

10th August 2017

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

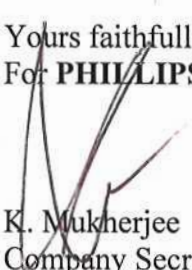
Dear Sir,

Sub:- Press Release

Please find enclosed herewith a copy of the Press Release dated 10th August, 2017.

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 Limited

- ✦ Q1 PAT soars
 - ✦ Plans Rs. 300 crore expansion at Palej and Mundra (Gujarat)
 - ✦ A Greenfield Capacity option being evaluated
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Kolkata, 10 August 2017

The Board of Directors of Phillips Carbon Black Limited met in Kolkata this morning and approved the First Quarter Results of FY'18, the highlights of which are given below:

	(Rs. In crore)	
	Q1 FY'18	Q1 FY'17
▪ Total Revenue	638.86	479.65
▪ Total Expenses	572.56	453.18
▪ PBT	66.30	26.47
▪ PAT	48.16	9.50
▪ EPS	13.97	2.76
Sales up by 33%, PBT up by 150%, PAT up by 407%, EPS up by 406%.		

After the Board Meeting, Chairman Mr. Sanjiv Goenka told the media that PCBL carbon black capacity at Palej and Mundra (in Gujarat) is under expansion. Through an estimated investment of Rs. 300 crore, this additional capacity of 80000 tonnes per annum is expected to be ready by the end of FY'19.

Mr. Goenka also mentioned evaluating option for a Greenfield project and a few locations shortlisted . The greenfield project will have capacity of 1,20000 tonnes per annum .

It may be recalled that in FY'17, PCBL reported the best-ever Results achieved so far since the inception of the Company in 1960. In FY'17, PCBL achieved the highest-ever PBT of Rs. 165.52 crore, the 4th Quarter PBT being Rs. 63 crore.

Exporting to 30 countries

The four PCBL plants located at Durgapur (West Bengal), Kochi (Kerala), Mundra (Gujarat) and Palej (Gujarat) recorded the highest-ever carbon black production of 383,316 tonnes. The company exported 93,340 tonnes of carbon black to more than 30 countries and sold another 294,066 tonnes within India. It also co-generated 483 million units of power by converting lean gas into power for use in its own plants and selling the excess power to those who need it.

FY'17 a year of innovation

Apart from the milestone production achievement of 383,316 tonnes during FY'17, PCBL created other records by offering to its worldwide customers 24 grades of rubber blacks and 29 grades of non-rubber blacks, which helped it maintain the leadership journey which had started way back in 1960. For PCBL, FY'17 was indeed a year of innovation with enhanced operational efficiencies, cost optimization and opening up new sales opportunities at home and abroad. During the year, some of the world's best-known tyre companies were added to the company's list of new customers. The company has made its mark as one of the key players in speciality black market.

Demand in India expected to grow 4-5%

In FY'17, PCBL EBITDA touched Rs. 305.02 crore, while PBT reached Rs. 165.52 crore. Earnings per share stood at Rs. 20.17, against Rs. 6.63 in the previous year. The interim dividend declared on 1st March 2017 was 60%, ie Rs. 6 per equity share. During the next couple of years the demand for carbon black in India is expected to grow at 4-5%. Overseas demand growth for carbon black is estimated at 3-4%.

Joint product development programme with strategic customers

Technical abilities and far-sighted investments in R&D have put PCBL in good stead. The Company has moved up the carbon black value chain by focusing on higher performance rubber and speciality carbon blacks. In FY'17, PCBL also successfully developed alternative feedstock sources, thus considerably reducing the risky dependence on one particular source of supply. At the international market place, PCBL has emerged as a trusted global player. The Company has now aligned with some of its strategic customers as partners to undertake joint development programme.

Contact:

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