,048.88	1,839.32	2,048.88
(b) Power	313.64	327.53	343.24	313.64	343.24
(c) Unallocated	238.24	369.17	360.04	238.24	360.04
4. Segment Liabilities :					
(a) Carbon Black	285.26	243.87	501.23	285.26	501.23
(b) Power	1.85	0.01	1.52	1.85	1.52
(c) Unallocated	1,080.91	1,247.34	1,253.99	1,080.91	1,253.99

Notes to the financial results:

1. Statement of Standalone Unaudited Assets and Liabilities as at September 30, 2016

(₹ Crores)

Particulars	As at 30.09.2016
	(Unaudited)
ASSETS	
Non-Current Assets	
Property, Plant and equipment	1,396.22
Capital work-in-progress	87.60
Other Intangible assets	0.13
Financial Assets	
i. Investments	71.15
iii. Loans (Including Security Deposits)	18.35
Other non-current assets	3.73
Total non-current assets	1,577.18
Current assets	
Inventories	187.93
Financial assets	
i. Investments	14.01
ii. Trade receivables	420.80
iii. Cash and cash equivalents	14.16
iv. Bank balances other than (iii) above	2.15
v. Loans	99.64
vi. Other Financial Assets	4.14
Other current assets	71.19
Total current assets	814.02
Total assets	2,391.20
EQUITY AND LIABILITIES	
Equity	
Equity share capital	34.47
Other Equity	988.71
Total Equity	1,023.18
LIABILITIES	
Non-current liabilities	
Financial liabilities	
i. Borrowings	162.07
iii. Other financial liabilities	0.59
Provisions	5.03
Deferred tax liabilities (net)	171.50
Total non-current liabilities	339.19
Current liabilities	
Financial liabilities	
i. Borrowings	654.35
ii. Trade payables	246.75
iii. Other financial liabilities	103.63
Other current liabilities	19.34
Provisions	2.51
Current Tax Liabilities (Net)	2.25
Total current liabilities	1,028.83
Total liabilities	1,368.02
Total equity and liabilities	2,391.20

PCBL – Profile

PCBL is a part of Rs. 32,000 crore RP-Sanjiv Goenka Group. PCBL's four strategically located plants are at Durgapur, Palej, Kochi and Mundra. PCBL today is India's largest and globally seventh largest carbon black producer.

Set up in collaboration with Phillips Petroleum, the first PCBL unit at Durgapur started production in 1962 with 14,000 metric tonnes (MT). Currently, PCBL has a production capacity of 4,72,000 MT per annum in India, and including a dedicated line for Specialty Blacks.

PCBL provides a complete portfolio of products to meet the specific end-requirements across Rubber, Plastics, Coatings, Inks and other niche industries globally. Additionally, PCBL's after-sales service and strong technical support ensure a loyal base of customers from around the world.

PCBL has etched its global footprints with a market presence in more than 30 countries with decanting stations, warehouses located near customer locations. Amongst the Company's prized customers are MRF, Michellin, Bridgestone, Yokohama, Goodyear, Sumitomo Tires, CEAT, Kumho Tires, Birla Tyres, among others.

PCBL has redefined its business by establishing captive power plants at each factory from the off-gas or waste product from the carbon black manufacturing process thus creating a sustainable green movement.

The gas, a by-product of carbon black production, is harnessed for generating electricity at the Company's Captive Power Plants (CPP), at Baroda, Durgapur, Mundra and Kochi. The Company has heavily cut down on carbon and gas emission, and serves green power to large private industrial units and State electricity utilities.

From the pioneer plant at Durgapur in the East to Kochi plant in the south, Palej and Mundra plants in the west - PCBL footprint spans across India.

PCBL is the first carbon black company in the world to be awarded Carbon Credit under Kyoto Protocol of UNFCCC.

History of PCBL

- 1960 Incorporated as a Public Limited Company in collaboration with Phillips Petroleum Company, USA
- 1962 Started production with the most widely accepted manufacturing process of carbon black with an installed capacity of 14,000 MT at Durgapur, West Bengal.
- 1988 Entered into a technical agreement with Columbian Chemicals Company USA
- 1995 Durgapur capacity enhanced to 78,000 MT
- 1996 Acquisition of carbon black unit of Gujarat Carbon Ltd adding 25,000 MT
- 1997 Amalgamation with Carbon and Chemicals Ltd, Kochi adding 40,000 MT and 2.5 MW CPP
- 1998 Durgapur capacity increased to 1,10,000 MT
- 2003 Durgapur capacity increased to 1,35,000 MT
- 2004 Baroda Expansion of 70,000 MT
- 2005 12 MW power plant at Palej, Baroda
- 2009 Commencement of 30 MW power plant at Durgapur
- 2009 Commencement of 90,000 MT carbon black plant at Mundra
- 2009 Commencement of 16 MW co-generation power plant at Mundra, Gujarat
- 2011 Commencement of 10 MW co-generation power plant at Kochi, Kerala
- 2012 Commencement of 50,000 MT carbon black plant at Mundra
Commencement of 8 MW co-generation power plant at Mundra, Gujarat
(Total power capacity :76 MW)
- 2014 Commencement of 50,000 MT carbon black plant at Kochi (Total Carbon Black Capacity: 4,72,000 MT)
OSHAS 18001 certification