

Date:- 22<sup>nd</sup> June, 2016

The General Manager,  
Corporate Relationship Department  
Bombay Stock Exchange Limited  
1<sup>st</sup> Floor New Trading Ring,  
Rotunda Building, P. J. Towers,  
Dalal Street, Fort  
Mumbai – 400 001

Dear Sir,

**Sub:- Notice of the 55<sup>th</sup> Annual General Meeting**

We enclose, in terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a copy of the Notice dated 13<sup>th</sup> May, 2016 convening the 55<sup>th</sup> Annual General Meeting of the Company on 22<sup>nd</sup> July, 2016 at “Uttam Mancha “, 10/1/1, Monoharpukur Road, Kolkata – 700026. This will also be placed on our website at [www.pcblltd.com](http://www.pcblltd.com) .

This is for your information and records.

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

  
K. Mukherjee  
(Company Secretary)

**Encl** : As above



## Phillips Carbon Black Limited

Corporate Identity Number: L23109WB1960PLC024602  
Registered Office: 31, Netaji Subhas Road, Kolkata - 700001  
Tele: (033) 6625 1000, 6625 1500, 6625 1461-64, Fax: (033) 2248 0140  
E-mail: pcbl@rp-sg.in, Website: www.pcbltd.com

### NOTICE TO THE MEMBERS

Notice is hereby given that the Fifty-fifth Annual General Meeting (AGM) of the Members of Phillips Carbon Black Limited will be held at "Uttam Mancha", 10/1/1, Monoharpukur Road, Kolkata- 700026, on Friday, the 22nd day of July, 2016 at 10.30 a.m to transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2016 including Consolidated Audited Financial Statements for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend for the year ended 31st March, 2016.
3. To appoint a Director in place of Mr. Sanjiv Goenka (holding DIN 00074796), who retires by rotation and being eligible, offers himself for re-appointment.
4. To ratify the appointment of Auditors and to fix their remuneration and for the purpose to consider and, if thought fit, to pass with or without modification, 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 and the rules made thereunder, the re-appointment of the retiring Auditors, M/s. Price Waterhouse (Firm Registration No. 301112E) to hold office from the conclusion of the 53rd AGM of the Company till the conclusion of the 56th AGM of the Company to be held in the year 2017, be and is hereby ratified and the said Auditors be paid such remuneration as may be decided by the Audit Committee of the Board of Directors of the Company."

#### SPECIAL BUSINESS:

To consider, and if thought fit, to pass with or without modification(s) the following Resolutions:

5. (As a Special Resolution )  
"Resolved that pursuant to the provisions of Sections 196, 197, 198, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and such other necessary approval(s), consent(s) or permission(s), as may be required, the Company hereby approves the re-appointment of Mr. Kaushik Roy, as Managing Director of the Company for a further period of three years effective 5th February, 2016, on the terms and conditions and remuneration as set out in the Agreement, to be executed by the Company with Mr. Kaushik Roy, a draft of which is placed before the Meeting as also set out in the Explanatory Statement attached to this Notice."
6. (As an Ordinary Resolution)  
"Resolved that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the

Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013, and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Paras K Chowdhary (holding DIN 00076807), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for three consecutive years for a term up to 21st July, 2019 on the terms and conditions referred to in the explanatory statement of material facts annexed to the Notice."

7. (As an Ordinary Resolution)

"Resolved that pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the consent of the Company be and is hereby accorded for the ratification of appointment of M/s. Shome & Banerjee, Cost Accountants, the Cost Auditors appointed by the Board of Directors of the Company ("the Board") for the Financial Year ending 31st March, 2017, with a remuneration of Rs. 4,50,000/- (Rupees four lacs fifty thousand only).

Resolved further that, the Board 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 :

31, Netaji Subhas Road  
Kolkata - 700 001

13th May, 2016

By Order of the Board

Kaushik Mukherjee  
Company Secretary

#### NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out material facts relating to Special Business to be transacted at the Annual General Meeting is attached hereto.
2. **A Member entitled to attend and vote at the Meeting is entitled to appoint a Proxy/Proxies to attend and vote on a poll instead of himself/herself. A 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 ten percent of the total share capital of the Company. A member holding more

than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. A Proxy Form is annexed to this Notice.

- The business set out in the Notice will be transacted through remote electronic voting system and the Company is providing facility for voting by remote electronic means.** Instructions and other information relating to e-voting are given in the Notice under Note no. 24.

Members attending the meeting, who have not cast their vote by remote e-voting, shall be able to exercise their right to vote at the meeting through ballot papers.

- The Register of Members and Share Transfer Books of the Company shall remain closed from 15th day of July, 2016 to 22nd day of July, 2016 (both days inclusive).
- Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrar and Share Transfer Agent, M/s. Link Intime India Private Limited, cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participants of the Members.
- Members holding shares in dematerialized form are requested to intimate all changes pertaining to their Bank Details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc. to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited, to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Company's Registrar and Share Transfer Agent.

In case the mailing address mentioned on the Attendance Slip is without the PINCODE, Members are requested to kindly inform the PINCODE immediately.

- The Company has transferred all unclaimed or unpaid Dividend declared upto the Financial Year ended 31st March, 2008 to the Investor Education and Protection Fund (IEPF) of the Central Government pursuant to Section 125(1) of the Companies Act, 2013.
- No Dividend has been declared for the Financial Year ended 31st March, 2009. Dividend for the Financial Year ended 31st March, 2010 and thereafter, which remains unclaimed or unpaid for a period of seven years will be transferred to the IEPF under Section 124(5) of the Companies Act, 2013. Members who have not encashed the dividend warrant(s), so far for the Financial Year ended 31st March, 2010 or

any subsequent financial years, are requested to submit their claims to the Registered Office of the Company. It may also be noted that once the unclaimed dividend is transferred to IEPF as stated no further claim shall be entertained by the Company in respect thereof. The dividend for the Financial Year ended 31st March, 2010 is due to be transferred to the aforesaid Fund immediately after 29th August, 2017.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with the Companies) Rules, 2012, the Company has uploaded the information in respect of the Unclaimed Dividends in respect of the financial years starting from 2003-2005 on the website of IEPF viz. [www.iepf.gov.in](http://www.iepf.gov.in) and under "Investors Relations" section on the website of the Company viz. [www.pcblltd.com](http://www.pcblltd.com).

- Members can avail the nomination facility, under Section 72 of the Companies Act, 2013 by submitting Form No. SH.13 as per rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 with the Company. Blank forms will be made available on request.
- If the dividend as recommended by the Board of Directors, is declared at the Meeting, the same will be paid on and from 26th July, 2016 to those members whose names appear on the Company's Register of Members or who are notified as beneficiaries by the Depositories, viz., National Securities Depository Ltd. and Central Depository Services (India) Ltd. at the close of business on 14th July, 2016.
- The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar and Share Transfer Agent/ Share Department of the Company. SEBI has also mandated that for registration of transfer of securities, the transferee(s) as well as the transferor(s) shall furnish a copy of their PAN Card to the Company for registration of transfer of securities.
- Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or Company's Registrar and Share Transfer Agent - M/s. Link Intime India Private Limited for the same.
- Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Company's Registrar and Share Transfer Agent - M/s. Link Intime India Private Limited, the details of such folios together with the share certificates for consolidating their holding in one folio. A Consolidated share certificate will be returned to such members after making requisite changes thereon.
- In case of Joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- Non-resident Indian Members are requested to inform Company's Registrar and Share Transfer Agent, Link Intime India Private Limited, immediately of :

- (a) Change in their residential status on return to India for permanent settlement.
- (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
16. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/Depositories for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.
17. The route map showing directions to reach the venue of the Fifty Fifth (55th) AGM is annexed hereto.
18. Electronic copy of the Notice of the 55th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip, Proxy Form and Route Map is being also sent to all the members whose email IDs are registered with the Company's Registrar and Share Transfer Agent/Depository Participants for communication purposes. For Members who have not registered their email address, physical copies of the Notice of the 55th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip, Proxy Form and Route Map is being sent in the permitted mode.
19. Electronic copy of the Annual Report for Financial Year 2015-2016 is being sent to all Members whose email IDs are registered with the Company's Registrar and Share Transfer Agent/Depository Participants for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their email address, physical copies of the Annual Report for Financial Year 2015-2016 is being sent in the permitted mode.
20. Members may also note that the Notice of the 55th Annual General Meeting, Attendance Slip, Proxy Form and Route Map will be available on the Company's website at [www.pcblltd.com](http://www.pcblltd.com) and also on the website of NSDL at <https://www.evoting.nsdl.com/> for their download. The Annual Report for Financial Year 2015-2016 will be available on the Company's website [www.pcblltd.com](http://www.pcblltd.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Kolkata for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id - [pcb.investor@rp-sg-in](mailto:pcb.investor@rp-sg-in).
21. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are advised not to leave their demat account(s) dormant for long. Periodic Statement of holdings should be obtained from the concerned Depository Participant and holding should be verified.
22. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting atleast 3 days before the AGM.
23. Details as required in sub-regulation(3) of Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with the Stock Exchanges in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms an integral part of the Notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
- 24. Voting through electronic means**
- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide its Members, facility to exercise their right to vote on Resolutions proposed to be considered at the 55th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the AGM ("Remote E-Voting") will be provided by National Securities Depository Limited (NSDL).
- II. Members of the company, instead of casting their votes by the aforesaid "Remote E-voting" may cast their vote at the venue of the Annual General Meeting through physical ballot papers, which shall be made available at the venue of the AGM and only such Members attending the meeting, who have not cast their vote by remote e-voting, shall be able to exercise their right to vote at the meeting through ballot papers.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM, but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 19th July, 2016 (9.00 am) and ends on 21st July, 2016 (5.00 pm). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e, 15th July, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- V. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.
- VI. The process and manner for remote e-voting are as under:
- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Company's Registrar and Share Transfer Agent /Depository Participants(s)] :**
- (i) Open the email and the PDF file viz; "PCBL

e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for remote e-voting. Please note that the password is an initial password.

- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsd.com>.
- (iii) Click on Shareholder - Login
- (iv) Put user ID and password as initial password noted in step (i) above. Click on Login.
- (v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of e-voting opens. Click on remote e-voting: Active E-voting Cycles.
- (vii) Select “EVEN”( Electronic Voting Event Number) of “Phillips Carbon Black Limited ”.
- (viii) Now you are ready for remote e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
- (x) Upon confirmation, the message “Vote cast successfully” will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authorization letter etc. together with attested specimen signature of the duly authorized signatory(ies) who is/are authorized to vote, to the Scrutinizer through e-mail to [pcbl.scrutinizer@gmail.com](mailto:pcbl.scrutinizer@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

**B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Company’s Registrar and Share Transfer Agent/Depository Participants(s) or requesting physical copy] :**

- (i) Initial password is provided at the bottom of the Attendance Slip for the AGM in the following manner:

EVEN	USER ID	PASSWORD
------	---------	----------
  - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VII. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsd.com](http://www.evoting.nsd.com) or contact NSDL on toll free no: 1800-222-990.
- VIII. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the ‘Forgot password’ option available on the site to reset the password.

- IX. 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.
- X. 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).
- XI. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 15th July, 2016.
- XII. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e, 15th July, 2016 may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [kolkata@linkintime.co.in](mailto:kolkata@linkintime.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 forgot your password, you can reset your password by using “Forgot User Details/Password” option available on [www.evoting.nsd.com](http://www.evoting.nsd.com) or contact NSDL at the following toll free no.: 1800-222-990.

- XIII. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIV. Pursuant to the provisions of Section 108 of the Companies Act 2013 read with the rules thereof, Mr. Anjan Kumar Roy, Practicing Company Secretary, (Membership No. FCS 5684) has been appointed as the Scrutinizer to scrutinize the voting at the AGM and remote e-voting process in a fair and transparent manner.
- XV. The Chairman shall, at the AGM, at the end of discussion on the Resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of “Ballot Papers” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XVI. The Scrutinizer shall immediately after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the votes cast in favour or votes against the respective Resolutions and shall provide the said report to the Chairman or to a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to all the Stock Exchanges in India, where the Shares of the Company are listed.

25. Members desiring any information relating to the accounts are requested to write to the Company well in advance so as to enable the management to keep the information ready.
26. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 am to 6.00 pm) on all working days, up to and including the date of Annual General Meeting of the Company.

Registered Office : By Order of the Board  
31, Netaji Subhas Road  
Kolkata - 700 001  
13th May, 2016  
Kaushik Mukherjee  
Company Secretary

**I. EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**Item No. 5**

The Board of Directors of the Company at its meeting held on 29th January, 2016, re-appointed Mr. Kaushik Roy as Managing Director of the Company for a further period of three years effective 5th February, 2016 till 4th February, 2019, subject to the approval of the Members and such other approvals as may be necessary.

Mr. Kaushik Roy (51) is a Mechanical Engineer with Post Graduate Degree from IIT Kharagpur and studied Business Administration from the University of Tokyo. He is also an Alumni of IMD, Switzerland.

Mr. Kaushik Roy is presently on the Board of Harrisons Malayalam Limited, STEL Holdings Limited and Spencer International Hotels Limited. He is also on the Board of The Bengal Chamber of Commerce and Industry.

Mr. Kaushik Roy does not hold by himself or for any other person on a beneficial basis, any shares in the Company. During his tenure, Mr. Kaushik Roy shall be entitled to receive the following remuneration:

Basic Salary : Rs. 7,00,000/- per month

Management allowance: Rs. 7,00,000/- per month

Customised Allowance Pool : 13,20,000/- per month

Perquisites:

In addition to the above remuneration, Mr. Kaushik Roy, shall be entitled to the following Perquisites:

- (i) Personal accident insurance, encashment of leave at the end of the tenure of service, club fees, medical insurance and privilege leave on full pay and allowance etc. in accordance with the Rules of the Company.
- (ii) Subject to any statutory ceiling, Mr. Kaushik Roy may be given any other allowance, performance bonus/incentive, perquisites, benefits and facilities as the Board of Directors of the Company may from time to time decide.
- (iii) Valuation of perquisites shall be done as per the Income Tax Rules, wherever applicable. In absence of any such rule, the perquisites shall be evaluated at actual cost.
- (iv) Company's contribution to the Provident Fund and

Superannuation Fund shall not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the provisions of Income Tax Act.

- (v) Gratuity : One half of a month's salary for each completed year of service in accordance with the Rules of the Company.

General Exemption : Company's contribution to Provident Fund and Superannuation Fund or Annuity Fund, Gratuity payable and Leave encashment at the end of the tenure shall not be included in the computation of the ceiling on Remuneration under Schedule V of the Companies Act, 2013.

Provisions of cars with driver for use on Company's business and telephone will not be considered as perquisites. Personal long distance calls and use of cars for private purpose shall however be billed by the Company.

Payment of the above remuneration to Mr. Kaushik Roy has been approved by the Nomination and Remuneration Committee of the Board of Directors at its meeting duly held on 29th January, 2016 and will be in accordance with Schedule V to the Companies Act, 2013 as applicable.

The terms and conditions of the said re-appointment may be altered and varied from time to time by the Board of Directors as it may, in its discretion, deem fit within the maximum amount payable to Mr. Kaushik Roy in accordance with the provisions of the Companies Act, 2013 or any amendment made therein or with the approval of the Central Government, if required.

Minimum Remuneration: In the event of absence or inadequacy of profits in any financial year during the tenure of the re-appointment, Mr. Kaushik Roy will be entitled to draw the subsisting remuneration as Minimum Remuneration, subject to the provisions of Schedule V of the Companies Act, 2013.

Mr. Kaushik Roy does not have any interest in the capital of the Company or its holding company, directly or indirectly or through any other statutory structures, nor has any direct or indirect interest nor is related to any of the directors or promoters of the Company or its holding company at any time during last two years before or on the date of re-appointment and possesses requisite qualification and expertise with specialized knowledge in the field of his profession.

The Agreement to be executed by the Company with Mr. Kaushik Roy is available for inspection by Members at the Registered Office of the Company between 10.00 a.m to 12.00 noon on any working day of the Company and will also be available at the Meeting.

Approval of the Members is being sought for appointment of Mr. Kaushik Roy as per Item No. 5 of the Notice.

The Board accordingly recommends that the Resolution set out in Item No. 5 of the Notice be passed in the interest of the Company.

Except Mr. Kaushik Roy, being an appointee and his relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution set out at Item No.5 of the Notice.

This Explanatory Statement may also be regarded as a disclosure under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

## Phillips Carbon Black Limited

The information as required under section II of part II of Schedule V of the Companies Act, 2013 for Item No. 5 of the Notice is given below :

### I. GENERAL INFORMATION :

#### (1) Nature of Industry

The Company is primarily engaged in the manufacture and sale of carbon black, which is used by the rubber industry. The Company also produces and sells excess electric power generated from the low calorific value off gas which is generated in the process of manufacture of carbon Black.

#### (2) Date or expected date of commencement of commercial production

5th December, 1962.

#### (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.

Not applicable.

#### (4) Financial performance based on given Indicators:

Key financials for last three Financial Years are given as below:

(Rs. in lakhs)

	Year ended 31.03.2016	Year ended 31.03.2015	Year ended 31.03.2014
<b>Sales (Gross)</b>	211609.66	271139.17	253051.60
<b>Profit/ (Loss) before tax</b>	5704.12	1432.99	(8790.93)
<b>Profit/(Loss) after tax</b>	2286.22	1264.45	(8659.64)
<b>Paid up share capital</b>	3446.73	3446.73	3446.72
<b>Rate of dividend (%)</b>	25%	10%	-

#### (5) Foreign Investments or collaborations, if any

None

### II. Information about the Appointee:

#### MR. KAUSHIK ROY:

#### (1) Background details:

Mr. Kaushik Roy has a vast experience of 26 years across varied functions in different industries.

Mr. Kaushik Roy is a Mechanical Engineer with a Post Graduate Degree from IIT Kharagpur and studied Business Administration from the University of Tokyo.

He is also an Alumni of IMD, Switzerland.

Mr. Kaushik Roy worked for long years with Apollo Tyres Ltd. from 1990 onwards except for a shorter stint with DLF Cements (now Gujarat Ambuja Cement) from 1994 to 1997. Mr. Roy was Management Board Member of Apollo Tyres Ltd. and Managing Director of Apollo Tyres (Lao) Company Ltd., a natural rubber plantation company.

#### (2) Past remuneration:

For the year ended 31st March, 2015, Mr. Kaushik Roy's total remuneration was Rs 310.35 lakhs.

#### (3) Recognition or awards:

Mr. Kaushik Roy is widely acclaimed for bringing in a new era of leadership at PCBL. Mr. Roy has been instrumental in introducing a customer centric approach to PCBL's vision and strategy. He took on the challenge of realigning the business with strong focus on new technology, innovation, systems and process reengineering and expansion of scale. Mr. Roy has also introduced newer human resource practices that have brought in a vibrant work culture at PCBL.

Prior to PCBL, he had been associated with Apollo Tyres Limited in various leadership roles and had also been a Management Board Member of the Company. As Managing Director of the Apollo Tyres (Lao) Company Ltd., a natural rubber plantation company, Mr. Kaushik Roy spearheaded the backward integration initiatives of Apollo Tyres into the field of natural rubber plantation.

Mr. Kaushik Roy was Indian Tyre Industry Representative on the Industry Body of International Rubber Study Group, Singapore. He was also the Member of Governing Council, RSDC (Rubber Skill Development Centre), India.

Mr. Kaushik Roy is a regular visiting faculty for various Management Institutions and also a speaker in various conferences held across the globe.

#### (4) Job profile and his suitability:

Please see (1) above.

#### (5) Remuneration proposed:

The remuneration proposed to Mr. Kaushik Roy, is as set out in the Notice.

#### (6) 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 w.r.t the country of origin):

The remuneration proposed to Mr. Kaushik Roy, is reasonably in line with the remuneration in similar sized companies in the same segment of business.

#### (7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any :

Apart from having received the remuneration as stated above, Mr. Kaushik Roy does not have any pecuniary relationship directly or indirectly, with the Company and its managerial personnel that may have potential conflict with the interest of the Company at large.

### III. OTHER INFORMATION:

#### (1) Reasons of loss or inadequate profits:

PCBL has an inadequate profit after tax of Rs. 22.86 crores as per Schedule V of the Companies Act, 2013, primarily because of the following reasons:

1. Pressure on margins due to unabated dumping of carbon black in India by South Korea, Russia and China.
2. Pressure on export realization, particularly in the South East Asian markets.

#### (2) Steps taken or proposed to be taken for improvement:

To remain competitive in the current challenges of economy and industry, the Company has taken following steps in manufacturing and procurement:

- a. Improve yields.
- b. Develop new sources for procurement of raw materials like CBFS and CBO which are contributing by way of better yields and lower prices.
- c. Strengthen marketing and technical functions.
- d. Undertaken initiatives in manufacturing to reduce variability in process.

**(3) Expected increase in productivity and profits in measurable terms:**

The Company has taken all out measures to reduce costs as well as to improve operational efficiency and above all increase the price of carbon black to the extent possible considering the market scenario both Domestic and International. Despite the odds, the Company has been maintaining a steady growth and is expected to turnaround sooner than later.

**IV. DISCLOSURES:**

The required disclosures as to remuneration package, etc. have been appropriately provided in the Report on Corporate Governance, forming a part of this Annual Report which may be referred to.

**Item No. 6**

Mr. Paras K Chowdhary (64) is a Non-Executive Director of the Company. He joined the Board of Directors of the Company in December, 1999. Mr. Paras K Chowdhary is a Member of the Audit Committee of the Board of Directors of the Company. Mr. Paras K Chowdhary is also a Member of Stakeholders Relationship Committee of CEAT Limited.

Mr. Paras K Chowdhary is a science graduate. He has been associated with the Tyre and Carbon Black Industry for over 37 years. Mr. Paras K Chowdhary is presently Director in CEAT Limited. Earlier he was the Managing Director of CEAT Limited.

Mr. Paras K Chowdhary does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Mr. Paras K Chowdhary is a non executive director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Paras K Chowdhary being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for three consecutive years for a term upto 21st July, 2019. A notice has been received from a Member u/s 160(1) of the Companies Act, 2013 proposing Mr. Paras K Chowdhary as a candidate for the office of Director of the Company.

Mr. Paras K Chowdhary has given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Mr. Paras K Chowdhary fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for his appointment as an Independent Director of the Company and is independent of the Management. Copy of the draft letter for appointment of Mr Paras K Chowdhary as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Paras K Chowdhary as an Independent Director. Accordingly, the Board recommends the Resolution in relation to appointment of Mr. Paras K Chowdhary as an Independent Director, for the approval by the Members of the Company.

Except Mr. Paras K Chowdhary, being an appointee and his relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution set out at Item No.6 of the Notice.

This Explanatory Statement may also be regarded as a disclosure under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

**Item No. 7**

The Board of Directors, on the recommendation of the Audit Committee, has approved at their Meeting held on 13th May, 2016, the appointment and remuneration of M/s. Shome & Banerjee, Cost Accountants, the Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year ending 31st March, 2017 at a remuneration of Rs. 4,50,000/- (Rupees four lacs fifty thousand only).

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 ratified by the Members of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out under Item No. 7 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2017.

None of the Directors, Key Managerial Personnel, and their relatives are concerned or interested, financially or otherwise, in the aforesaid Resolution. The Board recommends the passing of the Resolution as set out under Item No. 7 of the Notice.

**II. DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS), REGULATIONS, 2015.**

**(i) RE-APPOINTMENT OF MR. SANJIV GOENKA (ITEM NO. 3)**

Mr. Sanjiv Goenka (55 years) joined the Board of Directors of the Company in October, 1986. Mr. Sanjiv Goenka is a Commerce graduate.

Mr. Sanjiv Goenka is currently the Honorary Consul of Canada in Kolkata. In April 2001, he took over as the youngest-ever President of the Confederation of Indian Industry (CII), was appointed Chairman of the Board of Governors of the Indian Institute of Technology, Kharagpur (IIT-KGP) and served on the Board of the Indian Institute of Management, Kolkata (IIM-Kolkata). Currently, he is the Chairman of International Management Institute (IMI), which has campuses in Delhi, Kolkata and Bhubaneswar.

Mr. Sanjiv Goenka is presently on the Board of CESC Limited, Spencer and Company Ltd., Saregama India Ltd, Spencer International Hotels Ltd, Eveready Industries India Ltd, Woodlands Multispeciality Hospital Ltd. and Firstsource Solutions Ltd.

Mr. Sanjiv Goenka is a Member of the Audit Committee of CESC Ltd and the Chairman of Stakeholders Relationship Committee of CESC Limited and Saregama India Limited. Mr. Sanjiv Goenka does not hold by himself or for any



other person in individual capacity, any shares in the Company. Mr. Sanjiv Goenka is not related to any other Director except for Mr. Shashwat Goenka.

Accordingly, the Board recommends the Resolution in relation to re-appointment of Mr. Sanjiv Goenka as a Director, for the approval by the Members of the Company.

Except Mr. Sanjiv Goenka being an appointee, and Mr. Shashwat Goenka, being related to Mr. Sanjiv Goenka, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested financially or otherwise, in the Resolution as set out at Item No.3 of the Notice. This Explanatory Statement may also be regarded as a disclosure under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

**(II) RE-APPOINTMENT OF MR. KAUSHIK ROY, AS A MANAGING DIRECTOR OF THE COMPANY (ITEM NO. 5)**

For the details of Mr. Kaushik Roy, please refer the above explanatory statement in respect of the Special Business

set out at Item No. 5 of the Notice of Annual General Meeting pursuant to Section 102 of the Companies Act, 2013.

**(III) APPOINTMENT OF MR. PARAS K CHOWDHARY, AS AN INDEPENDENT DIRECTOR (ITEM NO. 6)**

For the details of Mr. Paras K Chowdhary, please refer the above explanatory statement in respect of the Special Business set out at Item No. 6 of the Notice of Annual General Meeting pursuant to Section 102 of the Companies Act, 2013.

Registered Office :

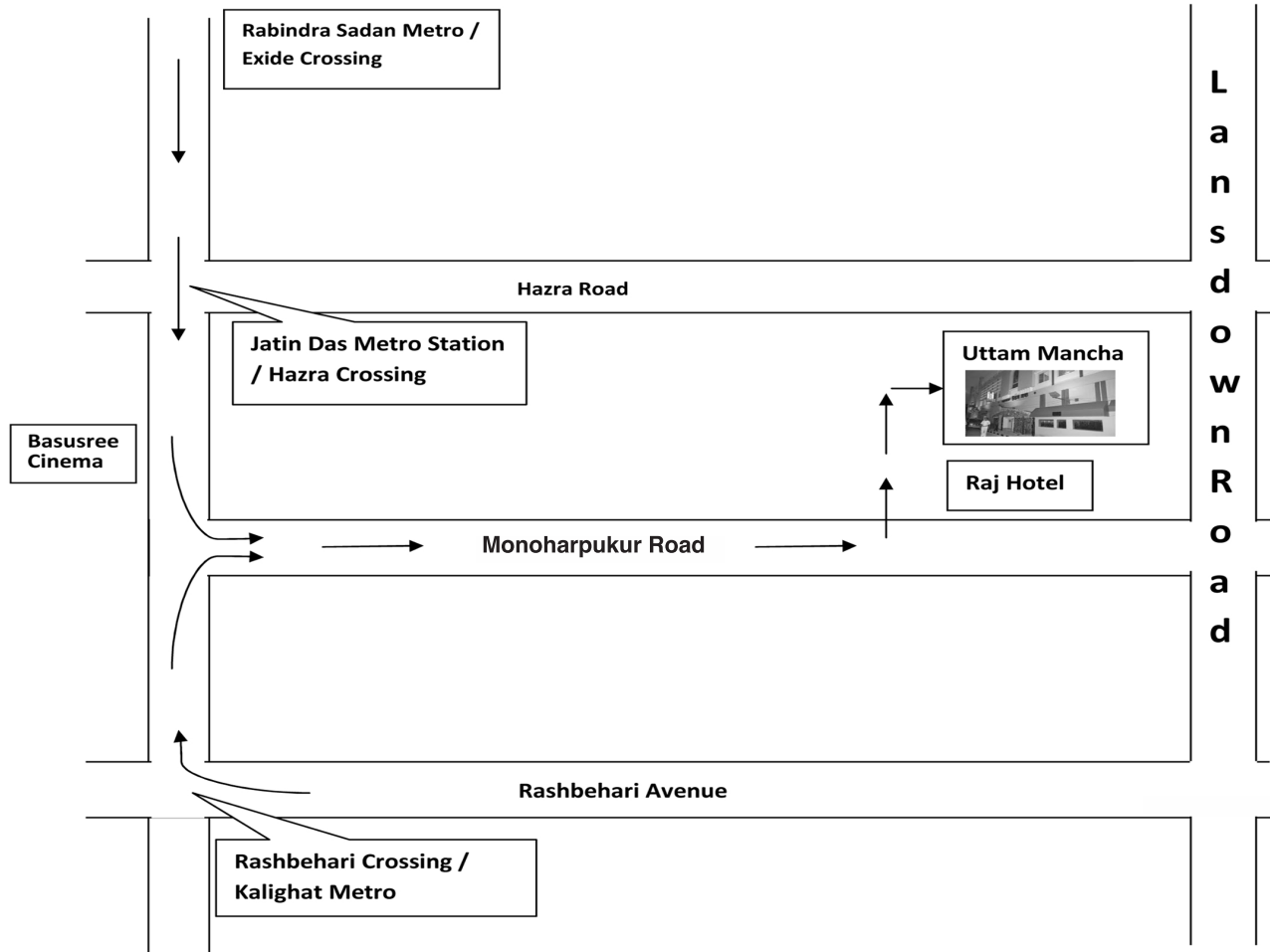
31, Netaji Subhas Road  
Kolkata - 700 001

13th May, 2016

By Order of the Board

Kaushik Mukherjee  
Company Secretary

**ROUTE MAP – UTTAM MANCHA**



⊙ **Uttam Mancha**

10/1/1, Monoharpukur Road, Hazra, Kalighat, Kolkata, West Bengal 700026