

RESOLVE TO EVOLVE

Touching lives in more ways than one



CHANGE is the only CONSTANT.

And change when pointed at a particular desired direction by aligning it to a vision and a purpose is called evolution.

At PCBL, we have been innovating, transforming, and evolving for more than six decades, making us a trusted global player and a pioneer in the industry.

Today, we are dynamic, young, futuristic, digitally driven and committed to sustainability.

As the next step of our evolution, we aim to explore new possibilities in the world of chemicals.

This we believe will further empower us in providing cutting-edge solutions to our partners, an exciting workplace to our people, and grow in harmony with the environment.



VISION

A trusted **Global** player providing cutting edge solutions to our **Partners** and an exciting workplace to our **People**


Phillips Carbon Black Limited

is now



The elephant, which has been the Company's icon since inception and has become synonymous with the brand, **has evolved to reflect the current organisational vision and outlook.**

The lines and dots that create the elephant are inspired from chemical bonds, the domain in which PCBL operates, and symbolises the organisation's digital approach. The stance captures **dynamism, agility and moving forward with a future-facing outlook.** The raised trunk reflects PCBL's respect towards customers and stakeholders, and echoes the philosophy of nurturing relationships. The green hexagon, inspired from carbon's molecular structure, and the elephant reaching out for it, embodies PCBL's commitment towards sustainability.

The new identity's modern custom typeface personifies the **company's strength and dynamism.** The bold typeface resonates the organisation's stability and leadership. The rounds and curves are a manifestation of the Company's caring and empathetic approach, while the sharp corners, especially the bottom stem of L, echoes PCBL's approach of providing cutting edge solutions and being technologically-driven.

The purple colour of the logo is arrived at by mixing the energy of red and the stability of blue. **It mirrors the fine balance of PCBL's rich legacy and future-facing outlook.** The colour also takes inspiration from the palette of the mother brand RP-Sanjiv Goenka Group.

The green represents sustainability and resonates the Company's philosophy of pursuing growth in harmony with the environment.

Robust performance across parameters



Financial

4,446

Net sales (₹ crores)

660

EBITDA (₹ crores)

427

Profit after tax (₹ crores)

15

EBITDA margin (%)

10

(@ 500%)
Dividend per share on
face value of ₹2/- each (₹)



Environment

91 MW

Green power
generating capacity

8,01,564

Total GHG emissions
(Scope 1, 2 and 3) (tCO₂e)

19,57,437

Green energy produced
(GJ)

2,53,872.8

(tCO₂e)
GHG offset during FY21-22

1.76

Carbon black GHG emission
intensity (tCO₂/MT)

7,000+

Saplings planted



Social

8.66

CSR spend (₹ crores)

12,002

Employee training hours

14+

Villages reached through
our CSR programmes



Governance

15+ YEARS

Average experience of
Board of Directors

6/10

Independent Directors
(two women directors)

1,60,000+

Shareholders

For FY21-22

ABOUT RP-SANJIV GOENKA GROUP

With ₹51,000 crores of asset base and consolidated revenue of ₹30,700 crores, the RP-Sanjiv Goenka Group is among India's fastest growing conglomerates with a significant global presence. The Group companies have always embraced state-of-the-art and efficient technologies and have become leaders in the sectors that they operate in. The Group's businesses comprise power, performance and specialty chemicals, IT-enabled services, consumer and retail, media and entertainment, sports, education and infrastructure and plantations. The Group has an employee strength of 50,000+ and 10,00,000+ shareholders.

GROUP'S VISION

To be a dynamic conglomerate driven by sustainable growth, efficiency and innovation

CORE VALUES



Customer First

Keep customer at the core of every action



Execution Excellence

Strive to be the best in everything we do



Credibility

Instill trust, confidence and accountability with our actions



Agility

Move ahead of time quickly



Risk-Taking

Dare to go beyond



Humaneness

Be fair, respectful, transparent and sensitive



Sustainability

Be equally responsible for people, planet, profits

Contents

Corporate portrait	
Corporate identity	4
Presence	6
Products applications	8
Investment case	10
Performance review	
Chairman's communique	12
Managing Director's perspective	13
Performance indicators	14
Creating stakeholder value	
Operating environment	16
Strategic priorities	18
Business model	20
Business review	
Manufacturing excellence	22
Research and innovation	24
Information technology	26
ESG	
ESG approach	28
Environment	29
People	32
Responsible procurement	36
Sales and marketing	38
Community	40
Governance	42
Corporate information	45
Statutory reports	
Notice	46
Board's report	58
Management discussion and analysis	67
Conservation of energy, technology absorption, foreign exchange earnings and outgo	83
Report on Corporate Social Responsibility (CSR) activities	87
Particulars of remuneration	92
Secretarial audit report	93
Report on corporate governance	96
Business responsibility and sustainability reporting	123
Financial statements	
Standalone	160
Consolidated	230
Form AOC-1	298
Listing	
• BSE Limited (Scrip: 506590)	
• National Stock Exchange of India Ltd. (Scrip: PCBL)	
• Market Cap: ₹4,316 crores (as on 31 st March 2022)	

Corporate identity

Advancing with rigour

With a legacy of more than six decades, PCBL Limited (erstwhile Phillips Carbon Black Limited) is a global player with a wide product portfolio having customised offerings for applications in tyres, performance chemicals and specialty chemicals. Our pride-enhancing clientele includes major tyre manufacturers and chemical customers, spread across 45+ countries.

Beginning our journey with a manufacturing capacity of 14,000 MT per annum, we have evolved over the years to a current capacity of 6,03,000 MT annually across four strategically located plants in India. Our plants at Durgapur (West Bengal), Palej & Mundra (Gujarat) and Kochi (Kerala) are backed by cutting-edge technology that helps switch seamlessly between alternative feedstock, make efficient use of resources, deliver a wide selection of grades, and accomplish high-quality standards. We are further enhancing our capacity through a greenfield project in Chennai (through our wholly-owned subsidiary) and a brownfield expansion in Mundra.

In an effort to continuously achieve product and process excellence, we have invested in the state-of-the-art research and development centre in India and Innovation Centre in Belgium.

We are a responsible corporate citizen and caring for the environment and society is at the core of whatever we do. We have invested in captive green power generation facility with the cumulative capacity of 91 MW. **We are the world's first carbon black company to be awarded Carbon Credit under Kyoto Protocol of United Nations Framework Convention on Climate Change (UNFCCC).** Our robust policies help us uphold highest level of corporate governance in the organisation.

KEY NUMBERS



4

Manufacturing units
(One upcoming in Chennai)



7th

Global position



6,03,000

Manufacturing capacity (MTPA)
(Projected after expansion: 7,90,000 MTPA)



91MW

Green power generating capacity
(Projected after expansion: 122 MW)



200+

Strategic supply chain partners



1,135+

Employees



45+

Countries of presence



75+

Grades of tyre, performance and specialty chemicals produced



1,60,000+

Number of shareholders

CREDIBLE CERTIFICATIONS

Our plant operations are certified with the following certifications:



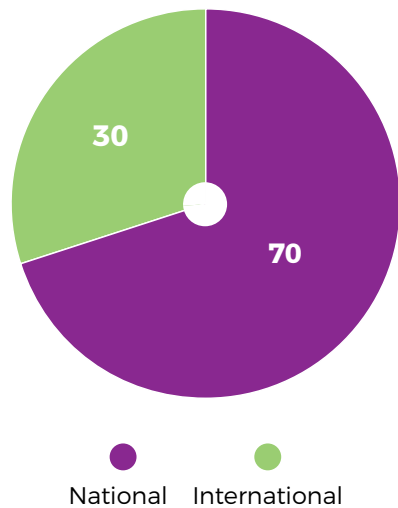
Presence

Strategically located

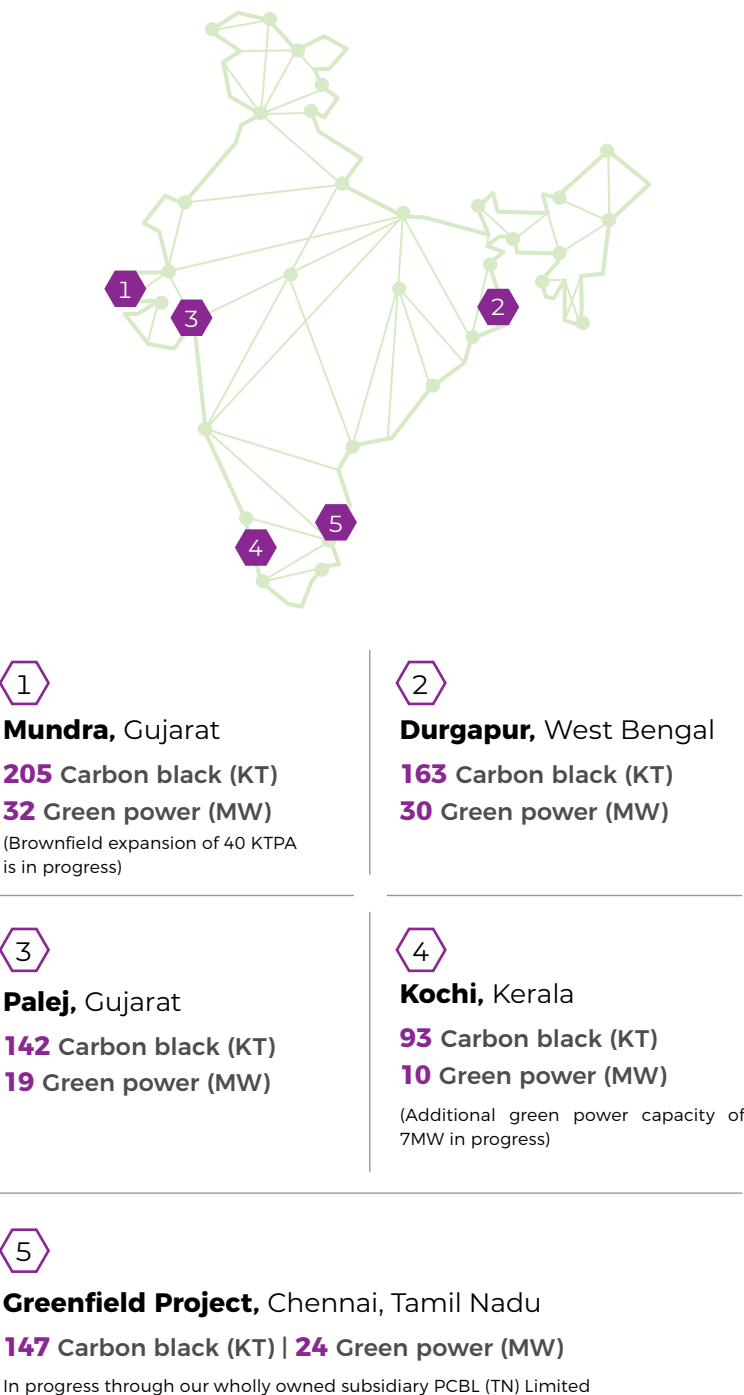
Our four state-of-the-art manufacturing units are located in close proximity to ports and key national markets. On one hand, it gives us the advantage to source imported raw materials, and on the other hand, it helps to cater to both national and international markets with ease.

Besides, our diversified presence also reduces the risk of overdependence on any single manufacturing unit at a given point of time.

REVENUE SPLIT BY GEOGRAPHY FY21-22 (%)



MANUFACTURING CAPACITIES



Global
Offices across Europe and Asia



Decanting
Stations across USA, Europe and Asia



Innovation
Centre in Belgium and R&D Centre in India

GLOBAL FOOTPRINT



- | | | | |
|---|---|--|--|
| 1 North America <ul style="list-style-type: none"> Canada USA Mexico | 2 South America <ul style="list-style-type: none"> Argentina Brazil Peru Columbia Chile | 3 Africa <ul style="list-style-type: none"> Kenya South Africa Tunisia Egypt | 4 Middle East <ul style="list-style-type: none"> Saudi Arabia UAE Oman Kuwait |
| 5 Europe <ul style="list-style-type: none"> Belgium France Greece Germany Spain UK Poland Czech Republic Italy San Marino Portugal Netherlands Slovakia Romania Croatia Turkey | | 6 Asia Pacific <ul style="list-style-type: none"> Australia Bangladesh China India Indonesia Japan Nepal Philippines Singapore S. Korea Sri Lanka Malaysia Taiwan Thailand Vietnam | |

SERVICING 45+ COUNTRIES ACROSS THE WORLD

Product applications

Tyre and performance chemicals

Under the brand names 'Orient Black' and 'CarboNext', this versatile material is used in rubber compounds as reinforcing fillers to optimise the properties of compounded materials to meet the specific performance requirements. The enhancement of rubber properties are mainly facilitated by the physical and chemical characteristics of carbon black covering Aggregate Size Distribution (ASD), structure, particle size (surface area), surface activity and porosity among others.

PCBL offers a comprehensive portfolio spanning multiple grades of carbon black as classified by the American Society for Testing and Materials (ASTM) standards, alongside customised, high-performance products to cater to next generation business needs.

Our furnace grades of carbon black encompass various series from N100 (super abrasion furnace black) to N700 (semi-reinforcing furnace black). These are characterised by a diverse range of surface area and structure. By conferring specific requirements to rubber products, this range provides value addition to a wide variety of tyres and high-performance rubber goods. This range is the volume driver in our business.

Tyre and performance chemicals find the following downstream applications under two primary utilities:

Technical and high performance rubber goods

- Conveyor belts
- Construction
- Extrusions and profiles
- Damping elements
- Hoses and ducting
- Power transmission belts (V belts)
- Rubber mats and shoe soles
- Rubber pads and caps
- Anti-vibration grommets
- Moulded rubber goods
- Seals and gaskets
- Rubber-to-metal bonded goods
- Unvulcanised sheets
- Adhesives
- Tubing

Tyres

- Passenger vehicle tyres
- Truck and bus tyres
- Off-the-road tyres
- Agricultural tyres
- Forestry tyres
- Two-wheeler tyres
- Three-wheeler tyres
- Cycle tyres
- Tyre re-treading materials



Specialty chemicals

We offer a wide range of specialty chemical grades to cater various application needs including films, fibres, pipes, wires & cables, food contact plastics, conductive, engineering plastics, inks, paints, coatings, adhesives, sealants, and batteries.

OUR BRAND

We market our specialty grades in brand name of 'Royale Black' with two premium segments, *Bleumina* for engineering plastics and *Ni.TONE* for inks, paints, and coatings application.

Bleumina, a series of medium colour furnace black, offers distinctive jetness, impeccable aesthetics, superior surface smoothness, gloss, and high durability in the final products. It is designed to be compatible with a wide range of polymers including engineering plastics such as PC, ABS, SAN, ASA, Nylon, POM, PBT, PS, PET, PPS, PMMA and other polymers like PP, PE, PVC, TPO, TPE etc. Key application areas include automobile interiors & exteriors, consumer electronics, home appliances, coatings, and many other value-added applications.

Ni.TONE, a series of powder carbon black is globally popular for its various specific features that offer excellent gloss, superior colour, good dispersion, and better rheological properties. Each grade is specifically designed to meet the market demand and customer needs to support various ink applications. Additionally, it is also recommended for different adhesive and sealant applications.

Most of our specialty grades are compliant with various stringent food contact norms like EU 10/2011, AP89 (1), Swiss ordinance and few grades are conforming US FDA.

Specialty chemicals find the following downstream applications:

- Food contact plastic
- Synthetic fibre and textile fabric
- Wire and cable
- Film and sheet application
- Geo-textile/geo-membrane
- Pressure pipe
- Drip irrigation pipe system
- ESD and Conductive
- Plastics molded parts
- Engineering plastics
- Inks
- Paints
- Coatings
- Adhesives
- Sealants
- Batteries



Investment case

Driving sustainable value creation

Our investment case focuses on delivering long-term and sustainable value for our larger universe of stakeholders.

POSITIONING

- Largest carbon black manufacturer in India
- Strategically located manufacturing capacities servicing both domestic and international markets
- Wide product portfolio with established presence in more than 45 countries across continents
- Efficient processes with sustainability deeply imbibed in operations

STRENGTHENING MANUFACTURING CAPABILITIES

- Planned expansion projects to strengthen capacities
- Smart manufacturing unit in alignment with Industry 4.0 standards to ensure highest level of process efficiency

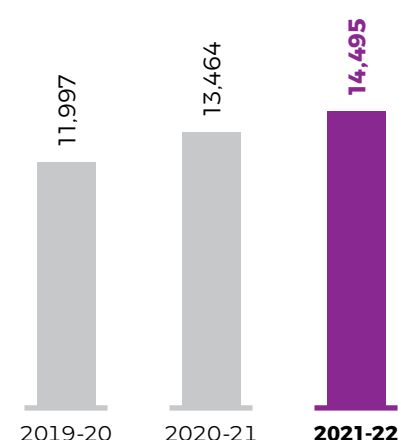
DIVERSE PRODUCT PORTFOLIO

- Our wide portfolio of trusted brands finds diverse applications
- Extended the portfolio to include other sustainable and innovative products

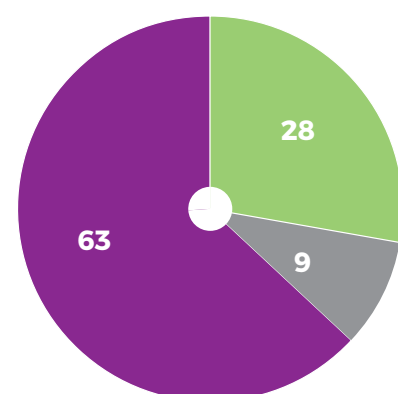
ENHANCING EFFICIENCY

- Enhancing operational efficiency through implementation of digital tools and automation across plants
- Undertaking several cost optimisation initiatives
- Use of technology in logistics helping in optimising operating cost

EBITDA PER MT (₹)



REVENUE SPLIT BY SEGMENT (%)



● Tyre
 ● Performance Chemicals
 ● Specialty Chemicals

ROBUST FINANCIALS

- Our superior operating performance has helped us strengthen our financial performance
- Revenue for the year stood at ₹4,446 crores, while EBITDA stood at ₹660 crores
- Reported a strong RoCE of 15%
- Strong balance sheet with cash and liquid investments of ₹404.01 crores
- ₹188.73 crores (@500% i.e, ₹10/- per equity share on the face value of ₹2/- per equity share) paid out as dividend during the year

SUSTAINABILITY LEADERSHIP

- Committed to sustainability principles
- Zero Liquid Discharge (ZLD) compliant plants
- Green power generation capacity of 91 MW

2.92 Mn m³

Water consumed

0.29 Mn m³

Water recycled

Chairman's communique

Fast-tracking our progress



Dear Shareholders,

I am proud that our Company has navigated the tough times with great resilience, ensuring the health and safety of both our co-workers and families. This determined effort from all has set us on a journey towards achieving our future goals.

Our performance too has been significant. Whereas volumes grew by 17%, our revenues grew by 67% reflecting a focus on value addition. EBITDA @26% & PAT @37% also represented healthy growth.

Exports continue to experience a positive groundswell, with our presence in European markets going up. We launched our new brand identity which is modern and also reflects our organisation's future-facing approach. The shift is significant given that more than 35% of our portfolio today comprises performance and specialty chemical applications. Our new brand identity and nomenclature is in alignment with this business evolution.

To enable us to continue on this path, our innovation centres in India and Belgium, are unwaveringly working towards new product development, post-treatment, fundamental research and feedstock engineering related initiatives in the specialty chemicals space.

Environment, Social and Governance (ESG) priorities are at the core of our operations. We have published our sustainability report to capture the concrete steps we are taking towards our commitment to our wider universe of stakeholders. The environment is a key focus area for us, and we are unfailingly particular about it, in addition to GHG, energy and water conservation, and waste management.

We are navigating through difficult times. The pandemic may have subsided, but a lurking threat remains. In addition, the ongoing conflict between Russia and Ukraine is causing market disruptions, especially as it relates to higher fuel prices leading to inflation.

In India, our greenfield expansion in Chennai is making steady progress, which will add an additional 1,47,000 metric tonne to our overall capacity. Despite the execution challenges faced owing to external factors, we expect to commission the plant by Q3 FY22-23.

Additionally, we have also embarked upon a brownfield expansion in Mundra, Gujarat, with specific focus on production of specialty chemicals.

In a bid to reward our shareholders, an interim dividend of ₹188.73 crores (₹10/- per Equity Share on the face value of ₹2/- per share) was declared on January 20, 2022, and paid during the quarter ended March 31, 2022.

I want to thank all PCBLites and other stakeholders for their continued support in achieving our targets for the year gone by. We believe we are at the cusp of an exciting journey, which is expected to create value for all of us.

Yours sincerely,

Dr Sanjiv Goenka
Chairman



Managing Director's perspective

Evolving with a future-facing outlook



Dear Shareholders,

The resumption of economic activities across the world, driven by favourable fiscal policies created an enabling business environment at the beginning of FY21-22. However, the onset of the second wave of the pandemic, followed by a surge in energy prices and supply chain constraints at the global level, posed fresh challenges.

However, by leveraging our learnings from FY20-21, we achieved two very significant growth targets. A 17% acceleration in volume translated into carbon black revenues of ₹4,332 crores during the year. Our continuous focus on cost optimisation and enhancing realisations led to a 26% improvement in EBITDA to ₹660 crores in FY21-22 – both our highest-ever!

The initiatives undertaken during FY21-22 were in alignment with the new business themes of the Company, which serve as a guiding light in PCBL's journey into the future.

One of the key business themes is digital transformation, where multiple initiatives have been executed across all functions. We have invested in tools and software modules that are supporting us in better market prediction, understanding customer behaviour, ensuring a higher degree of governance and protecting our information systems from potential cyber-attacks. The objective is to create an integrated business value chain and inculcate a digital culture in PCBL. Our upcoming Chennai plant is being built with cutting-edge technology and is a smart manufacturing unit. It leverages the full potential of Industry 4.0, offering lean and efficient operations.

As we advance towards achieving our strategic priorities, we are consistently focusing on mitigating our carbon footprint and building

a sustainable organisation. We are the first carbon black company in the world to receive carbon credits. Further, we have set up green power plants across our manufacturing units to produce power from waste heat. The Chennai plant being set up will be a IGBC platinum-certified green unit with zero-liquid discharge, rainwater harvesting and water conservation, reinforcing our commitment towards lessening our carbon footprint.

In addition, safety and well-being are of paramount importance to us. We are constantly working towards creating a safe and healthy workplace for our employees. We provided vaccination support and stood by the families of colleagues who were affected by the pandemic. Investing in strengthening the capabilities of our people and aligning them with our business themes have been our topmost focus areas in the past year. Building a robust leadership pipeline for the future of PCBL has also been a significant priority.

Our research and innovation centres in India and Belgium have been instrumental in enabling us to expand our product portfolio, as well as undertake process innovations to cater to the evolving needs of our customers in a competitive manner. Our innovation activities comprise fundamental research, feedstock engineering, post treatment, and development of new products. As a result, we now have more than 20 products in the pipeline, set to

launch in the next three years, which will help us in further strengthening our position in the global market.

With all our partners in our supply chain we hold constructive dialogues across the spectrum to improve decision making and accountability of our partnerships.

A landmark initiative in FY21-22 was the transformation in our name to PCBL Limited and introduction of our new brand identity. This will enable us to establish ourselves more firmly as a diversified producer of quality products in the global chemicals space.

We have embedded good governance practices at the heart of our sustainability journey, since it is our responsibility to create long-term value for shareholders by balancing the myriad interests of all stakeholders whose lives we touch.

The pandemic has tested the resilience of our business model, but we were able to successfully navigate these challenges, thanks to our robust human capital, systems, and processes.

We believe that the times ahead are exciting and we are perfectly poised to achieve our next phase of growth.

Warm regards,

Kaushik Roy
Managing Director

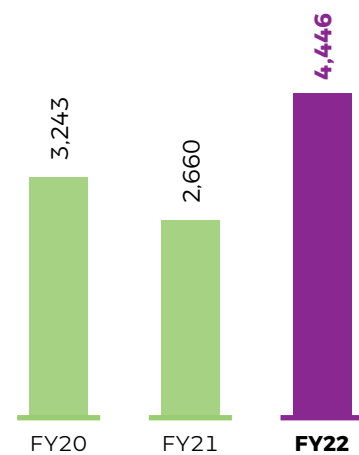
Performance indicators

Our progress in numbers



FINANCIAL

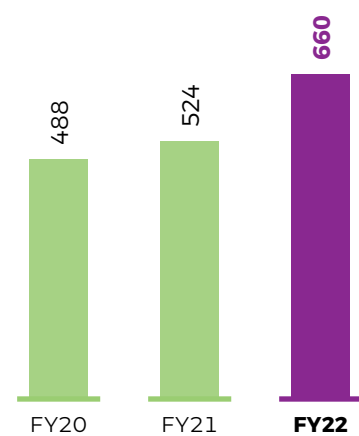
Revenue (₹ in crores)



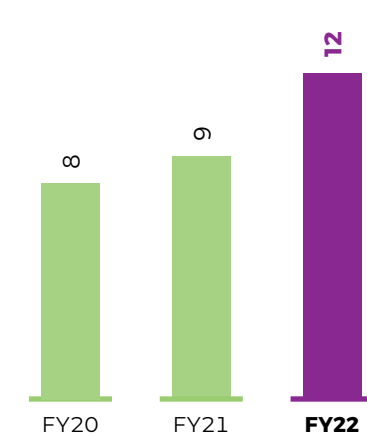
Profit after tax (₹ in crores)



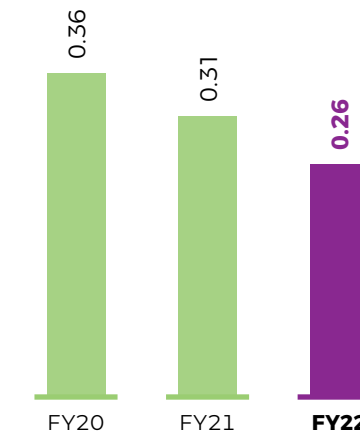
EBITDA (₹ in crores)



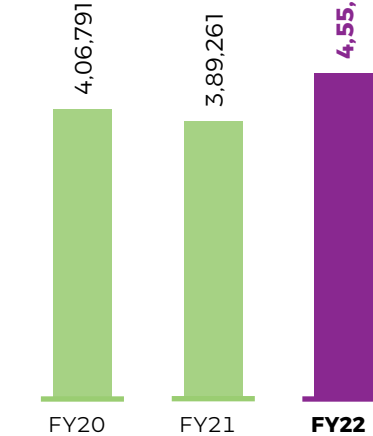
Earnings per share (on the basis of ₹1/- share)



Debt-Equity ratio



Sales volume (MT)



Operating environment

Favourable external environment

Our business is dependent on the growth of the downstream industry, specifically the tyre industry, the growth of which is dependent on the mobility industry. In a world being rapidly disrupted by the impact of the pandemic, technology and innovation will play a critical role in devising sustainable solutions.

GLOBAL CARBON BLACK OPPORTUNITIES

The global carbon black industry is sustained by economic growth, which fuels growth in infrastructure, construction, automobiles and consumer durables, creating demand for carbon black. Product consumption is predominantly driven by tyres, while the performance chemical finds applications in extruded profile, industrial hoses, injection molding, agricultural films and pipes. High-end applications are catered by 'specialty chemicals,' which impart specific characteristics, such as high-quality pigmentation, UV protection, dispersion, viscosity control and electrical conductivity.

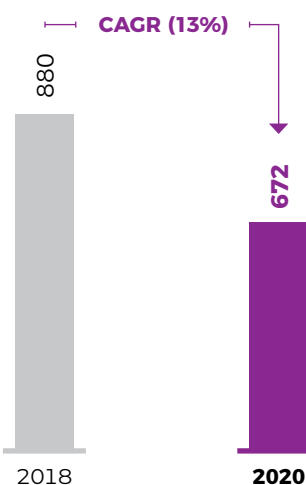
Amid the challenges in the industry, there appears to be a silver lining driven by carbon black supply disruptions, originating from the ongoing consolidation in China's carbon black industry and likelihood of various trade sanctions on Russia because of the ongoing war against Ukraine.



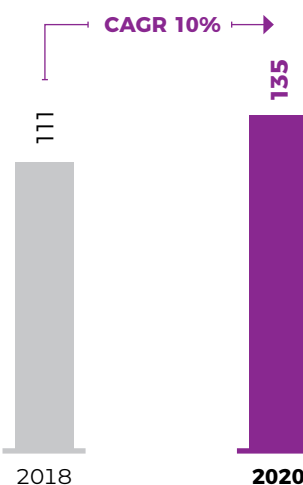
INDIA EMERGING AS A FAVOURABLE MANUFACTURING DESTINATION

Various factors including rising environmental costs, wage inflation, trade conflicts and the spread of COVID-19 have led the global customers to adopt a China+1 strategy. India has emerged as a key substitute owing to its already demonstrated manufacturing capabilities. Moreover, the favourable policies of the government to position the country as the global manufacturing hub is further driving India's emergence as a carbon black manufacturing hub.

Carbon Black Export from China (KT)

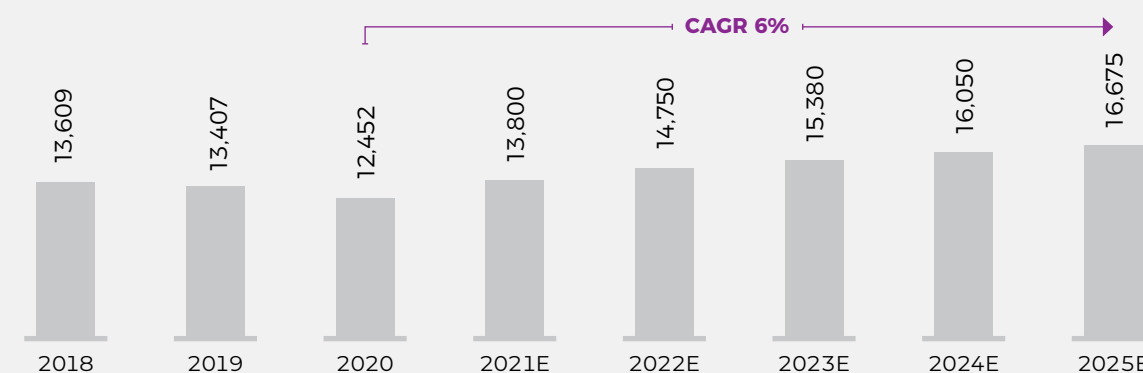


Carbon Black Export from India (KT)



Source: Carbon Black World Data Book - Notch Consulting

World Carbon Black Demand (KT)



Source: Carbon Black World Data Book - Notch Consulting

INDUSTRY 4.0

Digitalisation is impacting corporates across the world. Further, the onset of the pandemic has further accelerated digitalisation adoption as corporates across the board seek to improve productivity, flexibility and responsiveness. Digital simulation, virtual reality, artificial intelligence, the Internet of Things, data-driven management, machine learning and data protection are transforming jobs, and our work.

AUGMENTING PEOPLE CAPABILITIES

The digital transformation is necessitating a people-centric approach, supporting employees in their career development, facilitating up-skilling and cross-functional collaboration.

OUR RESPONSE

- Enhance capacity consistently to capitalise on the downstream growth opportunities
- Enhance digitalisation
- Putting people at the centre of our growth
- Foster a culture of innovation to capture emerging opportunities
- Increasing our ESG quotient

Strategic priorities

Staying ahead with our strategic priorities

At PCBL, we have identified six key strategic drivers that will help us capitalise on the external opportunities and achieve our growth aspirations. Our planned capacity additions, portfolio expansion, digitalisation, customer centricity and continuous focus on innovation are the pillars of our next phase of growth while ESG remains at the core of whatever we do.



STRATEGIC PRIORITIES

KEY ACTIONS



Capacity additions

- Greenfield project in Chennai, through our wholly owned subsidiary
- Brownfield expansion in Mundra



Performance and specialty chemicals

- Developing new specialty chemical grades
- Moving up the value chain in tyre and performance chemicals grades
- Customisation of grades



R&D and innovation

- Developing strong foundation for customised offerings and futuristic solutions for customers
- New product development – inks, coatings, conductive, batteries, etc.
- New carbon black manufacturing process
- Hybrid filler



Customer centricity and growing market share

- Penetrating new geographies and increasing customer base
- Focus on quality, timely delivery of products and efficient after sale services
- Supply chain efficiency improvement
- Go-to-market capability building



Digitalisation

- Digitalisation and automation across processes
- Creating an integrated business value chain
- Using digital technology to create new business processes, culture and customer experiences



ESG and sustainability

- Well integrated risk management strategies to ESG issues
- Adherence to various internationally recognised standards in Environment (CDP disclosure, UNFCCC), Social (Eco-Vadis, European REACH) and Governance

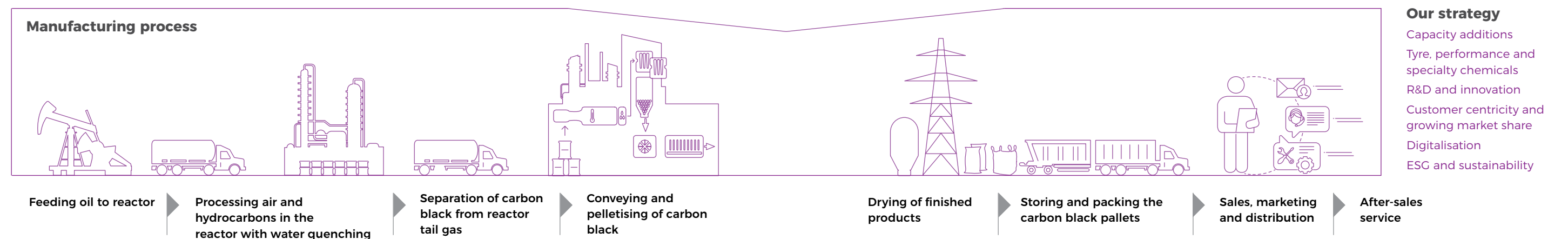
Business model

Driving sustainable growth

Resources

Financial capital Funding obtained from providers of capital, deployed to invest in our strategy and support business activities. Revenue: ₹4,446 crores EBITDA: ₹660 crores PAT: ₹427 crores	Manufactured capital Our physical infrastructure used to produce, store, sell and distribute our carbon black products. Carbon black manufacturing facilities: 4 Green power capacity: 91 MW	Intellectual capital Repository of organisational knowledge, insight, systems, protocols and intellectual property, including brands. R&D Centre: Asia Innovation Centre: Europe R&D and Technology talent pool: 45 Number of patents filed (last three years): 4	Human capital Our people and how we on-board, manage, develop and retain them. Total employees: 1,135 Employee remuneration: ₹159 crores	Social and relationship capital Our role as a socially responsible corporate citizen and how we enrich our relationships with stakeholders, from suppliers to customers, regulators, investors and the communities where we operate. CSR expenditure: ₹8.66 crores Number of strategic supply chain partners: 200+ Key industry associations: 8+	Natural capital Relates to natural resources on which we depend to create value and our role in promoting their conservation. GHG emissions intensity: 1.76 tCO₂e/mt of carbon black Water recycled or reused: 813 KLPD
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Value creation paradigm



Delivering value to our stakeholders

Shareholders and investors We deliver consistent return to our shareholders and investors	₹10 per equity share Dividend paid @500% (face value of ₹2/- each) in FY21-22	>90% Of our revenue generated in FY21-22 was contributed by customers who are with us for five years or more	Supply chain partners Our supply chain partners are helping run seamless operations across plants	₹3,284 crores Total purchases in FY21-22	₹159 crores Employee remuneration in FY21-22	12,002 Total training hours in FY21-22	14+ Villages reached through our CSR programmes in FY21-22
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Manufacturing excellence

Delivering efficiency with scale

Our four strategically located manufacturing units follow global standards, helping us fulfil stringent requirements of our customers. Further, we have implemented improved Quality Management System (QMS) at our manufacturing units to reinforce our quality commitment. We have also implemented methodologies and lean manufacturing tools such as DMAIC Methodology, Lean Fundamentals, Kaizen, 8D problem solving tool/Root Cause Analysis, Focussed Improvement Projects (FIP), Overall Equipment Effectiveness (OEE) and 5S.

The year under review was one of the landmark years for the Company as a whole as we achieved our highest ever annual production volume of 4,56,484 MT. We put further focus on the specialty grades to improve market penetration and enhance profitability. We commissioned the green power plants for Mundra Line 3 and Palej Line 2, taking our green power generation capacity to 91 MW. Besides, we have commissioned a new loading bay at Mundra which is helping us improve the flexibility of our loading and thereby maintaining OTIF target for strategic customers. We installed automatic packing unit which has helped us increase productivity in packaging.

Quality improvement is one of our continuous focus areas. During the year, we focused on stringent product specifications and improvement in quality consistency (reduction in standard deviation of various process parameters).

KEY INITIATIVES IN FY21-22

Strengthening process practices

- All the SOPs are made 'Common Documented Information' based on the principle of One Organisation - One System
- Manufacturing specifications also are made common for the same grade for achieving uniformity
- Reliability improvement through Execution of conditional based monitoring, Predictive Maintenance and Preventive Maintenance
- Horizontal deployment of RCA (Root Cause Analysis) and CAPA (Corrective and Preventive Actions) and for breakdown and CAPA implementation to strengthen process and improve reliability

Technology advancement for enhancing efficiency

- Installed water cooled potassium burner for carcass. This is helping us in maintaining reliability of the burner - preventive failure of this burner helps in preventing quality issue as well as refractory damage
- New design pelletiser installed for better pellet quality, improved loading in a bag, reducing customer complaints
- Refractory design upgradation completed for better efficiency and reliability
- APH box design modification
- Flame profiling done

AUGMENTING OUR CAPACITIES

To strengthen our capabilities further, we have embarked on two expansion projects - a greenfield project in Chennai, through our wholly owned subsidiary, PCBL (TN) Limited, which is expected to be commissioned by Q3 FY22-23. Upon completion, the plant will add 1,47,000 MTPA of carbon black capacity and 24 MW of green power. The second is a brownfield project which is coming up at Mundra, Gujarat. The estimated capacity of the plant is 40,000 MTPA and will be completed in two phases. The first phase is expected to be operational by the end of FY22-23. Additional Green Power capacity of 7 MW in Kochi, Kerala is in progress. With this, the total manufacturing capacity would be 7,90,000 MTPA and green power would be 122 MW.

KEY FEATURES OF UPCOMING CHENNAI GREENFIELD PROJECT



Smart factory

Incorporation of Industry 4.0 concepts using machine learning, IoT and artificial intelligence for process control



Green factory

IGBC platinum green factory building certification, zero liquid discharge plant, rainwater harvesting and water conservations



Automation

Automated and advanced material handling and warehouse management system. Fully automated process control through DCS



Strategic location

Proximity to Katupalli port enabling easy import of raw materials (CBFS) and export sales



Multiple lines

Equipped with three independent production lines (2 lines for hard black and 1 line for soft black)



Green power

Green power generation capacity of 24 MW

Research and innovation

Becoming future-ready

At PCBL, research and innovation are critical drivers of technical and business growth. Over the past few years, we have deepened our research focus by making forward-looking investments in the development of infrastructure, human resources, and processes, strengthening our capabilities in product application, process efficiency and product customisation.

We have been leveraging our 'Competitive Intelligence' study to identify the scope and opportunities for customer engagement, white space mapping, market-driven research, innovation, and intellectual property protection.

The R&D practices of PCBL stand out for their strategic innovations that have catalysed the company's 'New Product Development Roadmap' across carbon black, other carbonaceous materials, and Carbon Black Feedstock (CBFS). The innovation focus empowered the company in the design of a competitive product portfolio that has accelerated sustainable business growth.

The company's R&D mechanism, focused on market/business needs and involving cutting-edge technology solutions, to strengthen the performance of existing grades, novel grades development and deepened its understanding of CBFS features, which, in turn, help to create quality products. PCBL has also harnessed partner's knowledge and capabilities and used intra- and inter-organisational technology collaboration to leverage application research.

We have invested in global R&D centre - the Sushila Goenka Research and Development Centre at Palej, Gujarat, India and Sushila Goenka Innovation Centre at Ghislenghien, Belgium. Our in-plant R&D centres and Sushila Goenka Research and Development Centre at Palej, India, are recognised by the Department of Scientific and Industrial Research (DSIR), Government of India. Our R&D activities are supported by a pool of experienced and qualified product and process scientists and engineers, along with comprehensive infrastructure, equipment and facilities for feedstock and new carbon black development. Research is also directed at optimisation and evaluation of colloidal properties, morphological characteristics, elemental and microscopic analysis of carbon blacks, assessing the physio-chemical, rheological, thermal, mechanical, dynamic-mechanical properties, and colour performances of rubber compounds, plastics compounds, inks and coatings etc.

KEY ACHIEVEMENTS IN FY21-22

To meet increasing demand of fuel economy, mileage, automotive segments have been aiming at continuous optimisation of fuel efficiency, tyre durability, and other functional performances of carbon blacks. They also need to comply with numerous government, national and international regulations including green economy, weight reduction etc. We have demonstrated proof of concept to develop carbon black grades of exclusive surface attributes and hybrid fillers comprising carbon black-nano structured carbonaceous materials to fulfil the technical requirements for desired applications. Those novel carbon blacks and hybrid fillers reveal potential radical changes in filler technology and have the potential to bring innovative fillers in market for advanced vehicles to support sustainability mission along with enhancement of product durability. The customers are in evaluation process of one such grade, PRD018.

Further, R&D established the proof-of-concept technology of physical and physico-chemical routes to reduce aromatic contaminants present in carbon black, which will assist to conform environmental regulations of the products.

In intra-organisational collaboratory R&D, assisted process technology, technical services, and marketing team to enable development of low surface area and low structure carbon black grades, CarboNext®10, CarboNext®20, cleaner varieties of carbon black having very low level of carbonaceous contaminants favouring end-use applications in mechanical rubber goods (MRGs), extruded rubber profiles etc. and carbon black of ultra-high reinforcing, PRD022 (A - F) for tyre applications.

Surface functionalised carbon blacks (e.g., NuTone™ 21) has been developed and introduced in the market recently suitable for polyurethane coating. A typical PCBL grade Bleumina®219BP, comes in business contribution after resolving the issue of colour behaviour.



Several customised/modified ASTM rubber grades are developed as proof-of-concept largely focusing on sustainable mobility, considering fuel savings and tyre durability, etc.

Our R&D focused on relentless and rapid growth of product portfolio in specialty businesses, encompassing plastics, master batches, inks, coatings, primarily to meet less dependence for domestic customers on imported grades.

To support our efforts of optimising carbon footprint, research and innovation team is evaluating eco-friendly Carbon Black Feedstock (CBFS) source with lowest possible contaminants content. New sources of CBFS including bio-sourced and physical and/or chemical treatment of feedstock, which can meet environmental norms of present and future demand are also brought into the purview of the research.

To boost the journey of sustainable mobility, R&D is considering and developing next generation advanced filler technology to assist fuel economy, lowering rolling resistance of tyre, enhance tyre durability, tyre waste utilisation and to address the decarbonisation of carbon black to add value in product acceptance.



PROCESS IMPROVEMENT

- Introduction of specially designed potassium burner to avoid nozzle damage
- Introduction of hot air line with bellow design change to prevent damage of bellow
- Implementation of new design atomised burner for improved carbon black feedstock atomisation
- Implement rectification of pelletiser pin design for improvement of pellet quality
- Installation of decanter systems to carbon black feedstock supply
- Installation of high-capacity conveying fan



NEW OFFERINGS IN FY21-22

- Introduced the NuTone™21, providing improved dispersion in aqueous and non-aqueous medium and satisfactory colour performance. A series of similar NuTone™ grades is ready to be introduced in market during FY22-23
- Suggested preferred changes or tuning in property parameters for Bleumina®219, PI101 to compensate for lack in colour performances
- Developed through intra-organisational collaboration - CarboNext®10, CarboNext®20 and a series of PRD022 grades for moulded rubber goods and ultra-high reinforcing applications. The products are at various stages of approval
- PRD018, a carbon black trial grade offering with potential capability of improving rolling resistance, and tyre durability



Information technology

Enhancing our digital acumen



At PCBL, we are making continuous efforts to emerge as a digitally smart organisation while ensuring data and information security, data confidentiality and availability.

We are investing in digital tools that are helping improve overall organisational efficiency on one hand, while improving business performance on the other hand. During FY21-22 there has been no business, financial or reputational loss due to IT.

Robust and modern IT platforms like SAP HANA ERP in Cloud and related Fiori apps, ERP-integrated SAP SuccessFactors HR Platform, Secure 2FA VPN continue to provide the edge to business from anywhere, in terms of speed, accessibility, data integrity and security.

To adapt to restrictions on travel during the pandemic and to facilitate greater online collaboration among employees, customers and vendors, the WAN (Wide Area Network) bandwidth

of the plants and head office have been significantly upgraded. Multi-Platform video-conferencing and online meetings have become the regular mode of collaboration among teams and stakeholders across boundaries.

Despite acute global shortage of semiconductors, PCBL successfully continued the upgradation/replacement drive of end-user machines as per planned schedules, to keep the computing environment current, agile and secure, with latest OS and AD-based governance.

One of the best-in-class authentication, containerisation and patch management platform as per Microsoft guidelines has been launched across the organisation to deploy governance rules and access management seamlessly across devices and platforms, taking care of patch related bandwidth choking pains at plants.

Automated tool-based backup is taken for all critical servers at various intervals. Encrypted backups are stored separately and periodically tested as restore drill. end-user machines' local data backup takes place in automated manner through Microsoft OneDrive cloud backup. This ensures zero loss of organisational and user data even in case of theft or complete damage of any laptop.

As per the Gartner magic quadrant report of end-user security, the organisation has adopted and deployed

the top recommended cloud-based Advanced Threat Management Platform (ATP) for all the end-user devices (official laptops, desktops). Automated Containerisation and End-Point Security deployment has been enforced through MDM for any personal mobile/tab/iPad, if official data access is needed from that device.

In line with the change of our identity, all relevant IT platforms and the corporate webpage (www.pcblltd.com) have been changed with new theme, logo and other changes. The revamped corporate webpage continues to run on a modern platform on one of the best-in-class public cloud. The serverless architecture ensures lightning-fast speed and capability to handle increased traffic at any time.

To generate automated export documentations (as per country/port specific requirements) from SAP ERP, a new digital platform of EXIM has been launched, thus significantly enhancing the speed of execution, eliminating human dependence.

An innovative credit management system has been designed and implemented inhouse in SAP, enhancing system-driven financial controls for credit-management enabled customer sales, but eliminating possibilities of customer dissatisfaction related to blocked dispatch.

SAP has been rolled out for the wholly owned subsidiary,

namely, PCBL (TN) Limited, with FICO, MM and PS modules, to take care of the project build-up and related transactions and consolidation across PCBL level.

Periodic DR drill of most critical ERP setup mitigates business continuity related enterprise risks. The DR setup is hosted at a different region of the cloud service-provider.

The Company is aware about the current elevated levels of cybersecurity risks across the globe. All critical IT servers in cloud are protected with best-in-class UTM's (Unified Threat Protection) Firewalls, which are monitored through Managed Security Services (MSS) of a reputed ISP.

The IT team of the Company is equipped with enterprise-class licensed remote support software tool to support business users remotely, either at home or office, and international users - thus ensuring business continuity during the lockdown and other challenges.

During the year, the Company did not incur any major additional expense or did not need to change any IT setup to handle the COVID-19 related lockdown.

In line with the organisational strategy of digital transformation, several strategic IT initiatives have been planned and budgeted for the coming year.

ESG approach

Advancing with responsibility

Environment	Social	Governance
- Committed to environment sustainability across business operations to ensure recycling and responsible usage - Zero Liquid Discharge (ZLD) compliant plants - Recycling wastewater for utilisation in the process - water recycled 813 KLPD - Green factory and office buildings and reducing consumption of freshwater - Initiatives such as maximising heat recovery by different inline heat exchangers (APH, WHB & OPH) and other measures on energy efficiency, rainwater harvesting, plantation etc. - Green power generation - 19,57,437 GJ - Adherence to international standards such as CDP disclosure, UNFCCC	- Risk-based training programmes to improve employee health and safety - Proactively working towards the development of underprivileged communities with focus on education, health and sanitation, environment sustainability and holistic community development - Adherence to international standard such as European REACH - Equal opportunity employment, small vendor development, rewards and recognition programmes in place - Certified to the new ISO 45001:2018 standard - Rolled out an occupational, health and safety management program across our plants. Work related hazards are identified through HIRA, HAZOP, JSA techniques and actions are initiated - Community engagement to help combat COVID through monetary assistance and awareness campaigns	60% of the Board of Directors are independent - Board is diverse in terms of skills and expertise in the fields of global business, strategy & planning, leadership, legal & regulatory matters, finance, risk management and relevant technologies - Continued focus on designing and improving the flow of activities to ensure economic prosperity and long-term value creation for all stakeholders over the foreseeable future - Anti-bribery policy, quality policy, sustainability policy, risk management policy, whistle blower policy, vigil mechanism, prevention of sexual harassment policy and prohibition of insider trading policy are in place
Zero Liquid discharge from our plants	220 New employees hired	6/10 Independent Directors (two women directors)
8,00,549 GJ Green energy utilisation	30+ YEARS Average industry experience of leadership team	1,60,000+ Shareholders
91 MW Green power generating capacity	14+ Villages reached through our CSR programmes	33+ YEARS Average age of employees



Environment

Making our footprint greener

PCBL is committed to sustainable development as it realises that its business operations are bound to have potential impact on the environment and society. In line with our business growth over the years, our efforts towards sustainable development have also increased substantially. Our several initiatives are directed towards moderating carbon footprint, recycling waste and optimising resource utilisation. We have been focusing consistently on renewable energy, waste management, harvesting rainwater and creating green belts where we operate.



ENERGY MANAGEMENT

The Company has been co-generating green power to meet its electric power consumption utilising the tail gas from the carbon black manufacturing process. We have developed new reactor design at three plants for improved quality consistency and lowering CO₂ emission per tonne of carbon black produced. Overall GHG intensity (tCO₂-e/MT) has been reduced from 2.14 in FY20-21 to 1.76 in FY21-22. GHG intensity (tCO₂-e/MT) due to green power generation-fuel gas has been reduced from 1.42 in FY20-21 to 1.39 in FY21-22.

We are continuously reducing dependence on conventional sources of energy and substituting the existing ones with renewable energy sources wherever feasible. Key initiatives in this direction include:

- Initiated substituting conventional electric lights with solar powered lights at our residential colony of Durgapur unit on pilot basis
- Distributed solar powered LED streetlights in Puthencruz Panchayat, Kochi, as a part of FY21-22 CSR initiative
- Constructed rainwater tank with capacity of 1,600kL and completed phase-1 of rainwater pipeline routing at Kochi unit



EMISSION REDUCTION

At PCBL, we are cognisant of the impact of non-compliance to the set emission norms. Our stringent policies and measures ensure conformance to all the rules and procedures laid down by the Central and State governments in order to keep the environment clean. We have taken the target of reducing our net CO₂ emission by 15% by 2030 with respect to baseline year FY20-21.

Across all our plants, we have installed Continuous Emission Monitoring System (CEMS) to track all emissions (of SO₂, NO_x, H₂S and SPM) on a continuous basis across all sources. Further, stack monitoring (24 hours sampling), effluent sampling and ambient air quality monitoring are carried out at regular intervals by authorised third-party agencies. The reports are submitted to the Pollution Control Boards on a monthly basis.

We have installed highly efficient filter bags [membrane coated Polytetrafluoroethylene (PTFE) bags] into the bag filter. These help filter out fine dust particles. Further, to ensure bag filter life, a schedule has been prepared for changing bags. For the reduction of SO_x and other gases, we are selecting raw material feedstock with minimum sulphur content and other impurities.

2025

Targeted year for ensuring certification and compliance in environment management system across 100% of our key vendors

Reinforcing our commitment to protecting the environment, we do not emit carbon monoxide (CO) into the environment. We are using it as a fuel for power generation or flaring it before releasing it into the atmosphere. We have extended sustainability norms to our vendors. We encourage them to identify sources of emissions like CO₂ and other greenhouse gases, SO_x, NO_x and particulate matter. Following the identification, we encourage them to make efforts to reduce emissions.



MANAGING SOLID AND LIQUID WASTE

The 3Rs of reduce, reuse and recycle are the cornerstone of PCBL's operating philosophy. We reuse or recycle wherever possible to reduce the impact on the local environment and save on operational costs. We apply the best available techniques and practical environmental options for our assets to manage waste and minimise our impact on ecosystems. We initiated a Focused Improvement Project (FIP) across all units with cross-functional teams deploying DMAIC Methodology to reduce the waste generation. At Mundra unit alone, FIP of Zero Carbon Black Leakage had successfully reduced CB leakage by 69% (month-on-month) over a period of 4 months. This also led to monthly financial savings of ~₹4.3 lakhs. Similar benefits are coming from the other units as well.

In an initiative taken at our Mundra unit, more than 60% of Kaizen projects were done by reusing the scrap material during FY21-22.



- Solid wastage: Plastic, wood, copper, aluminium, discarded container and paper bag/plastic bag are sent to recyclers approved by the local PCBs
- Liquid waste: Water from ETP is used across various processes and water from STP is used in gardening
- ETP sludge: ETP sludge is stored in secured landfill and its waste is sent to Central Pollution Control Board (CPCB) authorised common TSDF (Treatment, Storage, Disposal Facility) for disposal
- Used oil: Reused or sent to registered re-processor
- E-waste: Agreement signed with TSDF and e-waste is being stored in the dedicated waste storage area. From there the e-waste is sent to TSDF

20%

Targeted reduction in waste-to-landfill by 2025 (base year of 2020)



MANAGING DISCHARGES, WATER RECYCLING AND HARVESTING

We have taken up the target of reducing specific freshwater consumption by 25% from baseline FY20-21 by 2030. We have maintained zero liquid discharge, validating our focus on water sustainability. We use recycled water in scrubber and mixture. This has resulted in zero discharge of waste from our factories.

- Palej has 50 KLPD STP (domestic water) and 250 KLPD upgraded ETP. It has also commissioned 1,650 KLPD WTP
- Mundra has ETP capacity of 285 KLPD and WTP of 1,800 KLPD
- Durgapur has ETP capacity of 500 KLPD
- Kochi has ETP capacity of 130 KLP

813 KLPD

Recycled water used in FY21-22

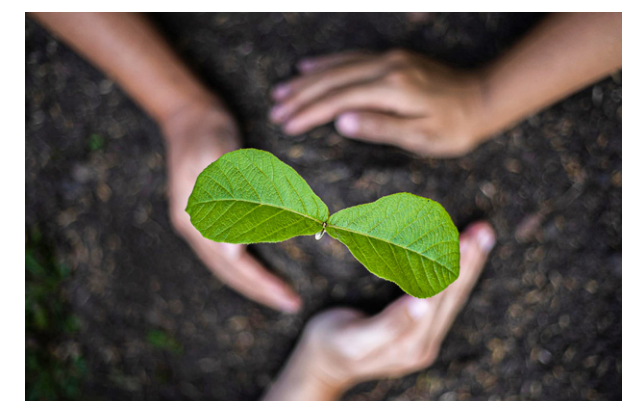
We have installed rainwater harvesting systems for a stable supply of freshwater. Most of our manufacturing units recycle the water through the ETP. During the year under review, we have harvested ~71,311 KL of rainwater by taking up a FIP at our Kochi unit. This has helped us reduce consumption of fresh water and dependency on river water during the monsoon. This has also led to financial savings of around ₹7.1 lakhs (during FY21-22 monsoon period). We have planned to harvest higher volumes at our other units as well in FY22-23.

GREEN BELT DEVELOPMENT

We have planted saplings both inside and outside our factory premises for the development of green belts. A dedicated horticulture team looks after all the planted saplings to ensure that most of these turn into completely grown plants/trees. We also have conducted programs to raise awareness among our employees about the necessity and benefits of a greener earth.

7,000+

saplings planted during FY21-22



People

Strengthening our human capital

Our people play a key role in transforming our vision into reality. We take various initiatives to create an empowering work environment that encourages continuous learning, promotes employee growth while fostering a culture of innovation and inclusivity.



The year under review saw extended periods of disruptions driven by the second and third waves of the pandemic. We leveraged the knowledge and learning gained during the previous year and were better equipped to handle the situation. During the Work from Home (WFH) phase as well as during the return to office, we took utmost care of our people and prioritised their safety.

KEY INITIATIVES FY21-22

The initiatives undertaken during FY21-22 were aligned to the new business themes of the company, which serve as a guiding light in PCBL's journey into the future.

DIGITAL TRANSFORMATION

One of the key business themes is digital transformation and various initiatives have been executed with this orientation. Using Leena AI chatbot, the Company has been keeping track of employee emotions and moods. A corresponding score-based system maps manager behaviour, work team behaviour, workplace safety, career growth and employee development. Based on the chats received, employees are assessed by their leaders to analyse their sentiment and keep them engaged.

Further, in line with the digital transformation business theme, an integrated human capital management platform People Connect, powered by Success Factors, was installed to take care of the HR related services that a PCBLite needed. This ensured smoother operations and reduced dependency on hard copies, reinforcing our commitment to sustainability.

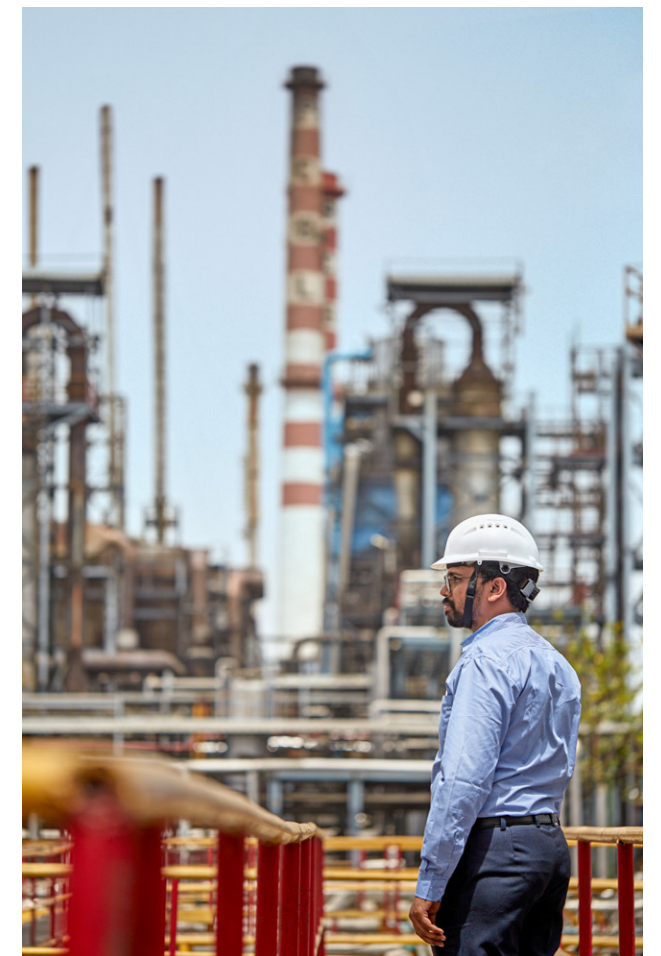
A Succession Planning Module was implemented on the People Connect platform for managing talent review, succession planning and creating a clear line of sight of the talent pool at PCBL. Further, the talent acquisition process is being migrated to the digital platform. It is currently in the beta testing phase and is scheduled for deployment.

To ensure regular communication between the leadership and the employees, Sampark, a digital townhall where all the internal stakeholders of the organisation connect, share information, recognise efforts, and address challenges, was organised for all quarters.

CAPABILITY BUILDING

Building capability is another fundamental business theme with the core objective of creating a leadership pipeline. The Learning Management System enables employees to access self-learning content online and access the monthly training calendar.

We collaborated with International Management Institute, Kolkata for a Certified General Management Programme (CGMP). The objective of CGMP is to enhance leadership skills, sharpen business acumen, and help develop programme participants into tomorrow's business leaders. Under the guidance of the Leadership Team at PCBL, academicians at IMI-Kolkata and professionals from the industry, the participants are exposed to a curriculum involving classroom lectures, case study analysis, discussions and simulations, assignments through digital platforms, projects, quizzes, and end-term examinations. This 400-hour course, comprising 15 subjects, is spread over five quarters. Post the successful completion of the first batch, the second batch has completed their second quarter schedule in FY21-22.



1,135

Permanent employees
as on 31st March 2022

18%

Share of women in
total workforce as on
31st March 2022

80%

Employee retention rate
in FY21-22


MANNING OUR GROWTH

A batch of 37 Graduate Engineer Trainees (GETs) and 21 Diploma Engineer Trainees (DETs) were onboarded at PCBL from campuses across the country. The structured training programme for GETs and DETs spans over a year. The training is designed based on 70:20:10 learning principle. Classroom training comprises 10% of the training programme and it builds technical knowledge about carbon black through classroom sessions, field visits and group presentations; 20% of the programme is on-the-job training, which facilitates learning through observation and develops understanding of practical side of the job. The major section of the training consists of project work and operational activities. This includes experiential learning through hands-on activities and working on a capstone project. During this entire period, there are periodic assessments and evaluations using different methodologies. Subsequently, there are discussions organised with the GETs and DETs, leading to functions being assigned to them based on their strengths, interests, and skill sets.

TRAINING

The Company has identified subject matter experts for different functional areas and entered multiple collaborations to create online training modules.

INDUSTRIAL TRAINING

The Company's industrial relations continued to be harmonious; not a single person-day was lost during this financial year on account of disrupted industrial relations.



HEALTH AND SAFETY OF OUR EMPLOYEES

Employee health and safety remains our key focus areas and several initiatives are undertaken to ensure a safe and healthy work environment. The onset of the pandemic created health hazards and had adverse impacts. We have institutionalised the system of periodic medical check-ups of all employees to ensure their fitness at work. Besides, we celebrate National/International days related to health and theme-based awareness trainings are organised to make our employees aware about the importance of good health. Safety in all our processes is something that we have the highest regard for. We are completely committed to ensure that all our operations are carried out in the safest possible way.



MANAGING THE PANDEMIC

Considering its unpredictability and severity, we ensured strict adherence to SOPs for following the highest level of health and hygiene, protecting the spread of the pandemic in our manufacturing units, regional offices and corporate office. The other relevant initiatives include the following:

- Conducted awareness trainings regarding COVID-19 for our employees to ensure they stay safe outside the workplace as well
- Provided provision of hand wash and hand sanitising at plant entrances
- Formed a COVID Task Force to keep check on the compliance of COVID-19 protocols
- Conducted vaccination drives for employees and their family members across all operating locations to safeguard our employees against COVID-19

SAFETY-RELATED INITIATIVES

- We have a dedicated hazard identification and risk analysis team for each process and an entire suite of fire hydrant systems, smoke detectors and CCTVs are installed across the plants
- We also create safety awareness among our employees through learning events
- We have a comprehensive insurance cover for fire at offices, warehouses and factories, theft at offices and factories, medical benefit for employees and transit insurance
- At the Durgapur unit, as a part of our SHE initiatives, 'Competency Cards' were issued to our contract workmen to prevent any worker to perform tasks for which he/she is not trained or competent in

Responsible procurement

Ensuring a sustainable supplier partnership

Our supply chain is a key part of our entire value chain and is an important factor in achieving our sustainability aspirations. We have more than 200+ strategic supply chain partners.



During the year, supply chain disruptions and increase in energy prices created a challenging business scenario. However, we were quick to respond and took the following measures to minimise the impact:

- Reviewing the purchase needs
- Optimisation of inventory
- Centrally monitor all procurements
- Develop alternate sources

ENGAGING WITH OUR SUPPLIERS

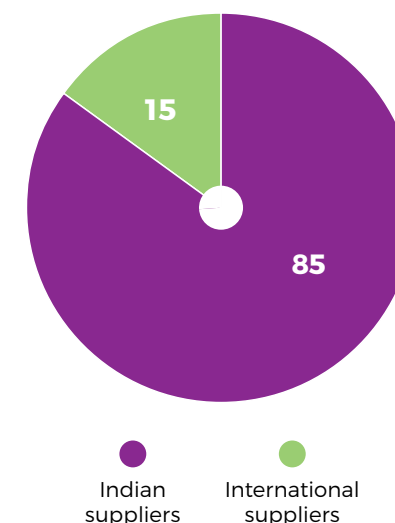
We engage with our suppliers periodically for effective planning, improved product development and consistent quality. We connect regularly with our suppliers over phone, email and virtual meetings. Besides, annual in-person meetings are done with international and major domestic suppliers to share thoughts on the prevalent market situation, optimisation of cost and improvement in quality and service. Besides, we regularly interact with them at corporate events like industrial fairs, seminars and conferences.

RAW MATERIAL SOURCING STRATEGY

We are continuously working on developing alternative sources of various raw materials to ensure availability of the right quantity and quality of materials at the right price and time. We constantly explore alternative geographical locations to avoid risks emanating from dependence on a single location.



Break-up of geography-wise procurement (%)



Quality checks

DOMESTIC SOURCING

Quality is checked at supplier's end and then Certificate of Analysis is shared with us before loading. Further, incoming raw material quality is tested at respective manufacturing locations. Our R&D lab at Palej also tests the sample to ensure the highest level of quality standards. In several cases, quality of raw material is tested by third party labs also.

INTERNATIONAL SOURCING

We have multi-stage quality testing for our overseas sourcing. At first, quality of the cargo is tested by a third party lab before loading the cargo onto the vessel at the load port. Then the vessel's composite sample is tested by a third party lab on vessel's arrival at first discharge port in India. Further, the same sample is tested by our R&D lab at Palej. Besides, samples from the shore tank are also tested by third-party lab after completion of discharge operation at respective ports. We also undertake quality tests at manufacturing units when material finally reaches the plant.



Reducing in-transit losses

The following initiatives were undertaken to reduce in-transit losses:

- Transit insurance for all shipments
- Recovery from vessel owners for transit loss beyond 0.5% as per maritime rules. Loading supervision and quantity finalisation at load port conducted by third party
- Sealing of tankers by third party surveyors at loading facilities
- Stringent vehicle monitoring during the transit
- Any shortage beyond 30 kg to be recovered from transporters for road transportation.
- Regular monitoring and reporting by respective manufacturing units
- Increasing tankers loadability to reduce number of trips, transit loss and freight per MT. This also helps us reduce our carbon footprint

Sustainability in procurement

The first step towards this was the formulation of the Sustainable Procurement Policy and Supplier's Code of Conduct. We shared our thoughts on sustainability with our supplier chain partners, creating awareness on sustainability issues. To enable us to honour our commitment to reduce, reuse and recycle, we have focused on areas where we can use recycled material and have started using recycled plastic pallets across all locations. Further, we have increased the height of our bulk bags to enhance loadability per bag, reduce consumption of polypropylene per MT of carbon black, reduce freight per MT and the number of trips taken to carry the same volume of carbon black. Besides, we have replaced road tankers with larger carrying capacity vehicles to reduce freight per MT and diesel consumption.

Sales and marketing

Reaching our customers



While the pandemic created disruptions in the past two years, we were prompt in realigning our strategies and expand our sales and marketing through the virtual medium. We are a prominent player in India and our global markets are segregated under APAC, EU and North and South America.

Domestic market

The global semi-conductor shortage hit the Indian auto industry hard, resulting in muted growth in the automobile sector. However, the replacement/after market demand has been firm. The external challenges were mitigated through our exemplary customer relationship. We were able to increase our wallet share with the major tyre companies despite overall reduction in their requirement. In spite of liquidity crunch in the industry, our collections have been one of the best resulting in reduced over dues.

KEY INITIATIVES FY21-22



New target markets and customers

- Focused on the MRG segment that resulted in improved volume sales
- Focused on retail segment resulting in higher margins
- Strategic tie-ups with key non-tyre customers
- Samples of proprietary grades submitted to selected tyre customers



Customer engagement

- Portal integration for managing day-to-day activities
- Customer Feedback Survey was conducted through online platforms
- Virtually attended customer's new product launch (Apollo Vredestein) in India
- Used virtual meeting platforms for customer interaction
- Digitalisation initiatives for the implementation of digital e-invoice



International market

With the world slowly coming out of the pandemic, there has been visible increase in terms of production and demand across major countries globally. Our customers also benefitted from the general sentiment of the pandemic-free time despite the subsequent waves occasionally disrupting recovery. Our marketing initiatives for the first 9-10 months of the FY21-22 were focused on catering to regular customers with better demand and using this market sentiment to grow our footfall through regular business development activities.

KEY INITIATIVES FY21-22

1

Despite the challenges caused by the external world, PCBL remained nimble-footed and supported the needs of the trusted and valuable partners constantly

2

During the year, we ventured into the less pursued markets in Latin America and Africa. We also focussed on strengthening our position in Europe and North America

3

We made breakthrough in new grades and locations for reputed customers such as Bridgestone Tyres, Giti Tyres, Toyo Tyres, Continental Tyres and Petlas Tyres

4

During the year, we had remote plant audit by one of the global tyre manufacturers where people from five different countries participated

OUR KEY CUSTOMERS

Our pride-enhancing clientele includes global and Indian tyre manufacturing giants such as MRF, CEAT, JK Tyre & Industries, Apollo Tyres, Bridgestone, Goodyear, Michelin, Yokohama, TVS Group, Continental, Toyo, Nexen, Kumho, Contitech, Giti Tyres, Trelleborg, Camso and Petlas among others. Besides, we cater to the specialty black needs of prominent Indian and global companies. We collaborate with our customers for tailored solutions and jointly develop products for them.



Community

Promoting inclusive development

Community development is a core focus area for PCBL as we believe that our progress is intertwined with the holistic development of the communities around us. As key stakeholder of the Company, they give us the social licence to operate.

We have been undertaking activities on education, health, community development and environment sustainability to promote sustainable and inclusive development of the unprivileged and disadvantaged sections of the society.



₹8.66 crores

Allocated towards CSR initiatives

As India continues to bounce back from the pandemic, we played our part in reviving the economy while allocating a total of ₹8.66 crores to our CSR activities. We are sensitive to the needs and expectations of communities and we continue to strengthen sustainable ecosystems around our manufacturing units through strategic interventions to empower these communities.

The CSR Committee of the Board of Directors formulates and recommends to the Board a CSR Policy which shall indicate the activities to be undertaken by the Company.

After the pandemic, the country's economy is finally recovering at a good pace. As a responsible corporate, it is crucial for us to contribute and act as a catalyst in this recovery. The Company designates a committee for every project, these committees participate in and contribute to their respective projects.



PROMOTING EDUCATION

It has always been our firm belief that education has the power to transform communities. We understand the need for education especially for the underprivileged and disadvantaged sections of the society. We have contributed significantly to the building and development of infrastructure at schools, computer literacy programmes, facilitation of tuitions, distribution of free school-aid materials and donation towards food distribution, cultural activities at schools. We are also setting up an IB school in Kolkata with modern facilities which is expected to be completed by the end of FY22-23.

PROMOTING RURAL DEVELOPMENT

Even though ~66% of Indians reside in rural India, these communities are deprived of many opportunities. With the objective of empowering these communities, we undertake initiatives to strengthen rural infrastructure, provide financial help to projects in backward areas, facilitating rural transportation, promoting agricultural and rural development, providing funds for development of villages, and providing streetlights in rural areas. We have constructed roads in rural areas surrounding our plants and we contributed ration and food to the underprivileged people in rural areas. We have also contributed to civil work and development of nearby villages which has directly contributed to the upliftment of the underprivileged people in rural areas. We are also assisting in the development of villages near our plants in West Bengal and Kerala. We have provided COVID relief

material as well as for cyclone Yaas. We contributed to the construction of roads in Durgapur, West Bengal.

PROMOTING SPORTS

Sports is integral in keeping communities healthy. We have encouraged women to play sports and contributed towards development of sports in Palej and West Bengal.

ENVIRONMENTAL SUSTAINABILITY

In our effort to tackle climate change, we have inculcated environmental sustainability into our CSR activities as well. We took major steps in implementing sustainability practices such as contributing towards an Eco Ambulance and erecting and commissioning an oxygen plant in Bharuch, Gujarat. We also contributed towards cow fodder and establishing and developing a green belt outside our plant premises and its surrounding village areas in Kutch, Gujarat.

COMMUNITY DEVELOPMENT

We have constructed individual household toilets under the Swachh Bharat Abhiyan, contributed to enhancement of infrastructure in hospitals, provided medical aid to the local community and made provision for pulse polio immunisation camps for children of nearby villages among others.

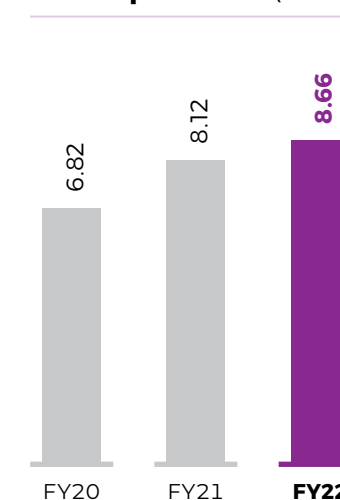
RECOGNITION

Our responsibility as a corporate citizen drives us to continuously push our limits and come up with initiatives and activities which create value for the society.

CSR COMMITTEE COMPOSITION

Mr. Kaushik Roy	Chairman
Mr. Shashwat Goenka	Member
Mrs. Rusha Mitra	Member

CSR Expenditure (₹ in crores)



Governance

Ensuring highest standards in transparency and accountability

The core of PCBL is built on a sound philosophy, ethics, policies, values, accountability and sincerity of action. Our corporate governance spirit works within a culture of performance that emphasises a framework of conformance and compliance.



Our corporate governance goes beyond the norms and ensures that our business is grown and nurtured into a sustainable and equitable one, creating sustainable growth for our entire stakeholder universe. While we aspire to maximise the wealth of our shareholders, protecting the rights of our stakeholders remains our key priority.

We have built a robust governance framework for heightened transparency and imbibed ethics and transparency in our culture to drive ground level compliance.

The Board of Directors and the various committees formed under the tutelage of the Board monitors specific operational areas. Our entire management team is hands-on and provides the Board of Directors with detailed reports on a timely basis for increased transparency and improved monitoring of functions. Our internal and external auditors ensure compliance with all the statutory regulations. Our digitalisation and automation journey is incrementally increasing transparency and efficiency in the organisation.

BOARD OF DIRECTORS

Our Board of Directors ensure the highest level of corporate governance with their experience and knowledge. The Board members are selected from diverse fields and possess skills, expertise and experience to guide the organisation towards its strategic goals. Our Board's skill includes sales and marketing, business and senior management, leadership and governance, legal and regulatory matters, finance, accounts and risk management and relevant technologies. The Board meets at least once a quarter to review our performance and provide their valuable insights.

60%
Independent Directors
on Board

59+ years
Average age of Directors



Board of Directors



- | | | |
|--|--|---|
| 01 Dr. Sanjiv Goenka
Chairman | 05 Paras K Chowdhary
Non-Executive
Independent Director | 08 R K Agarwal
Non-Executive
Independent Director |
| 02 Kaushik Roy
Managing Director | 06 Pradip Roy
Non-Executive
Independent Director | 09 T C Suseel Kumar
Non-Executive
Independent Director |
| 03 Preeti Goenka
Non-Executive
Director | 07 Rusha Mitra
Non-Executive
Independent Director | 10 K. Jairaj
Non-Executive
Independent Director |
| 04 Shashwat Goenka
Non-Executive
Director | | |

Governance

Management Committee Members (MCM)



Corporate Information

BOARD OF DIRECTORS

Dr. Sanjiv Goenka, Chairman
Kaushik Roy, Managing Director
Preeti Goenka
Shashwat Goenka
Paras K Chowdhary
Pradip Roy
Rusha Mitra
R K Agarwal (w.e.f 26th July, 2021)
T C Sussel Kumar
(w.e.f 27th October, 2021)
K Jairaj (w.e.f 8th March, 2022)

COMPANY SECRETARY & CHIEF LEGAL OFFICER

Kaushik Mukherjee

CHIEF FINANCIAL OFFICER

Raj Kumar Gupta

AUDITORS

S R Batliboi & Co., LLP
Chartered Accountants

SOLICITORS

Khaitan & Co.

BANKERS

Bank of Baroda
ICICI Bank
HDFC Bank
IDFC First Bank
Axis Bank
DBS Bank
HSBC
Standard Chartered Bank
Citi Bank
Kotak Mahindra Bank

REGISTERED OFFICE

PCBL Limited
(Formerly known as
Phillips Carbon Black Limited)
31, Netaji Subhas Road
Kolkata – 700 001
West Bengal, India
Phone: +91 33 6625 1443
Fax: +91 2230 6844/2243 6681
CIN: L23109WB1960PLC024602
Email: pcbl@rpsg.in

CORPORATE OFFICE

PCBL Limited
(Formerly known as
Phillips Carbon Black Limited)
RPSG House, 4th Floor
2/4 Judges Court Road
Kolkata – 700 027
West Bengal, India
Phone: +91 33 4087 0500/0600
Email: pcbl@rpsg.in

MANUFACTURING UNITS

Durgapur

PCBL Limited
27, R N Mukherjee Road
Dist: Paschim Burdwan
Durgapur – 713 201
West Bengal, India
Phone: +91 74790 37118
Email: pcbl.durgapur@rpsg.in

Kochi

PCBL Limited
Brahmapuram, Karimugal
Kochi – 682 303
Kerala, India
Phone: +91 48427 88158/116
Email: pcbl.kochi@rpsg.in

Mundra

PCBL Limited
Survey No. 47, SH- 46
Mokha
Mundra – 370 421, Gujarat, India
Phone: +91 2838 283634/619201
Email: pcbl.mundra@rpsg.in

Palej

PCBL Limited
National Highway No. 8
Palej – 392 220, Gujarat, India
Phone: +91 26422 77902
Email: pcbl.palej@rpsg.in

REGIONAL OFFICES

Chennai

PCBL Limited
Level 5, Prestige Palladium Bayan
No. 129, Greams Road,
Chennai – 600 006
Tamil Nadu, India
Phone: (044) 4654 9316
Fax: (044) 2855 3257
Email: pcbl.chennai@rpsg.in

Delhi

PCBL Limited
315, Third Floor, MGF Metropolis
M.G. Road, Gurgaon – 122 002
Haryana, India
Phone: (0124) 4031975/2352924
Email: pcbl.delhi@rpsg.in

Mumbai

PCBL Limited
Unit No. 903, Dev Corpora
Cadbury Junction
Eastern Expressway
Thane (W) – 400 601
Maharashtra, India
Phone: (022) 4100 7765/84/85
Email: pcbl.mumbai@rpsg.in

BRANCH OFFICE

PCBL Limited
7822 Ghislenghien
Rue des Foudriers 1, Belgium
Phone: +32 6826 5800
Email: belgium.ic@rpsg.in

GLOBAL R & D CENTRE

Sushila Goenka Research & Development Centre
PCBL Limited
National Highway No - 8
Palej – 392 220, Gujarat, India
Phone: +91 02642 277158
+91 02642 244069
Email: research.development@rpsg.in

INNOVATION CENTRE

Sushila Goenka Innovation Centre
PCBL Limited
7822 Ghislenghien,
Rue des Foudriers 1, Belgium
Phone: +32 6826-5800
email: belgium.ic@rpsg.in

MARKETS

National :
pcbl.india@rpsg.in

International

Global: pcbl.international@rpsg.in
Europe: pcbl.europe@rpsg.in
Japan: adrian.koh@rpsg.in
Vietnam: thuy.tran@rpsg.in
Korea: youngsup.kim@rpsg.in
Germany: uwe.haberstein@rpsg.in

SPECIALTY BLACKS

pcbl.specialtyblack@rpsg.in

PCBL LIMITED

(Formerly known as Phillips Carbon Black Limited)

CIN: L23109WB1960PLC024602

Regd. Office: 31, Netaji Subhas Road, Kolkata - 700 001

Tel: (033)-6625-1443; Fax: 033-2230-6844/2243-6681

E-mail: pcbl@rpsg.in; Website: www.pcbltld.com

Notice to the Members

Notice is hereby given that the Sixty- first Annual General Meeting (AGM) of the Members of PCBL Limited will be held on Tuesday, the 28th day of June, 2022, at 10:30 A.M. Indian Standard Time ("IST"), through Video Conferencing/ Other Audio Visual Means ("VC/OAVM") facility to transact following business:

ORDINARY BUSINESS:

- To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2022 including Consolidated Audited Financial Statements for the year ended on that date together with the Reports of the Board of Directors and the Auditors thereon.
- To confirm the payment of Interim Dividend @ 500%, (i.e. ₹ 10/- per equity share of ₹ 2/- each), already paid for the financial year ended 31st March, 2022.
- To appoint a Director in place of Mr. Shashwat Goenka (holding DIN 03486121), who retires by rotation and, being eligible, offers himself for re-appointment.
- To re-appoint auditors of the Company to hold office from the conclusion of the forthcoming Annual General Meeting for a term of five consecutive years until the conclusion of the Sixty- Sixth (66th) Annual General Meeting and to fix their remuneration, and if thought fit, to pass, with or without modification (s) the following Resolution as an Ordinary Resolution:

(As an Ordinary Resolution)

"Resolved that pursuant to Sections 139 and 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the Audit Committee and the Board of Directors

of the Company, M/s. S R Batliboi & Co. LLP, Chartered Accountants, having registration No. 301003E/E300005 be and is hereby re-appointed as the Statutory Auditors of the Company for a term of five consecutive years, who shall hold office from the conclusion of this 61st Annual General Meeting till the conclusion of the 66th Annual General Meeting to be held in the year 2027 on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company."

SPECIAL BUSINESS:

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

5. (As an Ordinary Resolution)

"Resolved that pursuant to the provisions of Section 148 of the Companies Act, 2013 and other applicable provisions, if any, read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the Members of the Company be and is hereby accorded to the ratification of the remuneration of M/s. Shome & Banerjee, Cost Accountants, (Firm Registration No 000001), appointed as the Cost Auditors by the Board of Directors of the Company ("the Board") for the financial year ending 31st March, 2023 to conduct cost audits relating to cost records of the Company and that the said Cost Auditors be paid a remuneration of ₹ 5,50,000/- (Rupees Five Lakhs Fifty Thousand only) plus applicable taxes.

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 the aforesaid Resolution."

By Order of the Board

Registered Office

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

Place: Kolkata

Date: 19th April, 2022

Kaushik Mukherjee

Company Secretary
(Membership No: F5000)



NOTES:

- A Statement pursuant to Section 102 of the Companies Act, 2013, ("the Act") setting out material facts relating to the Special Business to be transacted at the AGM is annexed hereto. The Board of Directors of the Company at its Meeting held on 19th April, 2022 considered that the Special Business under Item No. 5, being considered unavoidable, be transacted at the 61st AGM of the Company.

2. General instructions for accessing and participating in the 61st AGM through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM) Facility.

- In view of the COVID-19 pandemic, the Ministry of Corporate Affairs, Government of India ("MCA") issued General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 19/2021 and 21/2021 dated 8th April 2020, 13th April 2020, 5th May 2020, 13th January 2021, 8th December 2021 and 14th December 2021 respectively, ("MCA Circulars") allowing, inter-alia, conduct of AGMs through Video Conferencing/ Other Audio-Visual Means ("VC/ OAVM") facility on or before 30th June, 2022, in accordance with the requirements provided in paragraphs 3 and 4 of the MCA General Circular No. 20/2020. In compliance with these Circulars, provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 61st AGM of the Company is being conducted through VC/ OAVM facility, which does not require the physical presence of members at a common venue. The deemed venue for the 61st AGM shall be the Corporate Office of the Company situated at 2/4 Judges Court Road, Alipore, Kolkata - 700027. Hence, Members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participating in the Meeting through VC/ OAVM is annexed herewith (Refer Serial No. 23 of these Notes).

ii) VC/OAVM - Major Guidelines:

- Members are requested to join the AGM through VC/OAVM mode not later than 10.15 am IST by clicking on the link <https://www.evoting.nsdl.com> under Members login, where the EVEN of the Company will be displayed, by using the Remote E-Voting credentials and following the procedures mentioned later in these Notes (Refer to Serial No. - 23). Facility for joining the VC/ OAVM shall be kept open for the Members from 10.00 a.m. IST and may be closed at 10:45 a.m. IST or thereafter.

- Members may note that the VC/OAVM Facility, provided by NSDL, allows participation of 1,000 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. can attend the 61st AGM without any restriction on account of first-come-first-served principle.

- Members are requested to express their views/send their queries in advance mentioning their name, DP ID and Client ID number /Folio No., email ID, mobile no. at pcbl.agm2022@rpsg.in till 4 p.m. (IST) on Friday, the 24th day of June, 2022.
 - Members who would like to ask questions during the Sixty-first AGM of the Company need to register themselves as a speaker by sending their requests preferably along with their questions mentioning their name, DP ID and Client ID number/folio number, email id, mobile number, to reach the Company's email address at pcbl.agm2022@rpsg.in latest by 4 p.m. (IST) on Friday, the 24th day of June, 2022.
 - When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.
 - The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.

- In terms of the MCA Circulars, physical attendance of members has been dispensed with and therefore, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by members under Section 105 of the Act will not be available for the 61st AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the members may be appointed for the purpose of voting through remote e-Voting, for participation in the 61st AGM through VC/ OAVM facility and e-Voting during the 61st AGM.

- C) In line with the MCA Circulars and SEBI Circulars, the Notice of the 61st AGM and the Annual Report of the Company has been uploaded on the website of the Company at www.pcblltd.com. The Notice can also be accessed from the websites of the Stock Exchanges, namely, National Stock Exchange (NSE) at www.nseindia.com, and BSE Limited (BSE) at www.bseindia.com and the AGM Notice is also on the website of National Securities Depository Limited ("NSDL") (Agency for providing the Remote e-Voting facility) at www.evoting.nsdl.com.
- D) Since the AGM will be held through VC / OAVM Facility, the Route Map is not annexed to this Notice.
- E) NSDL will be providing facility for voting through remote e - Voting, for participation in the 61st AGM through VC/ OAVM facility and e- Voting during the 61st AGM.
- F) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- G) Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of the SEBI Listing Regulations read with MCA Circulars and SEBI Circulars, the Company is providing remote e-Voting facility to its Members in respect of the business to be transacted at the 61st AGM and facility for those Members participating in the 61st AGM to cast vote through e-Voting system during the 61st AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) as the authorised agency for facilitating voting through electronic means. The facility of casting votes by a member using remote e-voting system as well as e-voting on the date of the AGM will also be provided by NSDL.
- H) The 61st AGM of the Company is being convened through VC/OAVM in compliance with the applicable provisions of the Act read with all the applicable MCA and SEBI Circulars.
3. 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. 23 hereunder.
4. Electronic copy of the Notice of the 61st AGM, inter-alia, indicating the process and manner

of electronic voting ("e-voting") and the Annual Report of the Company for the financial year 21-22 is being sent to all the members whose email addresses are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. Therefore, Members whose email addresses are not registered with the Company or with their Registrar and Share Transfer Agent (RTA) or with their respective Depository Participant/s (DPs), and who wish to receive the Notice of the 61st AGM of the Company along with the Annual Report for the year 2021-22 and all other communications from time to time, can get their email addresses registered by following the steps as mentioned herein below:-

- For Members holding shares in physical form, please send a scanned copy of the signed request letter mentioning your Folio Number, Name of shareholder, complete address, mobile number, email address to be registered along with scanned self attested copy of the PAN and any document (such as Driving License, Passport, Bank Statement, AADHAR) supporting the registered address of the Member, by email to the RTA's email address - kolkata@linkintime.co.in.
 - For the Members holding shares in demat form, please update your email address through your respective Depository Participant(s).
5. The Register of Members and Share Transfer Books of the Company shall remain closed from the 22nd day of June, 2022 to the 28th day of June, 2022 (both days inclusive).
6. An interim dividend @ 500% (i.e. ₹ 10/- per equity share of ₹ 2/- each), was declared at the Meeting of the Board of Directors of the Company held on 20th January, 2022 to those Members whose names appeared on the Company's Register of Members, or appeared as beneficial owners at the close of business on 2nd February, 2022 ('Record Date') and the same was paid on and from 11th February, 2022.
7. Pursuant to the provisions of the Income Tax Act, 1961 ("the IT Act"), dividend income is taxable in the hands of the members and the Company is required to deduct tax at source ("TDS") from dividend paid to the members at rates prescribed in the IT Act. In general, to enable compliance with TDS requirements, Members are requested to complete and/ or update their Residential Status, PAN, Category as per the IT Act with their Depository Participant(s) or in case shares are held in physical form, with the Company by sending email to the Company's email address at pcbll.investor@pcbl.in

rpsg.in or by email to the RTA's email address at kolkata@linkintime.co.in. For details, Members may refer to the Communication related to "Tax Deduction at Source (TDS) on Dividend" available in the "Investor Relations" Section on the website of the Company at www.pcblltd.com.

8. The dividend/s, if any, approved by the Members or declared by the Board of Directors of the Company from time to time, will be paid as per the mandate registered with the Company or with their respective Depository Participants.

Further, in order to receive dividend/s in a timely manner, Members holding shares in physical mode, who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means ("Electronic Bank Mandate"), can register their Electronic Bank Mandate to receive dividends directly into their bank account electronically or any other means, by sending scanned copy of the following details/ documents by email to the RTA's email address - kolkata@linkintime.co.in or to the Company's email address at pcbll.investor@rpsg.in :-

- signed request letter mentioning your name, folio number, complete address and following details relating to bank account in which the dividend is to be received:
 - Name and Branch of Bank and Bank Account type;
 - Bank Account Number allotted by your bank after implementation of Core Banking Solutions;
 - 11-digit IFSC Code;
- self-attested scanned copy of cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly;
- self attested scanned copy of the PAN Card; and
- self attested scanned copy of any document (such as AADHAR Card, Driving Licence, Election Identity Card, Passport) in support of the address of the Member, as registered with the Company.

For the Members holding shares in demat mode, please update your Electronic Bank Mandate through your Depository Participant/s.

9. In the event the Company is unable to pay the dividend to any Member directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall

dispatch the Bankers' cheques/ demand draft to such Member, as soon as possible.

10. Pursuant to the provisions of Section 124 of the Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 read with the relevant circulars and amendments thereto ('IEPF Rules') the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government.

11. The Company has been sending reminders to Members having unpaid / unclaimed dividend before transfer of such dividend(s) to the Investor Education and Protection Fund (IEPF), set up by the Government of India. Details of the unpaid / unclaimed dividend are also uploaded as per the requirements, under "Investors Relations" section on the Company's website viz. www.pcblltd.com. Accordingly, Members, who have not yet encashed their dividend pertaining to the Final Dividend for Financial Year 2014-15 are advised to write to the Company immediately claiming dividends declared by the Company. The Final Dividend for the Financial Year 2014-15 is due to be transferred to the IEPF Fund immediately after 5th September 2022. In case valid claim is not received by that date, the Company will also proceed to transfer the respective shares to the Demat Account of the IEPF Authority ('IEPF Account') in terms of the IEPF Rules by following the prescribed procedure.

Mr. Kaushik Mukherjee, Company Secretary & Chief Legal Officer is the Nodal Officer of the Company for the purpose of verification of such claims.

12. 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 also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.

13. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the website of the Company www.pcblltd.com. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to Link Intime India Private Limited in case the shares are held in physical form.

14. The Securities and Exchange Board of India (SEBI) has mandated furnishing of PAN, KYC details (i.e., Postal Address with Pin Code, email address, mobile number, bank account details) and nomination details by holders of securities. Effective from 1st January 2022, any service requests or complaints received from the member, will not be processed by RTA till the aforesaid details/ documents are provided to RTA. On or after 1st April 2023, in case any of the above cited documents/ details are not available in the Folio(s), RTA shall be constrained to freeze such Folio(s).
15. Members may note that, in terms of the Listing Regulations equity shares of the Company can only be transferred in dematerialised form.
16. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Registrar and Share Transfer Agent, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be returned to such members after making requisite changes thereon.
17. Non-resident Indian Members are requested to inform Company's Registrar and Share Transfer Agent, Link Intime India Private Limited ('RTA'), 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.
18. 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 RTA/Depositories for receiving all communications including Annual Reports, Notices, Circulars etc. from the Company electronically.
19. Documents referred to in the accompanying Notice of the 61st AGM and the Explanatory Statement shall be available for inspection in the "Investor Relations" section of the website of the Company at www.pcbltd.com.
20. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section

189 of the Act shall be made available at the commencement of the meeting and shall remain open and accessible to the members during the continuance of the 61st AGM. During the 61st AGM, Members may access the scanned copy of these documents, upon logging into NSDL e-Voting system at <https://www.evoting.nsdl.com>.

21. Details as required under Regulation 36 of the Listing Regulations and Secretarial Standard on General Meeting (SS-2) issued by The Institute of Company Secretaries of India, in respect of the re-appointment of Auditors and Director seeking re-appointment at the 61st AGM, forms an integral part of the Notice of the 61st AGM. Requisite declarations have been received from the Auditors and Director seeking re-appointment.
22. The Board of Directors of the Company ('the Board'), on the recommendation of the Audit Committee, has approved in their Meeting held on 19th April, 2022, re-appointment of Messrs. S. R. Batliboi & Co. LLP, Chartered Accountants, having registration no. 301003E/E300005 as Statutory Auditors of the Company for the 2nd term of five consecutive years from the conclusion of the sixty first (61st) Annual General Meeting till the conclusion of the sixty sixth (66th) Annual General Meeting to be held in the year 2027 on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company.

23. INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING AGM THROUGH VC/OVAM ARE AS UNDER:-

- i) The remote e-voting period begins on 25th day of June, 2022 at 9:00 A.M. (IST) and ends on 27th day of June, 2022 at 5:00 P.M.(IST). During this period, Members of the Company, holding shares in the physical or dematerialized form, as on the cut-off date of Tuesday, the 21st day of June, 2022, may cast their votes by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Tuesday, the 21st day of June, 2022. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- ii) A person who is not a Member as on the cut-off date should treat this Notice of the 61st AGM for information purpose only.



A) How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Login Method	- Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp - Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on    
Individual Shareholders holding securities in demat mode with CDSL	- Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. - After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. - If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration - Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 120012 then user ID is 120012001***

- Password details for shareholders other than Individual shareholders are given below:
 - If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - How to retrieve your 'initial password'?
 - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.



- If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - Click on "Forgot User Details/ Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- Now, you will have to click on "Login" button.
- After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join Annual General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join Annual General Meeting on NSDL e-Voting system?

- After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and Annual General Meeting is in active status.
- Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the Annual General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Annual General Meeting".
- Now you are ready for e-Voting as the Voting page opens.
- Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

- Upon confirmation, the message "Vote cast successfully" will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to Mr. Anjan Kumar Roy at akroyco@yahoo.co.in in the Scrutinizer with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
- Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. Tuesday, the 21st day of June, 2022 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. 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" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Tuesday, the 21st day of June, 2022, may follow steps mentioned in the Notice of the AGM under Step 1 : "Access to NSDL e-Voting system" (Above).

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. 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 User Details/Password?" or

"Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

4. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre, Manager at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited at kolkata@linkintime.co.in or the Company at pcbl.investor@rpsg.in.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Company's Registrar and Share Transfer Agent, Link Intime India Private Limited at kolkata@linkintime.co.in or the Company at pcbl.investor@rpsg.in.
3. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at Step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
4. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
5. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

C) The instructions for Members for E-Voting on the day of the AGM are as under:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

D) Instructions for Members for attending the AGM through VC/OAVM are as under: [In Addition to Note No. 2A(ii)]

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above in Point no. 23 under Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join Annual General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Annual General Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to

fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Institutional Investors who are Members of the Company, are encouraged to attend and vote in the 61st AGM of the Company through VC/OAVM facility.

Other Instructions:

- 24 i) The voting rights of the 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 Tuesday, the 21st day of June, 2022.
- ii) 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 or casting vote through e-Voting system during the Meeting.
- iii) Pursuant to the provision of Section 108 of the Act read with rules thereof, Mr. Anjan Kumar Roy, Practicing Company Secretary, (Membership No. FCS 5684) has been appointed as the Scrutinizer to scrutinize the Remote e-Voting process and casting vote through the e-Voting system during the Meeting in a fair and transparent manner.

Registered Office

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

Place: Kolkata

Date: 19th April, 2022

- iv) During the 61st AGM of the Company, the Chairman shall, after responding to the questions raised by the Members in advance or as a speaker at the 61st AGM, formally propose to the Members not having already cast their votes by following the remote e-voting process and participating through VC/OAVM facility, to vote on the resolutions as set out in the Notice of the 61st AGM of the Company.

- v) The Scrutinizer shall after the conclusion of e-Voting at the 61st AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting system and shall make a consolidated Scrutinizer's Report.

- vi) The Results of voting will be declared within 2 working days from the conclusion of AGM. The declared results along with the Scrutinizer's Report will be available forthwith on the website of the Company www.pcblltd.com and on the website of NSDL. Such results will also be displayed on the Notice Board at the Registered Office as well and shall be forwarded to the National Stock Exchange of India Limited and BSE Limited.

25. Members desiring to have any information relating to the accounts are requested to write to the Company at the e-mail i.d. pcbl.agm2022@rpsg.in latest by Friday, the 24th day of June, 2022 by 4 P.M. (IST) so that the company can reply appropriately.

By Order of the Board

Kaushik Mukherjee
Company Secretary
(Membership No: F5000)

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

ITEM No. 5

The Board of Directors of the Company ('the Board'), on the recommendation of the Audit Committee, has approved in their Meeting held on 19th April, 2022, the appointment and remuneration of M/s. Shome & Banerjee, Cost Accountants, as the Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year ending 31st March, 2023 at a remuneration of ₹ 5,50,000/- (Rupees five lacs fifty thousand only) plus applicable taxes.

In accordance with the provisions of Section 148 of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), 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. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2023.

None of the Directors, Key Managerial Personnel, and their relatives are concerned or interested, financially or otherwise, in the aforesaid Resolution. The Board recommends passing of the Resolution as set out under Item No. 5 of the Notice for approval by the Members of the Company.

RE-APPOINTMENT OF STATUTORY AUDITORS OF THE COMPANY (ITEM NO. 4) - DETAILS IN TERMS OF REGULATION 36 OF THE SEBI LISTING REGULATIONS

In terms of Section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, Members of the Company in its 56th Annual General Meeting held on 21st September, 2017, approved the appointment of M/s. S R Batliboi and Co. LLP, Chartered Accountants (ICAI Registration No-301003E/E300005), as the Statutory Auditors of the Company for an initial term of five consecutive years, i.e. from the conclusion of the 56th AGM till the conclusion of the 61st AGM of the Company to be held in the year 2022. The Statutory Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company and has valid Peer Review Certificate.

The Board on the recommendation of the Audit Committee, has approved in their Meeting held on 19th April, 2022, re-appointment of Messrs. S. R. Batliboi & Co. LLP, Chartered Accountants, having Registration no. 301003E/E300005 as Statutory Auditors of the Company for the 2nd term of five consecutive years from the conclusion of the sixty first (61st) Annual General Meeting till the conclusion of the sixty sixth (66th) Annual General Meeting of the Company to be held in the year 2027 on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out under Item No. 4 of the Notice for re-appointment of Messrs. S. R. Batliboi & Co. LLP, Chartered Accountants, having registration no. 301003E/E300005 as Statutory Auditors of the Company for 2nd term of five consecutive years from the conclusion of the sixty first (61st) Annual General Meeting till the conclusion of the sixty sixth (66th) Annual General Meeting to be held in the year 2027 on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company.

None of the Directors, Key Managerial Personnel, and their relatives are concerned or interested, financially or otherwise, in the aforesaid Resolution. The Board recommends passing of the Resolution as set out under Item No. 4 of the Notice for approval by the Members of the Company.

II. DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE SEBI LISTING REGULATIONS AND APPLICABLE SECRETARIAL STANDARDS 2 (SS-2) BY ICSI:

(a) RE-APPOINTMENT OF MR. SHASHWAT GOENKA (ITEM NO. 3)

Mr. Shashwat Goenka (32 years) has joined the Board w.e.f 1st September, 2014 and he is the Sector Head-Retail & FMCG of the RP-Sanjiv Goenka Group. He is a Member of the Corporate Social Responsibility Committee of the Company.

Presently he is on the Board of CESC Limited, Spencer's Retail Limited, Firstsource Solutions Limited, RPSG Ventures Limited, Spencer's International Hotels Limited and Retailers Association of India. He is also the Founder of FMCG brand "Too Yumm". Currently he is Chair for FICCI's Young Leaders Forum and Chair for CII's National Retail Committee on Retail. He is also Past

President of Indian Chamber of Commerce. He graduated from The Wharton School, University of Pennsylvania and is currently the Honorary Consul of Finland.

Mr. Shashwat Goenka is the Chairman of the Corporate Social Responsibility (CSR) Committee, Risk Management Committee, Investment Committee and Strategy Committee of Firstsource Solutions Limited, Chairman of the Risk Management Committee and Member of the CSR Committee, Stakeholders' Relationship Committee and Audit Committee of Spencer's Retail Limited, Chairman of the Risk Management Committee and CSR Committee of RPSG Ventures Limited and Member of the Stakeholders' Relationship Committee and CSR Committee of RPSG Ventures Limited.

Additional information in respect of Mr. Shashwat Goenka, pursuant to the SEBI Listing Regulations and the Secretarial Standard on General Meetings, is appearing in the Annual Report 2021 - 22 under the Section 'Report on Corporate Governance'. Mr. Goenka does not hold any shares or

stock options of the Company. He is the son of Dr. Sanjiv Goenka, the Chairman and Mrs. Preeti Goenka, Director and he is not related to any other Directors of the Company.

Accordingly, the Board of Directors of the Company ('the Board') recommends the Resolution in relation to re-appointment of Mr. Shashwat Goenka as a Director, for the approval by the Members of the Company by way of an Ordinary Resolution.

Except Mr. Shashwat Goenka being an appointee, and Dr. Sanjiv Goenka and Mrs. Preeti Goenka, being related to Mr. Shashwat 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 Statement may also be regarded as a disclosure under Regulation 36 of the SEBI Listing Regulations and Secretarial Standard on General Meetings (SS-2) of ICSI.

Registered Office

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

Place: Kolkata
Date: 19th April, 2022

By Order of the Board

Kaushik Mukherjee
Company Secretary
(Membership No: F5000)

Board's Report

Dear Shareholders,

Your Directors have pleasure in presenting the 61st Annual Report on the business and operations of PCBL (formerly known as Phillips Carbon Black Limited) and the Audited Accounts for the financial year ended 31st March 2022.

FINANCIAL HIGHLIGHTS

(Amount in ₹ crores)		
Year ended	Year ended 31.03.22	Year ended 31.03.21
Revenue from operations	4446.42	2659.52
PBDIT	660.09	524.12
Less: Finance and hedging cost including foreign currency fluctuation (net)	6.87	23.64
PBDT	653.22	500.48
Less: Depreciation & Amortisation	120.88	110.12
PBT	532.34	390.36
Tax expense	105.20	78.09
PAT	427.14	312.27
Earnings Per Equity Share (FV ₹ 1/- Per Sh.) (EPS) (in ₹)*	11.84	9.06

*Pursuant to the Special Resolution passed by the Shareholders of the Company by way of Postal Ballot through electronic means on 17th March, 2022, the Company has sub-divided its equity shares of face value of ₹ 2/- each fully paid up into 2 equity shares of the face value of ₹ 1/- per share effective from 13th April, 2022. Accordingly, earnings per equity share for the financial year ended 31st March, 2021 and 31st March, 2022 has been computed on the basis of ₹ 1/- per share, as per the requirement of IND AS - 33.

The financial statements for the year ended 31st March 2022 have been prepared in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

DIVIDEND

The Board of Directors of the Company at its Meeting held on Thursday, 20th January, 2022 has declared an Interim Dividend @ 500 %, i.e. ₹ 10 /- per equity share on the face value of ₹ 2/- per equity share, for the financial year ended 31st March, 2022. The said Interim Dividend was paid on and from 11th February, 2022. The dividend recommendation is in accordance with the Dividend Distribution Policy of the Company which is annexed and forms part of the Annual Report and the same is available on the Company's website and can be accessed at www.pcblltd.com/investor-relation/general-policies. There has been no change in the policy during the year. The Notice convening the ensuing Annual General Meeting ("AGM") of the Members of the Company includes an item for confirmation of the said interim dividend.

PERFORMANCE OVERVIEW

Carbon Black

Your Company's FY22 EBITDA was ₹ 660 crores as against ₹ 524 crores in the previous year. PAT for the year was ₹ 427 crores, which is around 1.37 times that of previous year's PAT of ₹ 312 crores even with the continued global recession in the automobile industry as the backdrop, further aggravated by the COVID-19 pandemic.

Power

Your Company's power segment revenue (excluding inter segment revenue) in FY22 was at ₹ 93 crores as compared to ₹ 67 crores in FY21, which is an increase by ₹ 26 crores due to higher sales volume as well as higher realisation.

A detailed review of the operations of the Company for the financial year ended 31st March 2022 is given in the Management Discussion and Analysis Report, which forms a part of this Report.

COVID 19

During the current year ended March 31, 2022, the operations of the Company were slightly impacted due to regional lockdowns caused by the COVID-19 pandemic. The Company has made an assessment of the recoverability and carrying values of its assets



comprising property, plant and equipment, inventories, receivables and other current/non-current assets as of March 31, 2022 and on the basis of evaluation, has concluded that no material adjustments are required in the financial statements. The Company is taking all the necessary steps and precautionary measures to ensure smooth functioning of its operations and to ensure the safety and well-being of all its employees. Given the criticalities associated with nature, condition and duration of COVID-19, the assessment on recoverability of the Company's assets will be continuously made and provided for as required.

MANUFACTURING

Carbon black production during FY22 was 4,56,484 MT as compared to 3,84,786 MT in FY21, which is 18.6% more on YOY basis.

As a manifestation of our commitment to sustainability, we are continuously working towards reduction in water and power consumption. We are endlessly strategising towards conversion cost reduction through inventory and spare management as well as improving our reliability by strengthening preventive measure compliances, condition-based monitoring and periodic reviews of SOPs.

The greenfield project, spread over 60 acres of land in Tamil Nadu, will have a carbon black manufacturing capacity of 147 KTPA, along with a green power plant, is in the process of being set-up and is expected to be ready for production by the end of this current fiscal year. Green power plant of 7.3 MW at Palej and 8 MW in Mundra, respectively, got commissioned in FY22. Subsequently, a 7 MW power plant at Kochi will be commissioned within the first half of FY23.

With its strategically located four plants, PCBL is well equipped to serve customers in India as well as all over the globe. Proximity to seaports reduces logistics costs both within India as well as abroad.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

With its continuous commitment towards sustainability, the Company has been working on enhancing its ESG efforts by undertaking a comprehensive and independent ESG strategy and assessment exercise by adhering to certain Key Performance Indicators (KPIs) derived out of materiality targets. Key material factors have been sharply defined in alignment with the context of the business. These are Greenhouse Gas (GHG) emissions, energy and air quality management, management of water use, solid waste management, health and safety (across the value chain), product stewardship, human rights and community development.

For the year 2021-22, the Company has conducted a carbon footprint accounting process across all

manufacturing plants and offices. The GHG emissions covered by the report includes both direct and indirect emissions generated by the business. The GHG intensity (tCO₂ emission/MT production of carbon black) was 1.76 in 2021-22.

The Company's specific key risks and opportunities relating to ESG material issues have been identified. Action plans to mitigate these risks and exploring the opportunities may have long lead times, but PCBL is committed to this.

Your Company is now in the process of reviewing its ESG strategy by balancing business needs with sustainability needs and fine-tuning future KPIs. To achieve the goals, the Company is identifying remedial action plans for environmental, social and governance specific issues.

CHANGE OF NAME OF THE COMPANY

The name of the Company has changed from 'Phillips Carbon Black Limited' to 'PCBL Limited', pursuant to the fresh Certificate of Incorporation dated 29th December, 2021 issued by the Ministry of Corporate Affairs, Office of the Registrar of Companies, Nizam Palace, 2nd MSO Building 2nd Floor, Kolkata - 700020.

CHANGE OF LOGO OF THE COMPANY

During the year, Company has changed its logo i.e. the brand identity. The elephant, which has been the company's icon since inception has been re-imagined using lines and dots inspired from chemical bonds, the domain in which PCBL operates and symbolise the organisation's digital approach. The stance reflects dynamism, agility and moving forward with a future-facing outlook. The raised trunk is symbolic of PCBL's respect towards customers and stakeholders and echoes the philosophy of nurturing relationships. The green hexagon, inspired from carbon's molecular structure, and the elephant reaching out for it, embodies PCBL's commitment towards sustainability.

The purple logo is arrived at by mixing the energy of red and the stability of blue. It reflects the fine balance of PCBL's rich legacy and future-facing outlook. The colour also takes inspiration from the palette of the mother brand RP-Sanjiv Goenka Group.

The green is symbolic of sustainability and resonates the company's philosophy of pursuing growth in harmony with the environment.

QUALIFIED INSTITUTIONAL PLACEMENT (QIP)

In accordance with SEBI Guidelines and Shareholders approval, the Company has allotted and issued 1,63,93,442 equity Shares to qualified institutional buyers at the issue price of ₹ 244.00 per Equity Share (including a premium of ₹ 242 per Equity Share) on 5th October, 2021.

SUB-DIVISION OF EQUITY SHARES OF THE COMPANY

Pursuant to the Special Resolution passed by the shareholders of the Company by way of Postal Ballot through electronic means on 17th March, 2022, the Company had sub-divided its equity share of the face value of ₹2/- per share fully paid up to into 2 (two) equity shares of the face value of ₹1/- per share, fully paid up effective from 13th April, 2022.

CREDIT RATINGS

During the year under review, the Company had received its credit ratings from ICRA, CARE and CRISIL. The Rating Committee of ICRA Limited, after due consideration, assigned a short-term rating of [ICRA]A1+ (pronounced ICRA A one plus) for ₹ 500 crores Commercial Paper (CP) Programme. The Rating Committee of CARE Ratings Limited, after due consideration, assigned the rating of CARE AA; Stable (Double A; Outlook: Stable) for ₹ 550 crores Long Term Bank Facilities and a rating of CARE AA; Stable/CARE A1+ (Double A; Outlook: Stable / A One Plus) for ₹ 1850 crores Long Term / Short Term Bank Facilities. The Rating Committee of CRISIL, after due consideration, assigned a rating of CRISIL A1+ (pronounced as CRISIL A one plus rating) for ₹ 550 crores Commercial Paper.

SUBSIDIARY COMPANIES

The Company has 2 unlisted subsidiaries as on date, namely, Phillips Carbon Black Cyprus Holdings Limited and PCBL (TN) Limited and 1 step-down subsidiary namely, Phillips Carbon Black Vietnam Joint Stock Company. There are no associate companies or joint venture companies within the meaning of Section 2(6) of the Act.

The Company has prepared a Consolidated Financial Statement of the Company and of all the subsidiaries, namely, PCBL (TN) Limited, Phillips Carbon Black Cyprus Holding Limited and Phillips Carbon Black Vietnam Joint Stock Company in the form and manner as that of its own, duly audited by M/s. S R Batliboi & Co., LLP, the statutory auditors in compliance with the applicable accounting standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended by the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (hereinafter referred to as the 'SEBI Listing Regulations.')

The Consolidated Financial Statements for the year 2021-22 form a part of the Annual Report and Accounts and shall be laid before the Members of the Company at the AGM while laying its financial statements under sub-section (2) of the said section. Pursuant to the provisions of Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial statements of the Company's subsidiaries in Form AOC-1 is attached to the financial statements of the Company.

Further pursuant to the provisions of Section 136 of the Act, the standalone financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries are available on the website of the Company at www.pcblltd.com under the segment 'Investor Relations'. Shareholders desirous of obtaining the financial statements of the Company's subsidiaries may obtain the same upon request by email to the Company's email id: pcbll.investor@rpsg.in.

The Company does not have any material subsidiary in the immediately preceding accounting year. However, as per Regulation 16 of the SEBI Listing Regulations, the Company has adopted the policy for determining 'material' subsidiaries, which states that a 'material' subsidiary means a subsidiary, whose income or net worth exceeds 10% of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

A Policy on 'material subsidiaries' was formulated by the Audit Committee of the Board of Directors of the Company and the same is also posted on the Company's website and may be accessed at the link: www.pcblltd.com/investor-relation/general-policies

SHARE CAPITAL

Your Company's paid-up Equity Share Capital as on 31st March 2022 stood at ₹ 37.75 crores. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. As on 31st March 2022, none of the Directors of the Company hold shares or convertible instruments of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

In compliance with Regulation 34 of the SEBI Listing Regulations, a separate section on the Management Discussion and Analysis, as approved by the Board of Directors, which includes details on the state of affairs of the Company is given in 'Annexure-A', which is annexed hereto and forms a part of the Board's Report.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3) (a) of the Act, the Annual Return of the Company as on 31st March, 2022 is available on the website of the company at the following link: <https://www.pcblltd.com/investor-relation/compliances-under-sebi-regulations/general-meetings>.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars as prescribed under sub-section (3) (m) of Section 134 of the Act read with Rule 8(3) of



the Companies (Accounts) Rules, 2014 are given in 'Annexure-B', which is annexed hereto and forms a part of the Board's Report.

PUBLIC DEPOSITS

The Company does not have any Public Deposits under Chapter V of the Act. There is no outstanding balance as on 31st March 2022.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments, affecting the financial position of the Company that have occurred between the close of the financial year ended 31st March 2022 and the date of this Board's Report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS

No significant and material order has been passed by the Regulators, Courts and Tribunals impacting the going concern status and the Company's operations in future.

INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A detailed section on the Company's internal financial controls with reference to financial statements and its adequacy is a part of the Management Discussion and Analysis Report, which forms a part of the Board's Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments are given in the notes to the financial statements.

COMMITTEES OF THE BOARD

Currently, the Board has six committees: Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Independent Directors' Committee, and the Risk Management Committee. A detailed note on the composition of the Board and its committees is provided in the Corporate Governance Report section of this Report.

CORPORATE SOCIAL RESPONSIBILITY

The Company's commitment to create significant and sustainable societal value finds manifestation in its Corporate Social Responsibility (CSR) initiatives, and its sustainability priorities are deeply intertwined with its business imperatives. Over six decades of its existence, the Company has upheld its tradition of community service and tried to reach out to the underprivileged in order to empower their lives and provide holistic development. The Company's

focus areas are concentrated in the realms of health, education, environment sustainability, and community development with a focus on underprivileged living around its manufacturing units and other establishments. In accordance with Section 135 of the Act, as amended read with Notification issued by the Ministry of Corporate Affairs ('MCA') dated 22nd January 2021 and the rules made thereunder, the Company has formulated a Corporate Social Responsibility Policy, a brief outline of which, along with the required disclosures, is given in 'Annexure-C', which is annexed hereto and forms a part of the Board's Report.

The Company, along with other companies of the Group, has set up the RP-Sanjiv Goenka Group CSR Trust to carry out CSR activities. During the year 2021-22, the Company has undertaken CSR initiatives in the fields of education, rural development, sports, environmental sustainability and community development thereby helping in the upliftment of the underprivileged and underserved sections of the society. All the CSR activities fall within the purview of Schedule VII of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The details of the CSR Policy are posted on the Company's website and may be accessed at the link: www.pcblltd.com/investor-relation/general-policies

The Company runs its own socio-economic development initiatives in and around its manufacturing units. The Company continued to do its best to support communities through the current pandemic and assist those impacted by COVID-19, alongside healthcare professional and frontline warriors who played a key role in combating the virus.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

In compliance with the provisions of Section 177(9) of the Act and SEBI Listing Regulations, the Company has framed a Whistle Blower Policy/Vigil Mechanism for Directors, employees, and stakeholders for reporting genuine concerns about any instance of any irregularity, unethical practice and/or misconduct. Besides, as per the requirement of Clause 6 of Regulation 9A of SEBI (Prohibition of Insider Trading) Regulations as amended by SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Company ensures to make employees aware of such Whistle Blower Policy to report instances of leak of unpublished price sensitive information. The Vigil Mechanism provides for adequate safeguards against victimisation of Directors or employees or any other person who avails the mechanism and provides direct access to the Chairperson of the Audit Committee. The details of the Vigil Mechanism/Whistle Blower Policy are also posted on the Company's website and may be accessed at the following link: www.pcblltd.com/responsibility/policy.

BOARD EVALUATION

The Company has devised a formal process for annual evaluation of performance of the Board, its Committees and Individual Directors ("Performance Evaluation") which include criteria for performance evaluation of Non-Executive Directors and Executive Directors as laid down by the Nomination and Remuneration Committee and the Board of Directors of the Company. It covers the areas relevant to the functioning as Independent Directors or other Directors, Member of the Board or Committee of the Board. The Independent Directors carried out annual performance evaluation of the Chairman and Executive Directors. The Board carried out annual performance evaluation of its own performance. The performance of each Committee was evaluated by the Board, based on report on evaluation received from respective Committees. A consolidated report was shared with the Chairman of the Board for his review and giving feedback to each Director.

REMUNERATION POLICY

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a policy for the selection and appointment of Directors, Senior Management Personnel and their remuneration. The Remuneration Policy and the details pertaining to the remuneration paid during the year are furnished in the Corporate Governance Section of the Annual Report.

The Remuneration Policy is also posted on the Company's website and may be accessed at the link: www.pcblltd.com/investor-relation/general-policies

RELATED PARTY TRANSACTIONS

All Related Party Transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Hence, the provisions of Section 188 of the Act are not attracted. Thus, disclosure in Form AOC-2 is not required. Further, there are no materially significant Related Party Transactions during the year under review made by the Company with its Promoters, Directors, Key Managerial Personnel, or other designated persons, which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee for approval.

The Policy on Related Party Transactions duly approved by the Board of Directors of the Company is posted on the Company's website and may be accessed at the link: www.pcblltd.com/investor-relation/general-policies

RISK MANAGEMENT

Risk Management is the process of identification, assessment and prioritisation of risks followed

by coordinated efforts to minimise, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximise the realisation of opportunities. Risk Management Policy enables the Company to proactively manage uncertainties and changes in the internal and external environment to limit negative impacts and capitalise on opportunities. The Company has laid down a comprehensive Risk Assessment and Minimisation Procedure in accordance with the requirements of the Act and the SEBI Listing Regulations, which is reviewed by the Risk Management Committee, and approved by the Board from time to time. This procedure is reviewed to ensure that the executive management controls risk through means of a properly defined framework. Detailed discussion on Risk Management is covered in the Management Discussion and Analysis Report ('Annexure - A') which forms a part of the Annual Report. In view of its importance, the Company makes efforts on an ongoing basis to strengthen the internal financial control system.

PARTICULARS OF EMPLOYEES

As required under the provisions of Section 197 of the Act and Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, particulars of the employees concerned forms a part of the Boards' Report. Having regard to the provisions of Section 136 of the Act, the Annual Report and Accounts, excluding the aforesaid information are being sent to the Members of the Company by e-mail. Any Member interested in obtaining such particulars may write to the Company Secretary of the Company at pcblltd2022@rpsg.in.

KEY MANAGERIAL PERSONNEL

During the year, there was no change in the Key Managerial Personnel of the Company.

DETAILS RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is marked as 'Annexure - D', which is annexed hereto and forms a part of the Boards' Report.

LISTING

The equity shares of the Company continue to be listed on the National Stock Exchange (NSE) and Bombay Stock Exchange Ltd (BSE). The Company has paid the requisite listing fees to all the Stock Exchanges for FY 2022-23.

CORPORATE GOVERNANCE

A separate Report on Corporate Governance as prescribed under the SEBI Listing Regulations, together with a certificate from the Company's Auditors confirming compliance, is set out in the Annexure forming part of this Annual Report.



NUMBER OF MEETINGS OF BOARD OF DIRECTORS

During the year 2021-2022 the Board of Directors met eight times. The details of the number of meetings of the Board of Directors held during FY 21-22 have been detailed in the Corporate Governance Section of the Annual Report.

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) (c) of the Act, the Directors, to the best of their knowledge and belief, confirm that:

- In the preparation of the annual accounts for the financial year ended 31st March 2022, the applicable accounting standards have been followed and there are no material departures;
- Appropriate accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the period;
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The annual accounts have been prepared on a going concern basis;
- Internal financial controls laid down by the Directors have been followed by the Company and such internal financial controls are adequate and are operating effectively; and
- Proper systems to ensure compliance with the provisions of all applicable laws are in place and are adequate and operating effectively.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received the necessary declarations from each Independent Director under Section 149(7) of the Act, that he/she meets the criteria of independence laid down in Section 149(6) of the Act and Regulation 16(1)(b) read with Regulation 25(8) of the SEBI Listing Regulations. The Board have taken on record these declarations after undertaking the due assessment of the veracity of the same.

STATUTORY AUDITORS AND AUDITOR'S REPORT

In terms of Section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, Members of the Company in its 56th Annual General Meeting held on 21st September, 2017, approved the appointment of M/s. S R Batliboi and Co. LLP, Chartered Accountants (ICAI Registration No. 301003E/E300005), as the Statutory Auditors of the Company for an initial term of five consecutive years, i.e. from the conclusion of the 56th AGM till the conclusion of the 61st AGM of the Company to be held in the year 2022. The Statutory Auditors have confirmed they are not disqualified from continuing as Auditors of the Company.

The Board of Directors of the Company ('the Board'), on the recommendation of the Audit Committee, has approved in their Meeting held on 19th April, 2022, re-appointment of Messrs. S. R. Batliboi & Co. LLP, Chartered Accountants, having registration No. 301003E/E300005 as Statutory Auditors of the Company for 2nd term of five consecutive years from the conclusion of the 61st Annual General Meeting till the conclusion of the 66th Annual General Meeting to be held in the year 2027 on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out under Item No. 4 of the Notice for re-appointment of Messrs. S. R. Batliboi & Co. LLP, Chartered Accountants, having registration No. 301003E/E300005 as Statutory Auditors of the Company for 2nd term of five consecutive years from the conclusion of the sixty first (61st) Annual General Meeting till the conclusion of the sixty sixth (66th) Annual General Meeting to be held in the year 2027 on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company.

The Report given by M/s. S R Batliboi and Co. LLP, Chartered Accountants on the financial statement of the Company for the year 2021-2022 is part of the Annual Report. The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark, or disclaimer. During the year under review, the Auditors had not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134 (3) (ca) of the Act.

COST ACCOUNTS AND COST AUDITORS

Pursuant to Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the Cost Audit records maintained by the Company relating to manufacturing of carbon black and generation and transmission of electricity at its plants located at Durgapur in West Bengal, Kochi in Kerala, Mundra and Palej in Gujarat, is required to

be audited, the Directors of the Company had, on the recommendation of the Audit Committee of the Board of Directors of the Company, appointed M/s. Shome & Banerjee, to audit the cost accounts for the FY 22-23 at a remuneration of ₹ 5,50,000/- (Rupees Five Lacs Fifty Thousand only). As required under the Act, the remuneration payable to the Cost Auditors is required to be placed before the Members in a General Meeting for their ratification. Accordingly, a Resolution seeking ratification of the Members for the remuneration payable to M/s. Shome & Banerjee, Cost Auditors is included at Item No. 5 of the Notice convening the AGM.

The Company has received their written consent that the appointment is in accordance with the applicable provisions of the Act and rules framed thereunder. The Cost Auditors have confirmed they are not disqualified to be appointed as the Cost Auditors of the Company for the year financial year ending 31st March 2023.

The Company submits its Cost Audit Report with the Ministry of Corporate Affairs within the stipulated time period.

SECRETARIAL AUDITORS AND SECRETARIAL STANDARDS

The Secretarial Audit was carried out by M/s. Anjan Kumar Roy & Co., Company Secretaries (Membership No. FCS 5684) for the financial year ended on 31st March 2022.

The Report given by the Secretarial Auditors is marked as 'Annexure -E' and forms a part of the Board's Report. The Secretarial Audit Report is self-explanatory and do not call for any further comments. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark, or disclaimer. During the year under review, the Secretarial Auditors had not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134 (3) (ca) of the Act.

During the Financial Year, your Company has complied with applicable Secretarial Standards i.e. SS-1 and SS-2, relating to "Meetings of the Board of Directors" and "General Meetings", respectively.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 covering all employees of the Company. The Company has complied with the provisions relating to the constitution of the Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING

A detailed Business Responsibility and Sustainability Reporting as required under SEBI Listing Regulations is marked as 'Annexure - F', which is annexed hereto and forms a part of the Board's Report.

QUALIFICATION, RESERVATION OR ADVERSE REMARK IN THE AUDIT REPORTS

There is no qualification, reservation or adverse remark made by the Statutory or Cost or Secretarial Auditors in their Audit Reports issued by them.

DIRECTORS

Mr. Shashwat Goenka retires by rotation at the forthcoming AGM and being eligible, offers himself for re-appointment.

Details of the proposal of re-appointment of Mr. Shashwat Goenka is mentioned in the Statement u/s 102 of the Act of the Notice of the 61st AGM of the Company.

The term of office of Mr. O P Malhotra and Mr. K S B Sanyal as Independent Directors of the Company has come to an end on 29th July 2021 and consequently they have ceased to be Directors of the Company with effect from close of business hours on 29th July, 2021.

The Board of Directors placed on record its deep appreciation for the invaluable support and guidance received from Mr. O P Malhotra and Mr. K S B Sanyal during their long association as Directors of the Company.

Mrs. Rusha Mitra has been appointed as a Non-Executive Independent Director in the Board of Directors of the Company to hold office for the first term of five consecutive years with effect from 8th April 2021 and her appointment got regularised vide the Ordinary Resolution passed by the Shareholders of the Company at its Annual General Meeting held on 22nd June 2021.

Mr. R. K. Agarwal has been appointed as a Non-Executive Independent Director in the Board of Directors of the Company to hold office for the first term of five consecutive years with effect from 26th July 2021 and his appointment got regularised vide the Ordinary Resolution passed by the Shareholders of the Company by way of Postal Ballot through electronic means on 2nd December 2021.

Mr. T. C. Suseel Kumar has been appointed as a Non-Executive Independent Director in the Board of Directors of the Company to hold office for the first term of five consecutive years with effect from 27th October 2021 and his appointment got regularised vide the Ordinary Resolution passed by the Shareholders of the Company by way of Postal Ballot through electronic means on 2nd December 2021.



Mr. K. Jairaj has been appointed as a Non-executive Independent Director in the Board of Directors of the Company to hold office for the first term of five consecutive years with effect from 8th March 2022 vide the Special Resolution passed by the Shareholders of the Company by way of Postal Ballot through electronic means on 26th February 2022.

The Board is of the opinion that the Independent Directors of the Company possesses requisite qualifications, experience and expertise and they hold highest standards of integrity. The Policy on Directors' appointment and remuneration, including the criteria for determining the qualifications, positive attributes and independence of Director forms a part of the Corporate Governance Section of the Annual Report.

CHANGE IN THE NATURE OF BUSINESS

During the year under review, there was no change in the nature of the business of the Company.

HUMAN RESOURCES

A detailed section on the Company's Human Resource Development is a part of the Management Discussion and Analysis Report, which forms a part of the Board's Report.

KEY FINANCIAL RATIOS

Key Financial Ratios for the financial year ended 31st March 2022, are provided in the Management Discussion and Analysis Report given in "Annexure - A", which is annexed hereto and forms a part of the Board's Report.

GREEN INITIATIVES

As a responsible corporate citizen, the Company supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India,

enabling electronic delivery of documents including the Annual Report etc. to Shareholders at their e-mail address previously registered with the DPs and RTAs.

To support the 'Green Initiative', Members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/Depositories for receiving all communications, including Annual Report, Notices, Circulars, etc., from the Company electronically.

Pursuant to the MCA Circulars and SEBI Circulars, copies of the Notice of the 61st AGM and the Annual Report of the Company for the financial year ended 31st March 2022 including therein the Audited Financial Statements for the year 2021-2022, are being sent only by email to the Members.

ACKNOWLEDGEMENT

Your Company has been able to operate responsibly and efficiently because of the culture of professionalism, creativity, integrity, ethics, good governance and continuous improvement in all functions and areas as well as the efficient utilisation of the Company's resources for sustainable and profitable growth.

The Directors hereby wish to place on record their appreciation of the efficient and effective services rendered by each and every employee, more particularly during this challenging time, without whose wholehearted efforts, the overall satisfactory performance would not have been possible. Your Directors also record their grateful appreciation for the encouragement, assistance and co-operation received from members, government authorities, banks, customers and all other stakeholders. Your Directors look forward to the long term future with confidence.

For and on behalf of the Board

Dr. Sanjiv Goenka
Chairman
(DIN 00074796)

Place: Kolkata
Date: 19th April, 2022

Dividend Distribution Policy

PREAMBLE

The Equity shares of PCBL Limited (the 'Company' or PCBL) are listed with National Stock Exchange of India Ltd and BSE Limited. As per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Regulation'), as amended, all listed companies are required to formulate a Dividend Distribution Policy. The Policy has to be disclosed in the Company's Annual Report and on its website.

OBJECTIVE

The objective of the Dividend Distribution Policy of the Company is to reward shareholders by sharing a portion of the available profits, after ensuring that sufficient funds are retained for the future business requirements of the Company.

EFFECTIVE DATE

This Policy is effective from the financial year 2017-18.

Definitions

- **'Act'** means the Companies Act, 2013 and Rules made thereunder, including any amendments or modifications thereof.
- **'Board of Director'** or 'Board' means the collective body of the Directors of the Company.
- **'Company'** mean PCBL Limited.
- **'Policy' means**, the 'Dividend Distribution Policy'.

Guidelines for Distribution of Dividend

- The Company shall pay dividend (including interim dividend) in compliance with the provisions of Section 123 of the Act and Companies (Declaration and Payment of Dividend) Rules, 2014.

- The Board shall recommend dividend when, according to the Board's opinion, it is financially prudent to do so, especially considering the need to preserve resources.
- While recommending any dividend for payment by the Company, the Board shall consider the following:
 - Current year's profits, future outlook, with due consideration of internal and external environment.
 - Operating cash flows and treasury position
 - Possibilities of alternative usage of cash, e.g. capital expenditure etc., with potential to create greater value for shareholders.
 - Providing for unforeseen events and contingencies with financial implications.
 - Other factors that may be considered relevant from time to time
- The Board may declare interim dividend(s) as and when they consider it fit, and recommend final dividend to the shareholders for their approval in the annual general meeting of the Company.
- Dividend distribution shall be in accordance with the applicable provisions of the Act and Rules framed thereunder, SEBI Regulations and other legislations governing dividends and the Articles of Association of the Company, as in force and as amended from time to time.

Amendments

The Board reserves the right to amend, modify or review this Policy in whole or in part, at any point of time, as may be deemed necessary.



(Annexure 'A' to the Board's Report)

Management Discussion and Analysis

GLOBAL ECONOMIC REVIEW

After rebounding to an estimated 5.5% in 2021, global growth is expected to decelerate to 3.3% in 2022, reflecting continued resurgence of COVID-19 variants, coupled with supply chain bottlenecks. The near-term outlook for global growth is weaker amid high global inflation, owing to higher food and energy prices, and supply disruptions. In 2021, the surge in COVID-19 cases was driven by the rapid spread of the Omicron variant across geographies. Advanced economies and a growing number of emerging markets have fully vaccinated most of their population. But despite wide vaccine coverage, occurrence of newer variants cannot be totally disregarded.

Russia's invasion of Ukraine in February 2022 has fundamentally changed the geopolitical landscape, resulting in economic consequences. While the outcome is uncertain, a lengthy political deadlock appears likely. Economic damage to countries around the world could be significant. Energy prices are the main transmission channel through which the Russia-Ukraine war will affect inflation and global economic growth. The forecast of US real GDP growth in 2022 is revised down to an estimated 3%. The markdown is driven by sharply higher prices of food and energy, a tightening of financial conditions, considering high inflationary risks, and weaker growth in export markets. Among major economies, the Eurozone is vulnerable to inflationary shocks emanating from the Russia-Ukraine conflict. The forecast of 2022's real GDP growth is revised downward to an estimated 2.8%. China's economic growth is likely to fall below 5% in 2022, reflecting the impacts of higher energy price inflation and slower growth in the European export markets. Lockdowns have been re-imposed in many important Chinese cities, such as Shenzhen, Shanghai, Jilin, and Guangzhou, with resurgence of COVID variants further affecting the economic growth. Russia is expected to experience a significant contraction in growth this year, along with anticipated slowdowns in growth in parts of Western Europe and Central, South and South-East Asia.

India's projected economic growth for the year 2022-23 has been downgraded to 7.2% by the RBI in its press statement on 8th April, 2022, a decrease attributed to the ongoing war in Ukraine, causing increase in commodities prices, impact of trade sanctions, inflation, and tightening of financial policies.

GLOBAL REAL GDP GROWTH TREND (%)

	2020	2021	2022f
World Output	-3.4	5.5	3.3
Advanced Economies	-4.6	5.0	3.0
United States	-3.4	5.6	3.0
Euro Area	-6.4	5.2	2.8
Emerging and developing economies	-1.7	6.3	3.5
Russia	-3.0	4.3	-10.0
China	2.2	8.0	5.0
India	-7.3	9.2	7.2
Brazil	-3.9	4.9	1.5
South Africa	-6.4	4.6	1.7

Source: 2022 forecasts as on around mid-April 2022 based on World Bank and research reports

GLOBAL AUTOMOBILE AND TYRE INDUSTRY

The pandemic impacted the global automobile and tyre industries and caused double digit degrowth across most of the major geographies in 2020. With rollout of vaccines, the industry witnessed pent-up demand recovery in 2021. However, continued shortages of semiconductor chips and an increase in ocean freight costs acted as an offset to the recovery momentum. Automotive demand in North America recovered by an estimated 3.4%, while the European market demand grew by an estimated 3.2% in 2021. Chinese economy's quicker recovery from the pandemic vis-à-vis the rest of the world, resulted in an estimated demand growth of 3.8%. The global tyre industry witnessed growth in the replacement segment, with gradual opening of lockdowns across the world. Tyre demand in advanced economies grew by an estimated 6-7%, while the Chinese tyre demand is estimated to have grown by 5%.

Just when the global economic recovery was gradually picking up momentum amid the semiconductor shortages and high ocean freight cost, the geopolitical conflict between Russia and Ukraine started in the last quarter of the financial year. This has resulted in a sharp increase in crude and other essential commodities prices, including metal prices. Continual conflict might worsen the demand-supply scenario, and the growth momentum might further get impacted.

INDIAN AUTOMOBILE AND TYRE INDUSTRY REVIEW

Indian auto and tyre industry recovery was not left untouched from the impact of global issues in 2021. While the industry witnessed an increase in pent-up demand, the global semi-conductor shortage put a brake on the momentum. In addition to the chip shortage, the industry saw a steady rise in raw material costs leading to OEMs being forced to increase prices of the vehicles. Supply chain imbalance continued with global container shortages, leading to high ocean freight costs for export shipments.

Indian automobile demand growth in FY22

	YoY %
Passenger Vehicle	13 %
Commercial Vehicle	26 %
Three-wheeler	21 %
Two-wheeler	-11 %

Source: SIAM

CARBON BLACK INDUSTRY

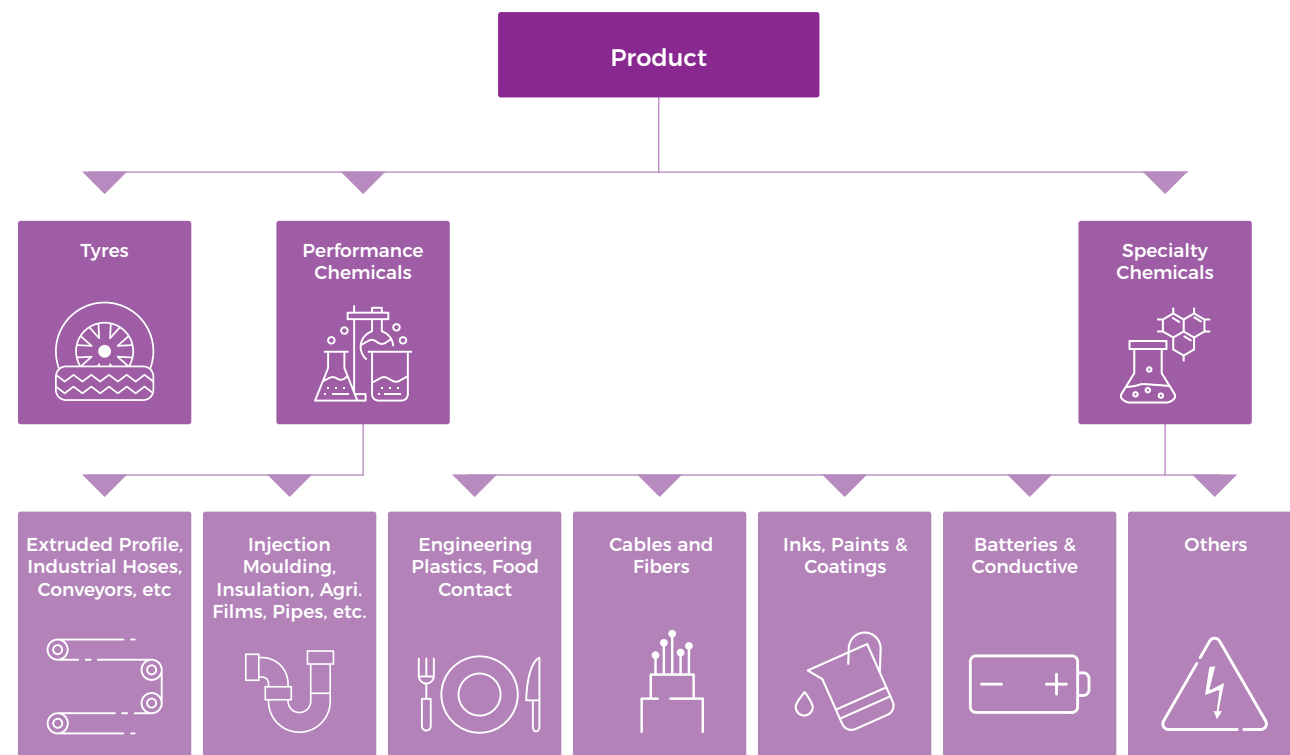
Overview

The global carbon black industry is sustained by economic growth, which boosts growth in infrastructure,

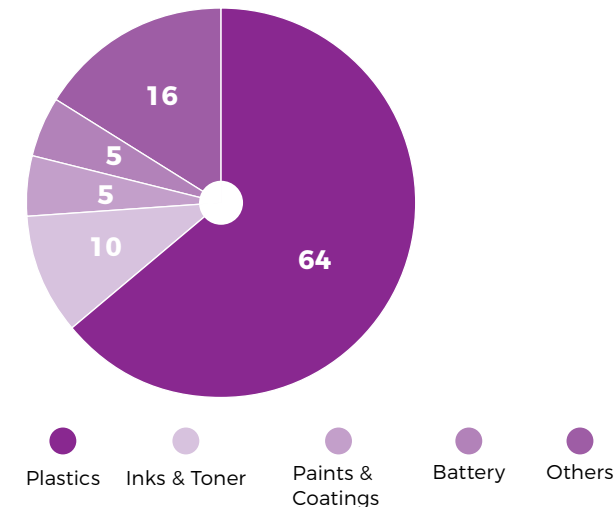
construction, automobile, consumer durable goods, and so on. This, in turn, creates demand for carbon black. Product consumption is predominantly driven by tyres, while the performance chemical finds applications in extruded profile, industrial hoses, injection molding, agricultural films and pipes. High-end applications are catered by 'specialty chemicals,' which impart specific characteristics, such as high-quality pigmentation, UV protection, dispersion, viscosity control and electrical conductivity. These chemicals find application in engineering plastics, food contact packaging, cables and fibers, inks, paints and coatings, batteries, and conductives used across industries such as automobile, electronics, textiles, construction, packaging, etc. Plastics application is the major growth driver, accounting for almost two-third of the volume share of the specialty black market.

The global carbon black industry is concentrated, with 10 players accounting for almost 60% of the global production capacity. The end-use application in the tyre segment is fiercely competitive, with price and reliable services determining the success in most geographies. The performance chemical and specialty chemical segment is dominated by a few global players with access to technologies that enable production of technically sophisticated products for wider applications.

Carbon Black Applications



Specialty Black Applications (%)



OUTLOOK

The global carbon black industry recovery momentum in 2021 was impacted by the slowing down of demand from auto and tyre industries, due to ongoing semiconductor shortages, rising commodities, including metal prices and increasing logistics costs due to supply chain imbalance. The recent geo-political conflict between Russia and Ukraine have further increased the crude price and the ocean freight costs. Inflation has reached at a higher level across geographies. However, amid these concerns, there appears to be a silver lining in the form of carbon black supply disruptions, originating from the ongoing consolidation in China's carbon black industry and likelihood of various trade sanctions on Russia because of the ongoing war.

ABOUT PCBL LIMITED

PCBL is a part of the RP-Sanjiv Goenka Group, one of India's youngest conglomerates. The Group's businesses comprise power, performance materials and specialty chemicals, IT-enabled services, consumer and retail, media and entertainment, sports, education and infrastructure and plantations.

With a legacy of more than six decades, PCBL (erstwhile Phillips Carbon Black Limited) is a global player in performance materials and specialty chemicals segment. Our pride-enhancing clientele includes major tyre manufacturers and chemicals customers, spread across 45+ countries.

Beginning the journey with a manufacturing capacity of 14,000 MT per annum, PCBL has evolved over the years to a current capacity of more 6,03,000 MT annually across four strategically located plants in India. Our plants at Durgapur (West Bengal), Palej & Mundra (Gujarat) and Kochi (Kerala) are backed by cutting-edge technology that helps switch seamlessly between alternative feedstock, make efficient use of resources, deliver a wide selection of grades, and accomplish high-quality standards. The Company has

enhanced its capacity through a greenfield project in Chennai and a brownfield expansion in Mundra.

PCBL's wide portfolio of customised, high-performance products, certified by American Society for Testing and Materials (ASTM), addresses specific customer requirements. The Company has progressively climbed the value chain, expanding its portfolio of high-performance value-added grades for rubber and specialty black applications.

In an effort to continuously achieve product and process excellence, PCBL has invested in two state-of-the-art research and development centres, one in India and one in Belgium. The Company works closely with customers to understand their technical requirements, with the objective of developing different carbon black grades. This research commitment has empowered the Company to focus on the manufacturing of high-performance non-rubber carbon black and specialty carbon black. By leveraging R&D efficiency, the Company has developed a seamless capability in the use of multiple feedstocks like Carbon Black Feed Stock (CBFS), Carbon Black Oil (CBO), Anthracene Oil (ATO) and Ethylene Bottom Oil (EBO) for the manufacturing of carbon black.

MANUFACTURING UNITS

PCBL has four manufacturing units located in strategic proximity to customer locations and ports in Durgapur (Eastern India), Cochin (Southern India), and Palej and Mundra (Western India).

	Carbon Black	Power
Durgapur	1,63,500 MT	30 MW
Kochi	92,500 MT	10 MW
Palej	1,42,250 MT	19 MW
Mundra	2,04,750 MT	32 MW
Total	6,03,000 MT	91 MW

The Company has strengthened its competitiveness by growing its global presence, diversifying its product portfolio and consistently delivering a robust performance.

GLOBAL PRESENCE

Leveraging an efficient supply chain and distribution network, PCBL has carved out a presence in 45+ countries. The Company ensures timely delivery of products through decanting stations and warehouses in proximity to customer locations. Its customers comprise some of the best-known global tyre majors. Besides, the Company has established its mark as a key global player in the specialty black segment.

DIVERSIFIED PRODUCT PORTFOLIO

PCBL offers a wide portfolio of carbon black grades to address the requirements of its global customers across tyres and niche applications. The rubber black portfolio caters to customers of all the renowned global tyres and industrial rubber goods, reinforcing the physical properties of their products. The

Company's portfolio addresses non-rubber high-margin applications, plastic being globally the largest by market size. The specialty portfolio addresses more than 90% of the plastic market by product segment in various industries worldwide. PCBL possesses deep capabilities in the areas of engineering plastics, fibres, US Food and Drug Administration (FDA)-approved food contact grades, and conductors and cables, among others. The Company also intends to build its capabilities in ink, paint and coating applications.

Tyre and Performance Chemical applications finds the following downstream applications under two primary utilities:

Technical and moulded rubber goods

- Conveyor belts
- Construction
- Extrusions and profiles
- Damping elements
- Hoses and ducting
- Power transmission belts (V-belts)
- Rubber mats and shoe soles
- Rubber pads and caps
- Anti-vibration grommets
- Moulded rubber goods
- Seals and gaskets
- Rubber-to-metal bonded goods
- Unvulcanised sheets
- Adhesives
- Tubing

Tyres

- Passenger vehicle tyres
- Truck and bus tyres
- Off-the-road tyres
- Agricultural tyres
- Forestry tyres
- Two-wheeler tyres
- Three-wheeler tyres
- Cycle tyres
- Tyre retreading materials

Specialty Chemicals Applications

Specialty chemicals applications finds the following downstream applications:

- Food contact plastic
- Synthetic fibre and textile fabric
- Wire and cable
- Film and sheet application
- Geo-textile/geo-membrane
- Pressure pipe
- Drip irrigation pipe system
- ESD and Conductive
- Plastics Molded parts
- Engineering plastics
- Inks
- Paints
- Coatings
- Adhesives
- Sealants
- Batteries



PERFORMANCE

Carbon Black

The Company's FY22 EBITDA was ₹ 660 crores as against ₹ 524 crores in the previous year. Profit after tax (PAT) for the year was ₹ 427 crores, which is around 1.37 times that of previous year's PAT of ₹ 312 crores, even in the backdrop of the continued global recession in the automobile industry, further aggravated by the COVID-19 pandemic.

Power

The Company's power segment revenue (excluding inter-segment revenue) in FY22 was at ₹ 93 crores, increased by ₹ 26 crores, as compared to ₹ 67 crores in FY21, on higher sales volume as well as higher realisation.

CALCULATIONS AND EXPLANATION OF MAJOR RATIOS

Particulars	Numerator	Denominator	Standalone			Consolidated		
			Year ended 31 March, 2022	Year ended 31 March, 2021	% Change	Year ended 31 March, 2022	Year ended 31 March, 2021	% Change
1 Current Ratio	Current Assets	Current Liabilities	1.40	1.32	6.06	1.44	1.34	7.46
2 Debt Equity Ratio	Total Debt = Non-current borrowings + Current Borrowings	Total Equity	0.26	0.31	(16.13)	0.26	0.31	(16.13)
3 Return on Equity (%) / Return on Net Worth (%)	Net Profits after taxes	Total Equity	16.40%	16.20%	0.20	16.26%	16.16	0.10
4 Inventory Turnover Ratio - Days	Sales	Inventory	39	59	(33.90)	39	59	(33.90)
Refer Note 1 below Inventories = Raw Materials + Finished Goods + Stores and spares parts (including packing material). (Sales = Sales of Finished Goods without GST+Sale of Power)								
Reasons for variance During the quarter ended June 2020, the Company had shut down its operation due to COVID - 19 related lock down, which has lead to high level of inventory days during FY 2020-2021.								
5 Debtors Turnover Ratio - Days	Sale	Trade Receivables	70	69	1.45	70	69	1.45
Refer Note 1 below (Sales = Sales of Finished Goods including GST+Sale of Power)								
6 Net Profit Margin (%)	Net Profit (Profit after Tax)	Net Sales	9.65%	11.77%	(2.12)	9.63%	11.83%	(2.20)
7 Interest Coverage Ratio	Earning before Interest and Tax (EBIT)	Finance Costs	-	32	-	-	32	-
EBIT = Profit Before Tax + Finance Costs Finance Costs = Interest expenses on debts and borrowings + Other borrowing costs + net loss/(gain) on foreign currency transaction / translation - Notional Interest on Lease rent								
Remarks : Net gain on foreign currency transaction / translation during the year end was higher than sum total of all other components of finance cost resulting in a negative finance cost. Hence interest coverage ratio has not been computed for the year ended 31 March, 2022.								

Particulars	Numerator	Denominator	Standalone			Consolidated		
			Year ended 31 March, 2022	Year ended 31 March, 2021	% Change	Year ended 31 March, 2022	Year ended 31 March, 2021	% Change
8 Long term Debt Equity Ratio Non-current borrowings includes Current maturities of Long Term Debt Total Equity = Equity share capital + other equity. Reasons for variance Mainly due to Repayment of Long-term borrowing and increase in total equity during the year.	Non-current borrowings	Total Equity	0.12	0.18	(33.33)	0.12	0.18	(33.33)
9 Operating Profit Margin (%) (Operating Profit / Revenue from Operations) Operating Profit = Profit before tax + Depreciation and Amortisation expense including Ind AS 116+ Finance Costs + Net loss/(gain) on foreign currency transactions/ translations + Loss on disposal of property, plant and equipment's - Other Income - Payment to lease liability	Operating Profit	Revenue from Operations	14%	18%	(4)	14%	18%	(4)

Notes:

- The Company's turnover is highly sensitive to the changes in crude prices which may fluctuate widely between quarters. The Company, therefore, believes that the Debtors and Inventory turnover days computed on the basis of simple average of the turnover days for each of the four quarters of the year will be more appropriate and reflective of company's operations. The turnover days for each quarter is derived by dividing the quarter-end outstanding debtors / inventory balance with sales for the respective quarter.

Numbers for the previous year have also been recalculated accordingly.
- Figures used for calculation of ratios for consolidated financial statements, include share of non-controlling interest wherever applicable.


RESEARCH AND INNOVATION FOCUS

At PCBL, research and innovation are critical drivers of technical and business growth. Over the last few years, the Company has deepened its research commitment by making forward-looking investments in the development of infrastructure, human resources, and processes, which has strengthened the Company's capabilities in product application, process efficiency and product customisation.

The Company has been leveraging its Competitive Intelligence Study to identify the scope and opportunities for customer engagement, white space mapping, market-driven research, innovation, and intellectual property protection.

The R&D practices of PCBL stand out for their strategic innovations that have catalysed the Company's 'New Product Development Roadmap' across carbon black, nano-structured carbonaceous materials and CBFS. The innovation focus empowered the Company in the design of a competitive product portfolio that has accelerated sustainable business growth.

The Company's R&D mechanism, focused on market/business needs and involving cutting-edge technology solutions, has strengthened the performance of existing grades and deepened its understanding of CBFS features, which, in turn, has helped it create quality products. PCBL has also harnessed partner knowledge and capabilities and used intra- and inter-organisational technology collaborations to leverage applications research.

PCBL has set up global Innovation Centre, the Sushila Goenka Research and Development Centre at Palej, Gujarat, and Sushila Goenka Innovation Centre at Ghislenghien, Belgium. Its R&D centre namely, the Sushila Goenka Research and Development Centre at Palej, is recognised by the Department of Scientific and Industrial Research (DSIR), Government of India.

The R&D activities of PCBL are supported by a pool of experienced and qualified product and process scientists and engineers, along with comprehensive infrastructure, equipment and facilities for feedstock and new carbon black development. Research is also directed at evaluation of colloidal properties, morphological characteristics, elemental, and microscopic analysis of carbon blacks, assessing the physio-chemical, rheological, thermal, mechanical, dynamic and mechanical properties, and colour performances of rubber compounds, plastics compounds, and inks and coatings.

The R&D team focuses on the development of new products and technologies in line with the demanding processing, application, and environmental standards preferred by customers.

BUSINESS REVIEW

The global carbon black industry was reeling under the COVID-19 impact and a gradual recovery was

being witnessed in 2021 after the rollout of vaccines. The continued slowdown in automobile industry and tyre demand impacted the recovery in the carbon black demand amid the global supply chain imbalance and semiconductor shortages. The current ongoing war between Russia and Ukraine has further increased the crude price and the ocean freight costs.

Though the global economic outlook appears challenging due to high inflationary scenario and the ongoing conflict between Russia and Ukraine, the carbon black supply disruptions from Russia and China can prove to be a silver lining for the carbon black industry in case the shortage persists for a longer time period. PCBL has built up its resilience over the years by undertaking organisation-wide initiatives in areas of operational excellence, R&D driven new product development capability, rich talent pool, customer-centric approach, value-added product portfolio and a focus on specialty chemicals. The Company has been growing organically through capacity expansions in line with market demand and focus on performance and specialty chemicals. Further, the focus on digitisation of processes across the organisation will bring operational efficiency that would enable the Company to retain its competitive edge over its peers.

OPPORTUNITIES AND THREATS
Opportunities

Per capita low penetration of motor vehicles in developing economies, growing industrialisation in emerging economies, older vehicle scrappages policy and rising consumption driven by increasing middle class population in India, provide wider opportunities for growth of the carbon black sector.

Threats

Entry of new carbon black manufacturers is increasing competition in the domestic market.

RISKS AND CONCERNS

CBFS is one of the raw materials consumed by the Company. The feedstock material is a residue derived from distillation and is subject to price volatility. In case of extreme price volatility, and if the Company is unable to pass on an increase in CBFS costs, there will be an adverse impact on profits.

The pandemic has caused widespread damage to the global economic growth in 2020 and 2021. Vaccine development across the world led to the recovery across geographies. However, re-emergence of new virus variants can increase the concerns for demand recovery.

Ongoing geopolitical conflicts between Russia and Ukraine resulting in sharp rise in commodity prices, is causing high inflation across all economies.

Sharp hike in raw material costs arising out of geopolitical conflicts will stretch working capital requirements.

Ongoing semiconductor chips shortage continues to impact automobile industry growth and therefore, the demand for carbon black.

The Company is exposed to fluctuation in the value of the Indian rupee vis-à-vis other currencies, but this exposure has been fully hedged.

EXPANSION PLANS

The greenfield project of ~147 KTPA for the manufacture of various grades of carbon black, and the 24 MW co-generation power plant, spread over 60 acres of land in Tamil Nadu, are progressing strategically and are expected to be commissioned by the year end. A new specialty chemical line at our existing Mundra plant is currently in progress, and Phase 1 is expected to be completed by the end of FY23.

MANUFACTURING AND PROCUREMENT INITIATIVES

PCBL continues to focus on initiatives that improve operational efficiencies. These include measures for the improvement of yield, exploring new geographies for feedstock sourcing, and investment in technical capabilities for the development of new grades of high-performance rubber and non-rubber applications.

INTERNAL FINANCIAL CONTROL SYSTEM AND ITS ADEQUACY

PCBL has adequate internal financial control systems in all areas of operation. The Board of Directors has adopted policies and procedures for ensuring the orderly and efficient conduct of business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, ensuring accuracy and completeness of the accounting records and timely preparation of reliable financial information. The services of internal and external auditors are utilised from time to time, in addition to the in-house expertise and resources. The Company continuously upgrades these systems in line with the best practices in the industry.

Reports and deviations are regularly discussed with the Management Committee members and action is taken whenever necessary.

An Independent Audit Committee of the Board reviews the adequacy of the internal financial control.

INFORMATION TECHNOLOGY (IT)

PCBL has continued its strategic focus on IT security, data confidentiality and data availability. During FY22, there has been no business, financial or reputational loss due to IT.

The Company did not incur any major additional expense or did not need to change any IT setup to handle the COVID-19 related lockdown.

Robust and modern IT platforms like SAP HANA ERP in cloud and related Fiori apps, ERP-integrated SAP SuccessFactors HR Platform, and Secure 2FA VPN, continue to provide the edge to business from anywhere, in terms of speed, accessibility, data integrity and security.

To adapt to restrictions on travel during the pandemic and to facilitate greater online collaboration among employees, customers and vendors, the WAN (Wide Area Network) bandwidth of the plants and head office have been significantly upgraded. Multi-platform video-conferencing and online meetings have become the regular mode of collaboration among teams and stakeholders across boundaries.

Despite acute global shortage of semiconductors, PCBL successfully continued the upgrade/replacement drive of end-user machines as per planned schedules, to keep the computing environment current, and agile and secure, with the latest OS and AD-based governance.

One of the best-in-class authentication, containerisation and patch management platform as per Microsoft guidelines has been launched across the organisation to deploy governance rules and access management seamlessly across devices and platforms, taking care of patch related bandwidth choking challenges at plants.

Automated tool-based backup is taken for all critical servers at various intervals. Encrypted backups are stored separately and tested periodically as restore drills. End-user machines' local data backup takes place in an automated manner through Microsoft OneDrive cloud backup. This ensures zero loss of organisational and user data, even in case of theft or complete damage of any laptop.

As per the Gartner Magic Quadrant Report of end-user security, the organisation has adopted and deployed the top recommended cloud-based Advanced Threat Management Platform (ATP) for all the End-User Devices (official laptops, desktops). Automated containerisation and end-point security deployment has been enforced through MDM for any personal mobile / tab / iPad, if official data access is needed from that device.

In line with the change of name and the logo of the organisation, all relevant IT platforms and the corporate webpage (www.pcbltd.com) have been changed with a new theme, logo and other changes. The revamped corporate webpage continues to run on a modern platform on one of the best-in-class public clouds. The server-less architecture ensures lightning-fast speed and capability to handle increased traffic at any time.



All SAP generated outbound documents (like invoice, and purchase order) have been enhanced with the new logo and improved design.

To generate automated export documentations (as per country/port specific requirements) from SAP ERP, a new digital platform of EXIM has been launched, thus significantly enhancing the speed of execution, eliminating human dependance.

An innovative credit management system has been designed and implemented inhouse in SAP, enhancing system-driven financial controls for credit-management enabled customer sales, but eliminating possibilities of customer dissatisfaction related to blocked dispatch.

SAP has been rolled out for the PCBL (TN) subsidiary with FICO, MM and PS modules, to take care of the project buildup and related transactions and consolidation at overall PCBL level.

Periodic DR drill of most critical ERP setup mitigates business continuity related enterprise risks. The DR setup is hosted at a different region of the cloud service provider.

The Company is aware of the current elevated levels of cybersecurity risks across the globe. All critical IT servers in cloud are protected with the best-in-class UTMs (unified threat protection) firewalls, which are monitored through Managed Security Services (MSS) of a reputed ISP.

The IT team of the Company is equipped with enterprise-class licensed remote support software tools to support business users remotely, either at home or office, and international users - thus ensuring business continuity during the lockdown and other challenges.

In line with the organisational strategy of digital transformation, several strategic IT initiatives have been planned and budgeted for the coming year.

ENVIRONMENT, HEALTH AND SAFETY, AND SOCIAL RESPONSIBILITY

PCBL has always laid strong emphasis on sustainable development and we realise that our operations are bound to have potential impacts on the environment and society. As PCBL emerges stronger with time, our efforts towards sustainable development have also gained momentum in equivalent proportions as we believe that 'with great power, comes great responsibility.'

The Company has been co-generating green power as it utilises the tail gas of the manufacturing process to produce power to meet its electric power requirements as well as to export the surplus to the grid. Stringent monitoring and optimisation of various operations have helped the Company to further reduce its carbon footprint and today, PCBL's carbon

emissions stand lower than the world's average of carbon black industries. Be it the installation of the state-of-the-art Continuous Emission Monitoring Systems (CEMS) for stacks, or gas and air quality analysers, PCBL has taken several steps to further improve its environmental compliance. PCBL believes in the motto of 'Reduce-Reuse-Recycle' and has been actively taking steps to achieve it. Under this motto, a new Zero Liquid Discharge (ZLD) water treatment plant in Gujarat has been made completely functional and several other initiatives, like rainwater harvesting, boiler condensate water recovery, and carbon black leakage elimination, among many others, have been spearheaded, to ensure sustainability. Along with these, the Company has been actively exploring the possibilities of harnessing energy from renewable sources and creating green belts at its locations of operations.

PCBL is highly attentive towards the well-being of its employees and has been providing necessary amenities and support to all its employees. Safety of the employees has always been PCBL's top priority and the Company leaves no stone unturned to ensure that it provides a safe workplace to every employee. Customised risk-based training programmes are undertaken to enhance safety and to proactively address any behavioural concerns. Apart from trainings, PCBL has also invested in technology to ensure safer work environment for its employees, and automation of CPP fire-hydrant systems at Durgapur unit is one of many such examples.

PCBL strongly believes in giving back to the society and supporting communities in places of its operations. We provide necessary support for education, art, healthcare, sports, environmental sustainability and conservation measures in these areas. Financial assistance is provided by PCBL to underprivileged students to support their education and educational infrastructure development. Apart from providing aid for education, the Company also focuses on generating livelihood in backward areas along with infrastructure development. Under the 'Swachh Bharat Abhiyan,' the Company is helping to build individual household toilets as well. Under other CSR initiatives, solar powered LED streetlights were distributed in villages near Kochi unit and ration kits were distributed in villages near Palej unit.

PCBL has relentlessly supported its communities through testing times during the pandemic and is determined to continue doing so in the times to come. As we have successfully completed double-dose vaccination drive for all our employees and their family members, we have further planned to provide them with the booster doses to ensure their wellness. PCBL extends its gratitude to all individuals from various professions, including our employees, whose services have proved instrumental in combating the pandemic, helping us emerge stronger than before.

HUMAN RESOURCE DEVELOPMENT

The year gone by was marked by high disruption, with the second wave hitting us hard. However, with the knowledge and learning we gained from FY21, we were better equipped to face it. During the WFH, phase as well as during the return to office, taking utmost care of our people and ensuring their safety was the priority.

The initiatives undertaken during FY22 are in alignment with the new business themes of the Company, which serve as a guiding light in PCBL's journey into the future.

One of the key business themes is digital transformation and various initiatives have been executed with this orientation. Using Leena AI chatbot, the Company has been keeping track of employee emotions and moods. A corresponding score-based system maps manager behaviour, work team behaviour, workplace safety, career growth and employee development. Based on the chats received, employees are assessed by their leaders by analysing their sentiments and checking their engagement levels.

Further, in line with the digital transformation business theme, an integrated human capital management platform People Connect, powered by Success Factors, takes care of all the HR related services that a PCBLite needs. This ensures smoother operations and reduces dependency on hard copies, reinforcing our commitment to sustainability. A Succession Planning Module has also been implemented on the People Connect platform for managing talent review, succession planning and creating a clear line of sight of the talent pool at PCBL. Further, the talent acquisition process is being migrated to the digital platform. It is currently in the beta testing phase and is scheduled for deployment at the end of April 2022.

Additionally, to ensure regular communication between the leadership and the employees, Sampark, a digital townhall was organised, where all the internal stakeholders of the organisation connected, shared information, recognised efforts, and addressed challenges, for all quarters.

Building capability is another fundamental business theme with the core objective of creating a leadership pipeline. The Learning Management System enables employees to access self-learning content online, in addition to working on the monthly training calendar. The average training hours invested per employee have grown YOY.

Another manifestation of this business theme is the Company's collaboration with the International Management Institute (IMI), Kolkata for a Certified General Management Programme (CGMP). The objective of CGMP is to enhance leadership skills, sharpen business acumen, and help develop programme participants into tomorrow's business leaders. Under the guidance of the Leadership Team at PCBL, academicians at IMI-Kolkata and professionals from the industry, the participants are being exposed to a curriculum that involves classroom lectures, case study analysis, discussions and simulations, assignments through digital platforms, projects, quizzes, and end-term examinations. This 400-hour course, comprising 15 subjects, is spread over five quarters. Post the successful completion of the first batch, the second batch has completed their second quarter schedule in FY22.

A batch of 37 Graduate Engineer Trainees (GETs) and 21 Diploma Engineer Trainees (DETs) were onboarded at PCBL. They were on-campus recruits from diverse demographics and with diverse backgrounds and skillsets. The structured training programme for GETs and DETs spans over a year. The training is designed based on 70:20:10 learning principle. Classroom training comprises 10% of the training programme and it builds technical knowledge about carbon black through classroom sessions, field visits and group presentations; 20% of the programme is on-the-job training, which facilitates learning through observation and develops understanding of the practical side of the job. The major section of the training consists of project work and operational activities. This includes experiential learning through hands-on activities and working on a capstone project. During this entire period, there are periodic assessments and evaluations using different methodologies. Subsequently, there are discussions organised with the GETs and DETs, leading to functions being assigned to them based on their strengths, interests, and skillsets.

The Company has identified subject matter experts for different functional areas and entered into multiple collaborations to create online training modules.

The Company's industrial relations continued to be harmonious; not a single person-day was lost during this financial year on account of disrupted industrial relations.

On 31st March 2022, there were 1,135 permanent employees on the Company rolls.



Risk Management

STRENGTHENING OUR SAFEGUARDS

A robust risk-management framework enables us to proactively manage risks emanating from the internal and external environment. As a result, we have been able to consistently create value for all our stakeholders, despite industry cycles and economic headwinds.

According to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a company must educate the Board members on risk assessment and mitigation strategies. The Board is deemed responsible for framing, executing and monitoring the risk-management plan for the company.

Risk-mitigation plan

The Board takes the following steps as a part of its risk management and mitigation plan:

- Defines the roles and responsibilities of the Risk Management Committee
- Participates in major decisions affecting the organisation's risk profile
- Integrates risk-management reporting with the Board's overall reporting framework

Risk Management Committee comprises the following members:

Name	Position held	Nature of Directorship
Kaushik Roy	Chairman	Managing Director
Paras Kumar Chowdhary	Member	Non-Executive Independent Director
Pradip Roy	Member	Non-Executive Independent Director



Risk-Management



Identification and assessment approach

Anticipating and estimating of the probability of occurrence, severity, category and rating of risk



Prevention and control strategy

Articulating measures to avoid occurrence of risk, limit its severity and reduce its consequences



Monitoring

Inspecting effectiveness of controls, responding to the results and improving the approach



Reviewing and reporting on the risk

Management process at appropriate intervals (at least once a year)

ECONOMIC

Definition	Mitigation strategy
 Economic risk Prolonged slowdown in the global and Indian economy may adversely impact our business prospects. Likelihood of occurrence: Medium	- Our senior leadership team maps emerging trends, changes in regulations and economic environment to course correct business strategies - Impact assessment studies are conducted, whenever considered necessary
 Country risk Risks associated with investment in any country arising out of uncertainty in political, economic, exchange rate or technological investments may result in losses. Likelihood of occurrence: Low	- We evaluate country risk ratings by accredited agencies - We conduct detailed study on the economic, political, social and structural factors prevailing in the country - There are detailed discussions and deliberations in the senior leadership team and Board of Directors
 Investment risk Timely completion of projects and ensuring projects do not overshoot the budget capex that may impact cash flows or increase debt burden. Likelihood of occurrence: Low	- We undertake detailed project planning and feasibility study before initiating a project - We organise frequent review meetings on the update of such projects and schedule the key events properly to streamline the projects - We hire trained people to oversee the project; and leverage cutting-edge technologies to ensure timely deliveries
 Supply chain risk Disruption in supply of materials from the major suppliers would adversely affect operations. Further, volatility in crude prices may affect both raw material prices and end product prices, impacting profitability. Likelihood of occurrence: Low	- We maintain strong and enduring relationship with our suppliers and maintain alternative sources in case of exigencies - The senior management develops the weekly production plan and maintenance of a reasonable stock of Class A materials also helps cushion the risk - We offset the raw material price escalation by increasing non-contract sales price and undertaking specific cost-reduction initiatives - A significant portion of our volume is sold based on formula driven price adjustment mechanism, which allows for recovery of the changed raw material cost from customers
 Downstream risk Any slowdown in downstream industries may jeopardise the Company's growth. Likelihood of occurrence: Medium	We mitigate the risk by diversifying our product portfolio, ensuring a widespread geographic footprint and a large customer base
 Rate risk Sale of power also contributes a significant proportion to our total revenues; and any change in power tariff may affect our profitability as well. Likelihood of occurrence: Low	We foster strategic bilateral power purchase agreements for short, medium and long term
 Competition risk Competition from industry peers pose a threat to our market share and profitability. Likelihood of occurrence: Low	- Customer feedback and review meetings help us ensure their satisfaction - We are strengthening market intelligence and product differentiation



Definition	Mitigation strategy
 Operational risk Owing to high automation in the production process, breakdown in a machine could affect the entire operation. Likelihood of occurrence: Medium	To be in full control of the manufacturing process, we monitor the entire operations and have implemented predictive and preventive maintenance programme and overhauling for equipment
 Financial risk Fluctuation in interest rate impacts our profitability. Further, inability to manage working capital effectively and ensuring adequate liquidity is yet another risk. We are also subject to non-payment risks from our debtors, adversely impacting profitability. Further, failure of complying with the conditions of our borrowing arrangements could impact our credit ratings. Likelihood of occurrence: Medium	- To cushion ourselves from the interest rate risk, we maintain an optimal mix of fixed and floating borrowing rates. We regularly monitor the liquidity position and the cash in hand to ensure operational fund requirements are met - The surplus cash generated over and above the operational fund requirements is invested in bank deposits, marketable debt securities and debt mutual fund schemes, which are highly liquid in nature - To mitigate credit risk, we have put in place policies and procedures for every customer, based on their credit profiles and any change in their credit rating, regulatory changes, industry outlook and payment history is vigilantly monitored - We also take different payment security modes for protecting ourselves against the payment from sale of power. Further, to avoid defaulting on any of our payments, we monitor our key debt covenants very carefully
 Currency risk Depreciation of the Indian rupee against foreign currencies impact profitability. Likelihood of occurrence: Medium	- We maintain an optimal mix of domestic and international sales to cushion ourselves from currency fluctuation risks - To control this currency risk better, we hedge our foreign currency exposure through forward contracts and cross currency interest rate swaps
 Product development risk Forays into new products in which we have limited experience and expertise may affect successful implementation and adversely affect business performance. Likelihood of occurrence: Low	- Our R&D capabilities are assessed, and product gaps identified. After these we invest and proceed further on a product development project - We conduct regular testing of the products at the customer site early on to ensure that the product meets the customer requirement and helps the customer - Before developing the product, informal market research is carried out to estimate the demand
 Technology risk The risk of technology obsolescence puts us at a risk of not being able to comply with quality standards and efficiency. Likelihood of occurrence: Medium/low	The management and the technical team keep updating themselves with the latest technological upgradations and qualified personnel are appointed to review the technology in use

Definition	Mitigation strategy
 IT risk Disruptions in the information technology space coupled with network failures can lead to security breaches and unapproved dissemination of sensitive proprietary information. Likelihood of occurrence: Medium	- We use best-in-class software and hardware to reduce bottlenecks and improved security. A 24x7 monitoring of critical IT systems and frequent technology upgradation ensure smooth operations - To mitigate connectivity loss, data-card and VPN-based access are given to core SAP systems for most critical transaction points like logistics and billing, among others - We also monitor security and keep enhancing them at all internet gateways - Further, we implement robust Intrusion Prevention System (IPS) engine at all gateways to protect ourselves from security breaches - To educate and create awareness among our employees on security breaches, we conduct e-learning programmes about e-mails and other information technologies, and also conduct internal audits - At the Company-level, we are also trying to counter targeted cyberattacks by strengthening the ability to identify suspicious emails and monitor website security

ENVIRONMENT

 Substitute risk Risk of carbon being substituted with environment-friendly products like silica would have an adverse impact on our profitability. CBFS is derived from crude, which is very economical at the moment. However, if crude prices rise and alternatives like CBFS from coal tar become more economical, it will affect operations and profitability. Likelihood of occurrence: Low	- Our research team conducts market research, feasibility study and gap analysis to identify product needs before moving ahead with the production of a particular carbon black grade - In case carbon black is moved to a coal tar-based CBFS, the new input material would be tested for reliability, and the process would be modified as and when required
 Regulatory risk Failure to comply with stringent regulatory norms can adversely impact operations. Certain legal proceedings can adversely impact the continuity of plant operations. Further, changes in environmental norms may mandate implementing Flue Gas Desulphurisation (FGD), which would again require capital expenditure, and a recurring operating cost. Likelihood of occurrence: Low	- We monitor our regulatory compliance through Management Information System (MIS) - We also identify the applicable acts, directives and regulatory requirements for manufacturing, employee health and safety, environment and governance to have a clear idea of the norms which are a mandate for us - Further, to be ahead of the legalities, we maintain a list of pending legal cases, monitor them closely and make provisions wherein we feel there is a chance of an adverse impact on operations - If the FGD mandate comes in, we would carry out an impact assessment study for the impending changes and help a smooth transition
 Environment impact risk Negative impact on environment may hamper operational sustainability. Changing green compliance can also adversely impact Likelihood of occurrence: Low	- Using the process emission (off-gas) for power generation - Preventive measures to arrest leakage - Adherence to ISO14001:2015 (Environment Management System standard) - Increasing awareness through regular trainings
 Lost opportunity risk Impact on offtake impacted owing to the inability to understand evolving trends. Likelihood of occurrence: Low	- Innovating continuously to provide products for modern and high-grade downstream applications - Catering to wide customer base across the globe



SOCIAL

Definition	Mitigation strategy
 Health risk The COVID-19 pandemic has brought in disruptions and impacted our operations. Likelihood of occurrence: Low	Strict adherence to SOPs for following the highest level of health and hygiene, protecting the spread of the pandemic in our manufacturing units, regional offices and corporate office
 Safety risk Any incident at the plant premises would again affect operations. Likelihood of occurrence: Low	- To be on top of accidental losses or mishaps, we have a dedicated hazard identification and risk analysis team for each process and also the entire suite of fire hydrant system, smoke detectors and CCTVs installed across the plants - We also create safety awareness among our employees through learning events. - We have a comprehensive insurance cover for fire at office, warehouse and factories, theft at office and factories, medical benefit for employees and transit insurance
 Human resource risk Inability to attract and retain top talent could adversely affect our operations. We might also face labour disruption and other planned and unplanned outages, adversely impacting operations. Relying on contractors for recruitment of contractual labourers can make us liable towards labourers under applicable Indian laws. Likelihood of occurrence: Low	- We have a robust recruitment process, which is transparent and fair, helping in hiring the right candidate for the right job - To ensure remuneration is at par with industry trends, we undertake salary benchmarking and motivate employees with incentives to align the organisational goals with that of the employees - Our employees are required to sign a 'non-compete' agreement with us, ensuring higher retention - Bi-annual talent review and succession planning also motivates our employees and ensures higher retention - A continuous feedback and monitoring process is in place to ensure less planned outages, especially from the labour union - Further, we also design proper agreements, which outline our rights and obligations

GOVERNANCE

Definition	Mitigation strategy
 Compliance risk Inability to adopt the fast-evolving laws and regulations affect business operations. Likelihood of occurrence: Low	• Capturing regulatory requirements of different countries and complying with international regulations and norms • Engaging an expert agency as 'ONLY REPRESENTATIVE' to help in REACH registration and meeting regulatory requirements for export of carbon black to European countries • Emphasising continuously on updating domain knowledge, analysing and highlighting implications and staying ahead of the compliance curve

OPPORTUNITIES

There have been fundamental shifts in the nature of the market for mobility, with electric vehicles taking centre stage and increasing preference of safety. Besides, the growing focus on Circular Economy is driving newer means to drive the downstream sector. There has been significant auto industry ecosystem pressures requiring upstream manufacturers to engage and collaborate with downstream value chain partners for new technologies focusing at greener paths for carbon black production. Also, strategically distributed manufacturing is gaining momentum to reduce Scope 3 emissions.

Disclaimer: The Management cautions readers that the risks outlined above are not exhaustive and are for information purposes only. The Management is not an expert in assessment of risk factors, risk mitigation measures and the Management's perception of risks. Readers are therefore requested to exercise their own judgment in assessing various risks associated with the Company.

CAUTIONARY STATEMENT

The financial statements appearing above are in conformity with the accounting principles generally accepted in India. The statements in the Management Discussion and Analysis Report, which may be considered 'forward-looking statements', within the meaning of applicable laws and regulations, have been based upon the current expectations and projection about future events. The actual results could differ from those expressed or implied. Important factors that could influence the Company's operations include global geopolitical shifts, economic developments within the country, demand and supply conditions in the industry, input prices, changes in Government regulations, tax laws and other factors such as industrial relations. The management cannot, however, guarantee that these forward-looking statements will be realised or achieved.



(Annexure 'B' to the Board's Report)

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Statement in accordance with Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 and forming part of the Boards' Report for the year ended 31st March, 2022

1. A. CONSERVATION OF ENERGY

(a) Energy conservation measures taken:

The process of manufacture of Carbon Black results in generation of lean gases which have both sensible heat and calorific value. This heat energy is utilized in generation of power in extremely specialised and state of the art

30 MW Green Power Plant at Durgapur,

32 MW Green Power Plant at Mundra,

19 MW Green Power Plant at Palej and

10 MW Green Power Plant at Kochi

The entire lean gas is used to generate power for meeting the entire internal process requirements for production of Carbon Black as well as to sell the surplus.

Excess heat generated during production is transferred in various heat exchangers like Waste Heat Boiler(WHB) for steam generation, in Air Pre-Heater (APH) and Oil Pre-Heater(OPH) for heating atmospheric air

and Oil Feed stock which are used as input to carbon black manufacturing process and thereby improving the process efficiency.

(b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

-

(c) Impact of measures (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:

Reflected in the improved financial performance of the Company.

(d) Total energy consumption and energy consumption per unit of production

As per Form-A of the Annexure to the Rules in respect of Industries specified in the Schedule thereto:

FORM - A

Form for disclosure of particulars with respect to Conservation of Energy

	Current year 31.03.2022	Previous Year 31.03.2021
A. Power and Fuel consumption		
1. Electricity		
Purchased units (KWH)	39,86,326	20,40,930
(a) Total amount (₹ in crores)	9.62	7.27
Rate per unit (₹)	24.12	35.62
(b) Own generation		
(i) Through diesel generators units (KWH)	-	-
Units per ltr. of diesel oil (KWH)	-	-
Cost per unit (₹)	-	-
(ii) Through steam/turbine generators units (KWH)	-	-
Units per ltr. of fuel/gas oil (KWH)	-	-
Cost per unit (₹)	-	-
(iii) Through green power plants		
(off-gas burning) units (KWH)	22,23,74,581	18,65,93,140
Units per ltr. of fuel oil (KWH)	824	1000
Cost per unit (₹)	0.06	0.03

		Current year 31.03.2022	Previous Year 31.03.2021
2. Coal(specify quality and where used)	Quantity(tonnes)	-	-
	Total Cost (₹ in crores)	-	-
	Average rate (₹)	-	-
3. Furnace Oil	Quantity (K.ltr)	-	-
	Total Cost (₹ in crores)	-	-
	Average rate (₹)	-	-
4. Others/internal generation(process steam)	Quantity (MT)	24,30,411	20,58,532
	Total Cost (₹ in crores)	1.41	0.91
	Average rate (₹)	5.80	4.42
5. Consumption per unit of production Carbon Black:			
i) Electricity (KWH/MT)		375	368
ii) Furnace Oil (Ltr./MT)		-	-
iii) Coal		-	-
iv) Others-process steam (MT/MT)		5.32	5.35

B. TECHNOLOGY ABSORPTION:

(a) Efforts made in technology absorption as per Form-B of the Annexure is given hereto:

Form - B

Form for disclosure of particulars with respect to absorption:

1. Specific areas in which Research and Innovation carried out by the Company:

- Development of new and/or novel carbon black grades for international and domestic markets.
- Development of advanced filler and advanced filler technology.
- Expand product portfolio of specialty business with new carbon black grades.
- Improvement of carbon black characteristics to meet stringent customer specifications.
- New vendor development of Carbon Black Feedstock (CBFS) to improve the yield, productivity and to satisfy environmental compliance
- Purification of CBFS for optimization of product quality, productivity.

- Novel methods of modifications and processing carbon blacks.
- Reverse engineering for investigative research and customer complaint addressal.
- Data generation to establish performance matrix of PCBL carbon black grades.
- Investigation of product stewardship and regulatory events of carbon black.

2. Technical Services (TS)

- Customer engagement and inter-organizational collaboration.
- Identification of Customer Specific Requirement (CSR) for business development.
- Optimization of packaging and loadability.
- Extended Producer Responsibility (EPR) and regularity affairs for carbon black.
- Evaluation of laboratory/equipment proficiency.
- Development of new carbon black grade.
- Enable customer supply, bulk trial sample submission, grade approval.



3. Process Technology (PT)

- Improvement in Hard Black Reactor Combustor Design for better utilization of available energy in the reactor and thereby Improvement in Yield and Quality as per international benchmarks.
- Modification of Pelletizer design to improve the Pellet Quality of Carbon Black
- Optimization of Manufacturing Process conditions to improve Yield, Productivity and Quality.
- Use of Computational Fluid Dynamics (CFD) for simulating combustor designs and APH Box design.
- Developing new grades of carbon black in rubber as well as specialty segment, increasing the number of grades in PCBL's portfolio.
- Imparting high level of technical knowledge throughout the organisation.

4. Benefits derived as a result of the above R&D :

- Implement the 'proof of concept' in 'plant level' to manufacture unique carbon black grades.
- Improved process condition leading to improvement of Quality and Productivity.
- Development of specialised rubber grade carbon blacks for specific applications.
- Improved sales in domestic and international market and entry into niche markets.
- Improvement of PCBL product portfolio by developing new grades for non tire rubber applications.
- Customised grade development aligned with strategic partner's for more business share.
- Quality consistency and cost effectiveness.
- Improved manufacturing efficiency and reduced costs.
- Gaining trust and confidence of customers on PCBL.
- Intellectual property protection.

5. Future Plan of Action:

- Identify emerging Carbon Black Technologies with new applications
- Further Enriching the product portfolio of specialty grade carbon blacks.
- Further Improvement in processes for higher yield and better quality.
- Focus on customised grade development aligning strategic business partner's manufacturing and product requirements.
- Improvement in APH Box design to ensure better Equipment Efficiency with the help of CFD analysis.
- Standardization of Reactor Design to ensure Better Operation, Cost Saving by better spare management.
- Further strengthening of designs of Reactor in order to improve Yield, Productivity and Quality of product.
- Enhancement of R&D laboratory facilities and capability for new product and customer development.
- Increased technical expertise to support customers and market development.
- Patent application for new product / process technologies.
- More customer engagement.

6. Expenditure on R & D:

	Current year	Previous Year
(a) Capital	-	6.52
(b) Recurring	21.86	17.79
(c) Total	21.86	24.31
(d) Total R&D Expenditure as a percentage of total expenditure	0.55%	1.06%

Technology absorption, adaptation & innovation:

- Efforts in brief towards technology absorption, adaptation & innovation:
 - The revision in Standard Operating Procedures resulted in improved yields.
- Benefits derived as a result of the above efforts:
 - Improved quality of the product
- Particulars of Imported Technology in the last 5 years:

(a) Technology Imported	: Not applicable
(b) Year of Import	: Not applicable
(c) Has the technology been fully absorbed?	: Not applicable
(d) If not fully absorbed, areas where this has not taken place, reasons thereof and future plans of action.	: Not applicable

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

(a) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans:

Various initiatives relating to improvement in quality and service, developing new markets, etc have resulted in exports of ₹ 1,320.66 crores.

(b) Total foreign exchange used and earned:

	(₹ In crores)	
	Current year	Previous Year
Foreign Exchange used*	3,350.82	2,358.36
Foreign Exchange earned#	2,229.83	1,884.86

* includes repayment of loan in foreign currency

includes receipt of loan in foreign currency

For and on behalf of the Board

Dr. Sanjiv Goenka

Chairman

(DIN 00074796)

Place: Kolkata

Date: 19th April, 2022



Annexure C to the Board's Report

Report on Corporate Social Responsibility (CSR) Activities

For the financial year 2021-2022

[Pursuant to Section 135 of the Companies Act, 2013, as amended read with Notification issued by the Ministry of Corporate Affairs & Rules made thereunder]

1. A BRIEF OUTLINE OF THE COMPANY'S CSR POLICY:

In accordance with the provisions of the Companies Act, 2013, as amended read with the Notification issued by the Ministry of Corporate Affairs and the rules made thereunder, the Company has framed its CSR Policy to carry out its CSR activities in accordance with Schedule VII of the Act. The Company, is one of the pioneers of the Carbon Black industry in India. Through the values and principles inherent within the Group, the Company strives to positively impact the community by promoting inclusive growth in the areas of education, art, healthcare, sports, environmental sustainability and conservation etc. Along with sustained economic performance, environmental and social stewardship is also a key factor for holistic business growth. Over the period of its long existence, the Company has upheld its tradition of community service and tried to reach out to the underprivileged in order to empower their lives and provide holistic development. The Company's focus areas are concentrated on increasing access to health, education, environment sustainability,

community development and holistic development with a focus on underprivileged people living around its manufacturing units and other establishments. The Company's CSR Policy also focuses on leveraging the full range of the Company's resources to broaden access to the basic facilities for the underserved population. The Company wishes to formalize and institutionalize its efforts made in the domain of Corporate Social Responsibility and this Policy shall serve as a guiding document to help identify, execute and monitor CSR projects in keeping with the spirit of the Policy. The Company also partners with non-government organizations (NGOs) to make a difference among local communities. The Company's focus has always been to contribute to the sustainable development of the society and environment and to make our planet a better place for future generations. This Policy shall apply to all CSR initiatives and activities taken up by the Company for the benefit of different sections of the society. The Company's revised CSR policy is placed on its website and the web-link for the same is <https://www.pcblltd.com/investor-relation/general-policies>.

2. THE COMPOSITION OF THE CSR COMMITTEE:

The Composition of the CSR Committee of the Board is as follows:-

SL No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Kaushik Roy	Chairman	2	2
2	Mr. K S B Sanyal*	Member	1	1
3	Mr. Shashwat Goenka	Member	2	2
4	Mrs. Rusha Mitra#	Member	1	1

* The term of office of Mr. K S B Sanyal as an Independent Director of the Company has come to an end on 29th July, 2021 and consequently Mr. K S B Sanyal has ceased to be the Independent Director of the Company with effect from close of business hours on 29th July, 2021. Subsequently, Mr. K S B Sanyal has also ceased to be the Member of the Corporate Social Responsibility Committee with effect from close of business hours on 29th July, 2021. Hence, his Committee Membership till 29th July, 2021 has been considered.

Mrs. Rusha Mitra was appointed as the Member of the Corporate Social Responsibility Committee at the Meeting of the Board of Directors held on 26th July, 2021.

NB:- The CSR Committee of the Board of Directors of the Company met 2 times on 21st April, 2021 and 9th February, 2022 respectively during the financial year ended 31st March, 2022.

3. PROVIDE THE WEB-LINK WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY:

The web-link of the Company where composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed is <https://www.pcbltd.com/investor-relation/general-policies>.

4. PROVIDE THE DETAILS OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB RULE (3) OF RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014, IF APPLICABLE:

Not Applicable.

5. DETAILS OF THE AMOUNT AVAILABLE FOR SET OFF IN PURSUANCE OF SUB RULE (3) OF RULE 7 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014 AND AMOUNT REQUIRED FOR SET OFF FOR THE FINANCIAL YEAR, IF ANY:

Sl No.	Financial Year	Amount available for set-off from preceding financial years (₹ In crores)	Amount required to be set-off for the financial year, if any (₹ In crores)
1	2021-2022	0.19	0.00
	Total	0.19	0.00

6. AVERAGE NET PROFIT OF THE COMPANY AS PER SECTION 135(5):

The average net profit of the Company for the last three financial years is ₹ 431.70 crores.

7. (A) TWO PERCENT OF AVERAGE NET PROFIT OF THE COMPANY AS PER SECTION 135(5) :

The prescribed CSR expenditure @ 2% of the average net profits for the last three financial years is ₹ 8.63 crores.

(B) SURPLUS ARISING OUT OF THE CSR PROJECTS OR PROGRAMMES OR ACTIVITIES OF THE PREVIOUS FINANCIAL YEARS:

₹ 0.19 crores

(C) AMOUNT REQUIRED TO BE SET OFF FOR THE FINANCIAL YEAR, IF ANY:

-

(D) TOTAL CSR OBLIGATION FOR THE FINANCIAL YEAR = ₹ 8.63 crores

8. (A) CSR AMOUNT SPENT OR UNSPENT FOR THE FINANCIAL YEAR 2021 - 2022:

Total Amount Spent for the Financial Year 2021 - 2022 (₹ in crores)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount. (₹ in crores)	Date of transfer	Name of the Fund	Amount	Date of transfer
8.66	6.85	18th April, 2022	-	-	-

(B) DETAILS OF CSR AMOUNT SPENT AGAINST ONGOING PROJECTS FOR THE FINANCIAL YEAR 2021 - 2022:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
SL No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No).	Location of the project.	Project Duration	Amount allocated for the project (₹ in crores)	Amount spent in the current financial Year (in ₹ in crores).	Amount transferred to the Unspent CSR Account for the project	Mode of Implementation (Yes/No)	Mode of Implementation - Through Implementing Agency
				State District						Name CSR Registration Number
1	Setting up of an IB School in Kolkata with most modern facilities	Promoting Education	Yes	West Bengal Kolkata	Expected to be completed by the end of financial year 2022-23	-	-	6.85	Through Implementing Agency	RP-SANJIV GOENKA GROUP CSR TRUST
	TOTAL							6.85		

(C) DETAILS OF CSR AMOUNT SPENT AGAINST OTHER THAN ONGOING PROJECTS FOR THE FINANCIAL YEAR 2021- 2022

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in ₹).	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State.	District.			Name	CSR Registration number
1	Promotion of Sports for children	Promoting Education	National Highway No. - 8, Palej - 392220	Gujarat	Bharuch	19,70,000	Direct	-	-
2	Facilitating and Imparting Education among the underprivileged students	Promoting Education	Survey No. - 47, SH-46, Vill: Mokha, (Near Vadala), Mundra	Gujarat	Kutch	1,41,990	Direct	-	-
3	Proving relief materials for COVID as well as for cyclone Yaas to the underprivileged people of the rural areas	Promoting Rural Development	Kolkata, West Bengal	West Bengal	Kolkata	1,40,000	Direct	-	-
4	Construction and development of roads in the surrounding village areas	Promoting Rural Development	27, R.N. Mukherjee Road, Durgapur - 713201	West Bengal	Burdwan	4,37,439	Direct	-	-
5	Contribution of Ration and food among the underprivileged people	Promoting Rural Development	Karimugal, Brahmapuram, Kochi - 682303	Kerala	Ernakulam	22,25,000	Direct	-	-
6	Contribution towards house keeping work in the village areas	Promoting Rural Development	Survey No. - 47, SH-46, Vill: Mokha, (Near Vadala), Mundra	Gujarat	Kutch	2,04,300	Direct	-	-
7	Contribution towards sports kit and encouragement of women sports	Promoting Sports	27, R.N. Mukherjee Road, Durgapur - 713201	West Bengal	Burdwan	1,09,140	Direct	-	-
8	Contribution towards steps for implementing sustainability practices across the organization	Environmental Sustainability	Kolkata, West Bengal	West Bengal	Kolkata	6,25,000	Direct	-	-
9	Contribution toward Eco Ambulance and Oxygen plant erection and commissioning	Environmental Sustainability	National Highway No. - 8, Palej - 392220	Gujarat	Bharuch	5,53,884	Direct	-	-
10	Contribution towards cow fodder and developing green belt outside the plant premises and the surrounding village areas	Environmental Sustainability	Survey No. - 47, SH-46, Vill: Mokha, (Near Vadala), Mundra	Gujarat	Kutch	2,00,800	Direct	-	-

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in ₹).	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State.	District.			Name	CSR Registration number
11	Civil work and development of nearby village	Community Development	27, R.N. Mukherjee Road, Durgapur – 713201	West Bengal	Burdwan	43,25,065	Direct	-	-
12	Development of the surrounding village areas in and around the Plant	Community Development	Karimugal, Brahmapuram, Kochi – 682303	Kerala	Ernakulam	17,42,900	Direct	-	-
13	Contribution towards upliftment of underprivileged person and their medical aid	Community Development	National Highway No. – 8, Palej – 392220	Gujarat	Bharuch	8,10,326	Direct	-	-
14	Contribution towards community shed constructions and development of the surrounding slum areas in and around the Plant	Community Development	Survey No. – 47, SH-46, Vill: Mokha, (Near Vadala), Mundra	Gujarat	Kutch	45,97,773	Direct	-	-
Total						1,80,83,617		-	-

(D) AMOUNT SPENT IN ADMINISTRATIVE OVERHEADS:

NIL

(E) AMOUNT SPENT ON IMPACT ASSESSMENT, IF APPLICABLE:

NOT APPLICABLE

(F) TOTAL AMOUNT SPENT FOR THE FINANCIAL YEAR 2021 - 2022 =

₹ 8.66 crores.

(G) EXCESS AMOUNT FOR SET OFF, IF ANY:

Sl. No.	Particular	Amount (₹ in crores)
(i)	Two percent of average net profit of the company as per Section 135(5)	8.63
(ii)	Total amount spent for the Financial Year	8.66
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.03
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.19
(v)	Amount available for set off in succeeding financial years [(iii)+(iv)]	0.22


9 (A) DETAILS OF UNSPENT CSR AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS:

Sl No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of Transfer	
NIL							

(B) DETAILS OF CSR AMOUNT SPENT IN THE FINANCIAL YEAR FOR ONGOING PROJECTS OF THE PRECEDING FINANCIAL YEAR (S):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration.	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed /Ongoing
NIL								

10. IN CASE OF CREATION OR ACQUISITION OF CAPITAL ASSET, FURNISH THE DETAILS RELATING TO THE ASSET SO CREATED OR ACQUIRED THROUGH CSR SPENT IN THE FINANCIAL YEAR (ASSET WISE DETAILS) -

NIL

11. SPECIFY THE REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PER CENT OF THE AVERAGE NET PROFIT AS PER SECTION 135(5) -

Not applicable

Sd/-

Kaushik Roy

Chairman of the CSR Committee
(DIN: 06513489)

Place: Kolkata

Date: 19th April, 2022

Sd/-

Rusha Mitra

Member of the CSR Committee
(DIN: 08402204)

Annexure D to the Boards' Report

Particulars of Remuneration

Details Pertaining to Remuneration as Required Under Section 197(12) of the Companies act, 2013 Read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- (1) The ratio of the remuneration (including sitting fees) of the Directors – Mr. Kaushik Roy, Dr. Sanjiv Goenka, Mrs. Preeti Goenka, Mr. Shashwat Goenka, Mr. O P Malhotra*, Mr. K S B Sanyal*, Mr. Paras K Chowdhary, Mr. Pradip Roy, Mrs. Kusum Dadoo*, Mrs. Rusha Mitra^, Mr. R K Agarwal§, Mr. T C Suseel Kumar# and Mr. K Jairaj® to the median remuneration of employees of the Company for the financial year 2021 – 2022 is 158.21:1, 71.23:1, 1.36:1, 71.24:1, 1:1, 1.01:1, 1.65:1, 1.66:1, 0.67:1, 0.64:1, 0.33:1 and 0.02:1 and the percentage increase/ decrease in their remuneration during the said financial year is 24.12%, 12.26%, 22.22%, 12.26%, (28.32%), (28.38%), 19.11%, 19.56%, (46.81%), N.A, N.A, N.A and N.A respectively. The increase/decrease in remuneration of the Chief Financial Officer (CFO) and the Company Secretary and Chief Legal Officer during the said financial year was 19 % and 15.96 % respectively. During the said financial year, there was an increase of 5.19 % in the median remuneration of employees on the rolls as at 31st March, 2022. There were 1135 permanent employees on the rolls of Company as on 31st March, 2022.
- (2) During the financial year 2021- 22, the average increase in the remuneration was 10%.
- (3) The average % increase in the salaries of the employees on roll as at 31st March, 2022 other than the managerial personnel was 10% in 2021 -22 whereas the increase in the managerial remuneration for the same financial year was 13.61%.
- (4) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

Notes:-

* The term of office of Mr. K S B Sanyal and Mr. O P Malhotra, as Independent Directors of the Company has come to an end on 29th July, 2021 and consequently they have ceased to be the Independent Directors of the Company with effect from close of business hours on 29th July, 2021.

^ Mrs. Kusum Dadoo has tendered her resignation as an Independent Director from the Board of Directors of the Company w.e.f. 4th February, 2021 owing to personal reasons.

^ Mrs. Rusha Mitra has been appointed as a Non-Executive Independent Director in the Board of Directors of the Company to hold office for the first term of 5 (five) consecutive years with effect from 8th April, 2021 and her appointment got regularized vide the Ordinary Resolution passed by the Shareholders of the Company at its Annual General Meeting held on 22nd June, 2021.

§ Mr. R K Agarwal has been appointed as a Non-Executive Independent Director in the Board of Directors of the Company to hold office for the first term of 5 (five) consecutive years with effect from 26th July, 2021 and his appointment got regularized vide the Ordinary Resolution passed by the Shareholders of the Company by way of Postal Ballot through electronic means held on 2nd December, 2021.

Mr. T.C. Suseel Kumar has been appointed as a Non-Executive Independent Director in the Board of Directors of the Company to hold office for the first term of 5 (five) consecutive years with effect from 27th October, 2021 and his appointment got regularized vide the Ordinary Resolution passed by the Shareholders of the Company by way of Postal Ballot through electronic means held on 2nd December, 2021.

® Mr. K Jairaj has been appointed as a Non-Executive Independent Director in the Board of Directors of the Company to hold office for the first term of 5 (five) consecutive years with effect from 8th March, 2022 vide the Special Resolution passed by the Shareholders of the Company by way of Postal Ballot through electronic means on 26th February, 2022.

For and on behalf of the Board

Place: Kolkata
Date: 19 April, 2022

Dr. Sanjiv Goenka
DIN: 00074796



Annexure E to the Boards' Report

Secretarial Audit Report

Form No. – MR-3

For the financial year ended on 31st March, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members
M/s. PCBL Limited
(Formerly known as M/s. Phillips Carbon Black Limited)
31 Netaji Subhas Road
Kolkata – 700001

1. We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. PCBL Limited having CIN: L23109WB1960PLC024602** (herein after to be referred as '**the Company**') for and during the financial year ended 31st March, 2022 (herein after to be referred as '**audit period**'). Secretarial Audit was conducted on test check basis, in a manner that provided us a reasonable basis for evaluating the corporate conducts and statutory compliances of the Company for expressing our opinion thereon.
2. On the basis of aforesaid verification of the secretarial compliance and audit of Company's books, papers, minute books, forms, returns filed, and other records maintained by the Company, as provided to us during the said audit through information technology and also based on the information provided by the Company and its officers through electronic communication during the conduct of the said audit, we hereby report that in our opinion and to the best of our understanding, the Company during the audit period has complied with the statutory provisions listed hereunder and also the Company has adequate Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.
3. We further report that compliance with applicable laws is the responsibility of the Company and our report constitutes an independent opinion. Our report is neither an assurance for future viability of the Company nor a confirmation of efficient management by the Company.
4. (a) We have examined the secretarial compliance on test check basis of the books, papers, minute books, forms and returns filed and other records maintained by the Company for the audit period according to

the provisions of the following laws and as shown to us during our audit, as also referred in above paragraphs of this report:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder;
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.: -
 - a) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended;
 - c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended; (to the extent applicable to the Company during the audit period)
 - d) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended;
 - e) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- f) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021-Not Applicable to the Company during the audit period;
 - g) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021-Not Applicable to the Company during the audit period;
 - h) Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018-Not Applicable to the Company during the audit period;
 - i) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008-Not applicable to the Company during the audit period.
- (b) We have also examined the secretarial compliance on test check basis of the records maintained by the Company for the audit period, with the provisions of the following laws specifically applicable to the Company and as shown to us during our audit:
- i) Petroleum Act, 1934;
 - ii) The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008;
 - iii) The Water (Prevention and Control of Pollution) Act, 1974;
 - iv) The Air (Prevention and Control of Pollution) Act, 1981;
 - v) The Environment (Protection) Act, 1986;
 - vi) The Electricity Act, 2003; and
 - vii) The Indian Boilers Act, 1923
5. We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India under Section 118 of the Companies Act, 2013.
6. That on the basis of our audit and to the best of our knowledge, understanding and belief, we are of the view that during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above in Paragraph 4(a), Paragraph 4(b) and Paragraph 5 of this report;
 7. We have checked the compliance with the provisions of the Standard Listing Agreement entered by the Company with the National Stock Exchange of India Limited and BSE Limited in India and also with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable during the audit period and to the best of our knowledge, belief and understanding, we are of the view that the Company has complied with the secretarial functions and board processes to comply with the applicable provisions thereof, during the audit period.
 8. We further report that,
 - a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Companies Act, 2013.
 - b) Adequate notices are given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance.
 - c) Majority decision is carried through and recorded as part of the minutes.
 9. We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines, generally applicable to the Company.
 10. This Report is to be read with our letter of even date which is annexed herewith as **Annexure A**, forming an integral part of this Report.

For, **Anjan Kumar Roy & Co.**
Company Secretaries

Anjan Kumar Roy
Proprietor
FCS No. 5684
CP. No. 4557

UDIN: F005684D000097809
Peer Review Certificate No. 869/2020

Place : Kolkata
Date : 19th April, 2022



Annexure A

To the Secretarial Audit Report of M/s. PCBL Limited for the financial year ended 31st March, 2022

To
The Members
M/s. PCBL Limited
(Formerly known as M/s. Phillips Carbon Black Limited)
31 Netaji Subhas Road
Kolkata – 700001

Our Secretarial Audit Report for the financial year ended 31st March, 2022 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is limited to expressing an opinion on existence of adequate board process and compliance management system, commensurate to the size of the Company, based on the secretarial records as shown to us during the said audit and also based on the information furnished to us by the officers and agents of the Company during the said audit.
2. We have followed the audit practices and processes as were appropriate, to the best of our understanding, to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to check as to whether correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion. The said audit has been conducted through information technology medium in the best possible manner.

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc. and we have relied on such representation, in forming our opinion.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of compliance procedures on test basis. We would not be liable for any business decision or any consequences arising thereof, made on the basis of our report.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the Company.

For, **Anjan Kumar Roy & Co.**
Company Secretaries

Anjan Kumar Roy
Proprietor
FCS No. 5684
CP. No. 4557

UDIN: F005684D000097809
Peer Review Certificate No. 869/2020

Place : Kolkata
Date : 19th April, 2022

Report on Corporate Governance

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Corporate Governance framework of the Company is based on an effective Independent Board of Directors, separation of the supervisory role of the Board of Directors from the executive management team and constitution of the committees of the Board of Directors, as required under applicable laws. The Company strongly believes in ensuring and implementing good Corporate Governance across the entire organization with a view to sustain and improve, with each passing day, the Company's efficiency, effectiveness and social responsibility. The basic philosophy of Corporate Governance in our organization emphasizes on highest levels of transparency, accountability, awareness and equity in all respect of its operations. As a listed company, we are in compliance with the applicable provisions of the Listing Regulations, as amended, pertaining to Corporate Governance, including the appointment of the Independent Directors and constitution of Committees. The Board of Directors function either as a full Board or through various committees constituted to oversee specific operational areas. Our Company's management provides the Board of Directors with detailed reports on a periodic basis. Our continuous endeavour aims at designing and improving the flow of activities in an effective manner and ensuring economic prosperity and long term value creation for the enterprise as well as the stakeholders. The Company has a strong legacy of fair, transparent and ethical governance practices. The Board of Directors of the Company have ultimate responsibility for the management, general affairs, direction, performance and long-term success of business as a whole.

The Company is fully in compliance with the requirements specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including any statutory modifications or re-enactments thereof, (hereinafter referred to as the "SEBI Listing Regulations").

II. THE BOARD OF DIRECTORS

A. Composition and Category Of Directors

The Board of Directors of the Company (referred to as "The Board") is entrusted with the implementation of the activities of the Company in an effective and efficient manner as well as it is bestowed with the ultimate responsibility of the Management. The Board of Directors of the Company, being at the core of its Corporate Governance Practice, have the ultimate responsibility for the management, direction, performance, long-term success of the business as a whole and protection of the interests of all its stakeholders.

The Board of the Company consists of a mix of Executive as well as Non-Executive Directors with women directors present on its Board and the majority of the Board Members consisting of Independent Directors.

B. Terms of Reference

The composition of the Board satisfies the requirements of Regulation 17 of the SEBI Listing Regulations read with Schedule II Part A and Section 149 of the Companies Act, 2013 ("hereinafter referred to as "the Act").

C. Composition of the Board of Directors of The Company As On 31st March, 2022

The Board comprises:-

Category	No. of Directors	% of total no. of Directors
Non-Executive Promoter Directors	3	30
Executive Director, who is the Managing Director of the Company	1	10
Non-Executive Independent Directors	6	60
Total	10	100

The names and categories of Directors, the number of Directorships and Committee positions held by them in other companies and the shareholdings in the Company are given below:

Name of the Director	Category of the Director	Number of Directorships held in other Public Limited Companies incorporated in India	Number of Committee Memberships/ Chairmanships held in other Public Limited Companies incorporated in India		Directorship in other listed entity (Category of Directorship) ³	No. of Shares and Convertible Instruments held in the Company
		Director ¹	Chairman ²	Member ²		
Dr. Sanjiv Goenka (DIN: 00074796)	Promoter, Non-Executive (Chairman)	8	4	6	1. Saregama India Limited (Non-Executive, Non-Independent) 2. CESC Limited (Non-Executive, Non-Independent) 3. Firstsource Solutions Limited (Non-Executive, Non-Independent) 4. RPSG Ventures Limited (Non-Executive, Non-Independent) 5. Spencer's Retail Limited (Non-Executive, Non-Independent)	Nil
Mrs. Preeti Goenka (DIN: 05199069)	Promoter, Non-Executive	1	-	-	1. Saregama India Limited (Non-Executive, Non-Independent)	Nil
Mr. Kaushik Roy (DIN: 06513489)	Managing Director	3	-	-	1. Harrisons Malayalam Limited (Non-Executive, Non-Independent) 2. Stel Holdings Limited (Non-Executive, Non-Independent)	Nil
Mr. Shashwat Goenka (DIN: 03486121)	Promoter, Non-Executive	5	-	3	1. CESC Limited (Non-Executive, Non-Independent) 2. Firstsource Solutions Limited (Non-Executive, Non-Independent) 3. RPSG Ventures Limited (Non-Executive, Non-Independent) 4. Spencer's Retail Limited (Non-Executive, Non-Independent)	Nil
Mr. K S B Sanyal* (DIN: 00009497)	Non-Executive & Independent	3	2	-	1. IFGL Refractories Limited (Non-Executive, Independent)	Nil
Mr. O P Malhotra* (DIN: 00009086)	Non-Executive & Independent	-	-	-	-	Nil
Mr. Paras Kumar Chowdhary (DIN: 00076807)	Non-Executive & Independent	2	-	2	1. CEAT Limited (Non-Executive, Independent)	Nil



"At PCBL, we believe in earning the right to grow through efficiency, values and integrity. We lead from the front in thought and action. We follow the highest standards of corporate governance and are very mindful of the environment"

– Dr. Sanjiv Goenka, Chairman

Name of the Director	Category of the Director	Number of Directorships held in other Public Limited Companies incorporated in India	Number of Committee Memberships/ Chairmanships held in other Public Limited Companies incorporated in India		Directorship in other listed entity (Category of Directorship) ³	No. of Shares and Convertible Instruments held in the Company
			Chairman ²	Member ²		
Mr. Pradip Roy (DIN: 00026457)	Non-Executive & Independent	1	-	1	1. Precision Wires India Limited (Non-Executive, Independent)	Nil
Mrs. Rusha Mitra (DIN: 08402204) [^]	Non-Executive & Independent	8	2	6	1. Harrisons Malayalam Ltd (Non-Executive, Independent) 2. Naga Dhunseri Group Ltd. (Non-Executive, Independent) 3. Lux Industries Limited (Non-Executive, Independent) 4. GKW Ltd (Non-Executive, Independent) 5. Texmaco Rail and Engineering Limited (Non-Executive, Independent) 6. Quest Capital Markets Limited (Non-Executive, Independent)	Nil
Mr. R K Agarwal (DIN: 00416964) ^{\$}	Non-Executive & Independent	3	3	4	1. Cigniti Technologies Limited (Non-Executive, Independent)	Nil
Mr. T.C Suseel Kumar (DIN: 06453310) [#]	Non-Executive & Independent	3	1	3	1. Lakshmi Machine Works Limited (Non-Executive, Independent) 2. Axis Bank Limited (Non-Executive, Independent) 3. BSE Limited (Non-Executive, Independent)	Nil
Mr. K Jairaj (DIN: 01875126) [@]	Non-Executive & Independent	7	4	8	1. Adani Transmission Limited (Non-Executive, Independent) 2. RPSG Ventures Limited (Non-Executive, Independent)	Nil

* The term of office of Mr. K S B Sanyal and Mr. O P Malhotra, as Independent Directors of the Company has come to an end on 29th July, 2021 and consequently they have ceased to be the Independent Directors of the Company with effect from close of business hours on 29th July, 2021.

[^] Mrs. Rusha Mitra has been appointed as a Non-Executive Independent Director in the Board of Directors of the Company to hold office for the first term of 5 (five) consecutive years with effect from 8th April, 2021 and her appointment got regularized vide the Ordinary Resolution passed by the Shareholders of the Company at its Annual General Meeting held on 22nd June, 2021.

^{\$} Mr. R K Agarwal has been appointed as a Non-Executive Independent Director in the Board of Directors of the Company to hold office for the first term of 5 (five) consecutive years with effect from 26th July, 2021 and his appointment got regularized vide the Ordinary Resolution passed by the Shareholders of the Company by way of Postal Ballot through electronic means held on 2nd December, 2021.

[#] Mr. T.C. Suseel Kumar has been appointed as a Non-Executive Independent Director in the Board of Directors of the Company to hold office for the first term of 5 (five) consecutive years with effect from 27th October, 2021 and his appointment got regularized vide the Ordinary Resolution passed by the Shareholders of the Company by way of Postal Ballot through electronic means held on 2nd December, 2021.



[@] Mr. K Jairaj has been appointed as a Non-Executive Independent Director in the Board of Directors of the Company to hold office for the first term of 5 (five) consecutive years with effect from 8th March, 2022 vide the Special Resolution passed by the Shareholders of the Company by way of Postal Ballot through electronic means on 26th February, 2022.

Notes:-

- Directorships held by Directors in the aforementioned Table do not include Private Limited Companies, Foreign Companies, Section 8 Companies, Alternate Directorships and One Person Companies. All the Public Limited Companies, whether listed or not, have been considered in the afore-mentioned Table.
- Memberships / Chairmanships of only the Audit Committee and the Stakeholders' Relationship Committee of the public limited companies, whether listed or not, have been considered. All other companies including private limited companies, foreign companies and companies under Section 8 of the Act have been excluded.
- The names of the Listed Entities where the person is a Director and the Category of Directorship have been depicted in the table as per the new requirement of Schedule V Part C of the SEBI Listing Regulations.
- In the wake of COVID-19 pandemic and to adhere to the lockdown and social distancing norms, the directors participated in the Meetings of the Board and Committees held during FY 2021-2022 through video conferencing. The meetings and agenda items taken up during the meetings complied with the Act and SEBI Listing Regulations read with various Circulars issued by the Ministry of Corporate Affairs ("MCA") and Securities and Exchange Board of India ("SEBI") due to COVID-19 pandemic.
- None of the Directors are related to each other, except for Dr. Sanjiv Goenka, Mr. Shashwat Goenka and Mrs. Preeti Goenka.
- The Independent Directors have confirmed that they meet the criteria of independence u/s 149(6) of the Act and Regulations 16(1)(b) and 25(8) of the SEBI Listing Regulations and are independent of the management. Necessary confirmations have also been taken from the Directors in compliance with Rule 6 Sub Rule 3 of the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019, which has come into force with effect from 1st December, 2019.
- The Company has proper systems to enable the Board of Directors to periodically review the compliance reports pertaining to all laws applicable to the Company.
- During the year 2021-2022, information as mentioned in Schedule II Part A of the SEBI Listing Regulations has been placed before the Board for its consideration.
- The Company has in place, plans for orderly succession for appointment to the Board of Directors and Senior Management.

- The Company also, has in place, procedures to inform Members of the Board of Directors about the risk assessment and minimization. The Company has in place a Risk Management Policy and the Risk Register relating to the Company and the implementation of the mitigation measures were taken up for discussion at the Risk Management Committee Meetings of the Company held on 26th July, 2021 and 20th January, 2022.
- The Chairman of our Company is a Non-Executive Director and is not related to the Managing Director of the Company.
- The maximum no. of Directorships held by all our Directors are well within the limit of 7 listed entities and none of the Directors of our Company serve as an Independent Director in more than 7 listed entities. Besides, the Managing Director of our Company does not serve as an Independent Director in any of the listed entities.
- The maximum no. of Committee Memberships held by all our Directors are well within the limit of 10 Committees and in case of Chairmanship, our Directors do not act as Chairman in more than 5 listed entities.

D. Board Meetings:-

The Board generally meets at least 4 times a year, with 1 meeting being held in every quarter. The intervening period between two Board Meetings is well within the maximum time gap of one hundred and twenty days as prescribed under the SEBI Listing Regulations. This financial year 2021-2022 witnessed eight Board Meetings. The Board Meeting dates are fixed well in advance and necessary intimations and disclosures take place. The notice of the Board meeting is given well in advance to all the Directors. The Agenda of the Board / Committee Meetings is set up by the Company Secretary and includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision. All the statutory and other significant and material information are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company as trustees of Shareholders. The Agenda for the Board and Committee Meetings cover items set out as per the guidelines in Listing Regulations to the extent it is relevant and applicable.

E. Board Agenda and Circulation:-

Keeping in view the underlying objective of the Company to impart and enhance the implementation of Green Initiatives across the organisation and with a view to leverage technology and reduce paper consumption, the Company has adopted a practice of making electronic presentation of the Agendas of Board Meeting and other Committee Meetings in the form of a power point presentation. The Agendas are mailed to all the Directors well in advance. However, as and when requests are received from Directors, the Agenda Papers are also circulated in hard copies well before the Board Meeting and other Committee Meetings.

F. Details of Board Meetings Held During the Financial year 2021-2022:-

The Board of Directors met 8 times during the financial year ended 31st March, 2022, details of which are depicted below:-

Sl No.	Date	Board Strength	No. of Directors present
1	8th April, 2021	8	5
2	21st April, 2021	9	8
3	26th July, 2021	9	9
4	27th August, 2021	8	8
5	22nd October, 2021	8	5
6	27th October, 2021	8	8
7	20th January, 2022	9	9
8	9th February, 2022	9	9

Attendance at Board Meetings and at Annual General Meetings held during the Financial Year 2021-2022:-

The Attendance Record of the Directors at the Board Meetings held on the afore-mentioned dates are captured herein below:-

Name of the Director	Board Meetings		Attendance at the last Annual General Meeting held through Video Conference
	Held during tenure	Attended	
Dr. Sanjiv Goenka	8	6	Yes
Mrs. Preeti Goenka	8	6	Yes
Mr. Shashwat Goenka	8	6	Yes
Mr. O.P. Malhotra	3	3	Yes
Mr. K.S.B. Sanyal	3	3	Yes
Mr. Paras K. Chowdhary	8	8	Yes
Mr. Pradip Roy	8	8	Yes
Mrs. Rusha Mitra	7	6	Yes
Mr. R K Agarwal	5	5	N.A.
Mr. T C Suseel Kumar	2	2	N.A.
Mr. Kaushik Roy	8	8	Yes

Note:-

1. Necessary Quorum, as per Regulation 17(2A) of the SEBI Listing Regulations was present for all the Meetings.

G. Compliance with the Code of Conduct

The Company has adopted the "Code of Conduct for Board Members and Senior Management Personnel". The Code of Conduct contains the duties of the Independent Directors as laid down in the Act. The Code is available on the website of the Company at www.pcbltd.com.

All the Directors including the Chairman, the Managing Director and the Senior Management Personnel of the Company have given a

declaration of compliance with the Company's Code of Conduct in accordance with Regulation 26(3) of the SEBI Listing Regulations during the year ended 31st March, 2022.

H. Post Board Meeting Follow-Up System

The Governance processes in the Company include an effective post-meeting follow-up and review and reporting process for actions taken / pending on the decisions of the Board and the Committees of the Board.

III. COMMITTEES OF THE BOARD

The Board has currently established the following Statutory & Non Statutory Committees. The Board Committees play a crucial role in the Governance Structure of the Company and have been constituted to deal with specific areas / activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry clearly defined roles which are considered to be performed by the Members of the Board, as part of Good Corporate Governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The Chairman of the respective Committees inform the Board about the summary of the discussion held in the Committee Meetings. The Minutes of the Meeting of all the Committees are placed before the Board for review.

Currently, there are six Committees of the Board – the Audit Committee, the Nomination and Remuneration Committee, the Stakeholders Relationship Committee, the Corporate Social Responsibility Committee, the Independent Directors Committee and the Risk Management Committee. The terms of reference of these Committees are determined by the Board from time to time. The composition, name of Members and attendance and the meetings of these Committees are enumerated below:

A. Audit Committee

1. Terms of Reference

The Company has an Audit Committee and the terms of reference are in conformity with the powers as stipulated in Regulation 18 read with Schedule II Part C of the SEBI Listing Regulations and Section 177 of the Act.

The role of the Audit Committee of the Company includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

2. Recommending to the Board, appointment, remuneration and terms of appointment of the auditors.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements and Auditors' Report before submission to the Board for approval, with particular reference to :
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub- section 3 of Section 134 of the Act.
 - b) Changes, if any, in accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgment by management.
 - d) Significant adjustments made in the financial statements arising out of audit findings.
 - e) Compliance with listing and other legal requirements relating to financial statements.
 - f) Disclosure of any related party transactions.
 - g) Modified opinion(s) in the draft audit report, if any.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing and monitoring the auditor's independence and performance, and effectiveness of the audit process.
7. Approval or any subsequent modification of transactions of the Company with related parties.
8. Valuation of undertakings or assets of the Company, wherever necessary.
9. Evaluation of internal financial controls and risk management systems.
10. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
11. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
12. Discussion with internal auditors any significant findings and follow up thereon.
13. Investigating into any matter in relation to the items specified in the terms of reference and reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control system of a material nature and reporting the matter to the Board.
14. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post -audit discussion to ascertain any area of concern.
15. Reviewing the Company's Risk Management Policies.
16. Valuation of undertakings or assets of the Company, wherever it is necessary.
17. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
18. Reviewing the compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended at least once in a financial year and verifying that the systems for internal control are adequate and are operating effectively.
19. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
20. Reviewing the utilization of loans and / advances from / investment by the holding company in the subsidiary exceeding Rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
21. Considering and commenting on the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.

The Auditors and the Key Managerial Personnel have a right to be heard in the meetings of the Audit Committee when it considers the Auditor's Report.

The Audit Committee is also empowered, pursuant to its terms of reference, to:

- Investigate any activity within its terms of reference and to seek any information it requires from any employee.
- Obtain professional advice from external sources to carry on any investigation and have full access to information contained in the records of the Company.
- Discuss any related issues with the internal and statutory auditors and the management of the Company.
- Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- Approve subsequent modification of transactions of the Company with related parties.
- Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Scrutinize the inter-corporate loans and investments and evaluate internal financial controls and risk management systems.
- Oversee the vigil mechanism/whistle blower policy of the Company.
- Approval of appointment of chief financial officer after assessing the qualifications, experience and background etc. of the candidate.

The Company has systems and procedures in place to ensure that the Audit Committee mandatorily reviews:

- Management discussion and analysis of financial condition and results of operations.
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by Management.
- Management letters/letters of internal control weaknesses issued by the statutory auditors.
- Internal Audit Reports relating to internal control weaknesses.
- The appointment, removal and terms of remuneration of the chief internal auditor.

Whenever applicable, monitoring end use of funds raised through public issues, right issues, preferential issues by major category (capital expenditure, sales and marketing, working capital etc.), shall form a part of the quarterly declaration of financial results.

In addition, the Audit Committee of the Board is also empowered to review the financial statements, in particular, the investments made by the unlisted subsidiary companies, in view of the requirements under Regulation 24 of the SEBI Listing Regulations. No person has been denied access to the Committee. The Minutes of the Meetings of the Board of Directors of the unlisted subsidiary companies are periodically placed before the meeting of the Audit Committee of the Board of Directors of the Company.

2. Composition of the Audit Committee as on 31st March, 2022:-

The Audit Committee comprises 4 Directors, all of whom are Non-Executive Independent Directors. The members of the Audit Committee are, Mr. Paras K Chowdhary, Mr. Pradip Roy, Mr. R K Agarwal and Mr T C Suseel Kumar. The Chairman of the Audit Committee, Mr. Paras K Chowdhary, is a Non-Executive Independent Director.

3. Details of Audit Committee Meetings Held During The Financial Year 2021 - 2022 :-

The Audit Committee met 4 times during the financial year ended 31st March, 2022, details of which are depicted below:-

Sl No.	Date	Committee Strength	No. of Members present
1	21st April, 2021	4	4
2	26th July, 2021	4	4
3	27th October, 2021	3	3
4	20th January, 2022	4	4

Attendance at Audit Committee Meetings held during the Financial Year 2021 - 2022:-

The names of Members and Chairman of the Audit Committee, Meetings held and attendance thereof during the Financial Year 2021 - 2022 are as given below:-

Name of the Director	Position held	No. of Committee Meetings	
		Held during tenure	Attended
Mr. Paras K. Chowdhary (Non-Executive & Independent)	Chairman	4	4
Mr. O.P. Malhotra (Non-Executive & Independent)	Member*	2	2
Mr. KSB Sanyal (Non-Executive & Independent)	Member*	2	2



Name of the Director	Position held	No. of Committee Meetings	
		Held during tenure	Attended
Mr. Pradip Roy (Non-Executive & Independent)	Member	4	4
Mr. R K Agarwal (Non-Executive & Independent)	Member [§]	2	2
Mr. T C Suseel Kumar (Non-Executive & Independent)	Member [#]	1	1

* The term of office of Mr. K S B Sanyal and Mr. O P Malhotra, as Independent Directors of the Company has come to an end on 29th July, 2021 and consequently they have ceased to be the Independent Directors of the Company with effect from close of business hours on 29th July, 2021. Subsequently, Mr. K S B Sanyal and Mr. O P Malhotra have also ceased to be the Members of the Audit Committee with effect from close of business hours on 29th July, 2021. Hence, their Committee Memberships till 29th July, 2021 have been considered.

[§] Mr. R K Agarwal was appointed as the Member of the Audit Committee at the Meeting of the Board of Directors held on 26th July, 2021 with effect from the forthcoming Committee Meeting.

[#] Mr. T C Suseel Kumar was appointed as the Member of the Audit Committee at the Meeting of the Board of Directors held on 27th October, 2021 with effect from the forthcoming Committee Meeting.

4. Meetings

- Audit Committee Meetings were held on 21st April, 2021, 26th July, 2021, 27th October, 2021 and 20th January, 2022 respectively. The intervening period between two Audit Committee Meetings is well within the maximum time gap of one hundred and twenty days as prescribed under the SEBI Listing Regulations. The necessary quorum was present for all the meetings. The Annual Accounts for the year ended 31st March, 2021 was reviewed by the Audit Committee at its Meeting held on 21st April, 2021. The Audit Committee also reviewed the Audited Financial Results for the year ended 31st March, 2021 and Unaudited Financial Results for the quarters ended 30th June, 2021, 30th September, 2021 and 31st December, 2021 before recommending their adoption to the Board.
- Mr. Paras K Chowdhary, the Chairman of the Audit Committee attended the Sixtieth Annual General Meeting of the Company held on 22nd June, 2021 to answer the shareholder's queries.
- The Managing Director, Chief Financial Officer, Head of Internal Audit and the representatives of the Statutory Auditors and Cost Auditors of the Company are invited by the Audit Committee to its Meetings. The Auditors are heard in the meetings of the Audit Committee when it considers the financial results of the

Company and auditors' views thereon are taken into consideration.

- The Company Secretary acts as Secretary to the Audit Committee.
- All Members of the Audit Committee are financially literate and have accounting and related financial management expertise.

5. ROLE OF INTERNAL AUDITOR

The Internal Audit has a well laid internal audit methodology, which assesses and promotes strong ethics and values within the organization and facilitates in managing changes in the business and regulatory environment. It encompasses all the aspects of business such as operational, financial, information systems, risk management and all the regulatory compliances are reviewed periodically. The Internal Auditor makes presentations and reports to the Audit Committee of the Board of Directors of the Company on a quarterly basis pertaining to the key internal audit findings and the action plan agreed with the Management.

B. Nomination and Remuneration Committee

1. Terms of Reference

The Company has a Nomination and Remuneration Committee and the terms of reference are in conformity with the provisions of Regulation 19 read with read with Schedule II Part D of the SEBI Listing Regulations and Section 178 of the Act.

The role of the Committee inter alia includes the following:

- Identify persons qualified to become Directors or hold senior management positions and advise the Board for such appointments/removals where necessary
- Formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, Key Managerial Personnel and other employees
- Evaluate the balance of skills, knowledge and experience on the Board and preparation of description of the role and capabilities of an independent director
- Evaluate the performance of Independent Directors and the Board of Directors and to decide whether to continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors
- Devise a policy on Board diversity
- Recommend to the Board, all remuneration, in whatever form, payable to senior management

- Specify the manner for effective evaluation of performance of the Board, its Committees and Individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.

In accordance with the recommendation of the Committee, the Company has since formulated a Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company. The Committee is responsible for recommending the fixation and periodic revision of remuneration of the Managing Director. The Committee also decides on payment of commission to Non-Executive Directors and other Senior Managerial Personnel. The performance evaluation criteria for Non-Executive Directors including Independent Directors laid down by Committee and taken on record by the Board includes -

- Attendance and participation in the Meetings.
- Preparedness for the Meetings.
- Understanding of the Company and the external environment in which it operates and contributes to strategic direction.
- Raising of valid concerns to the Board and constructive contribution to issues and active participation at meetings.
- Engaging with and challenging the management team without being confrontational or obstructionist.

The evaluation of Independent Directors shall be done by the entire Board of Directors which shall include -

- performance of the Directors; and
- fulfilment of the independence criteria as specified in the SEBI Listing Regulations and their independence from the management:

Provided that in the afore-said evaluation, the Directors who are subject to evaluation shall not participate.

2. Composition of the Nomination and Remuneration Committee as on 31st March, 2022:-

The Nomination and Remuneration Committee comprises 3 Directors, all of whom are Non - Executive Independent Directors. The Members of the Nomination and Remuneration Committee are Mr. Paras K Chowdhary, Mrs. Rusha Mitra and Mr. Pradip Roy. The Chairman of the Nomination and Remuneration Committee, Mr. Paras K Chowdhary, is a Non-Executive Independent Director.

3. Details of Nomination and Remuneration Committee Meetings Held During the Financial Year 2021 - 2022 :-

The Nomination and Remuneration Committee met 6 times during the financial year ended 31st March, 2022, details of which are depicted below:-

Sl No.	Date	Committee Strength	No. of Members present
1	8th April, 2021	2	2
2	21st April, 2021	3	2
3	22nd June, 2021	3	3
4	26th July, 2021	3	3
5	27th October, 2021	3	3
6	20th January, 2022	3	3

Attendance at Nomination and Remuneration Committee Meetings held during the Financial Year 2021 - 2022:-

The names of Members and Chairperson of the Nomination and Remuneration Committee, Meetings held and attendance thereof during the Financial Year 2021 - 2022 are as given below:-

Name of the Director	Position held	No. of Committee Meetings	
		Held during tenure	Attended
Mr. Paras K Chowdhary (Non-Executive Independent Director)	Chairman ^{&}	2	2
Mr. K S B Sanyal (Non-Executive Independent Director)	Member [*]	4	4
Mr. O P Malhotra (Non-Executive Independent Director)	Chairman [*]	4	4
Mrs. Rusha Mitra (Non-Executive Independent Director)	Member [#]	5	4
Mr. Pradip Roy (Non-Executive Independent Director)	Member ^{&}	2	2

[&] Mr. Paras K Chowdhary was appointed as the Chairman and Mr. Pradip Roy was appointed as the Member of the Nomination and Remuneration Committee at the Meeting of the Board of Directors held on 26th July, 2021 with effect from the forthcoming Committee Meeting.

^{*} The term of office of Mr. K S B Sanyal and Mr. O P Malhotra, as Independent Directors of the Company has come to an end on 29th July, 2021 and consequently they have ceased to be the Independent Directors of the Company with effect from close of business hours on 29th July, 2021. Subsequently, Mr. K S B Sanyal has also ceased to be the Member and Mr. O P Malhotra has also ceased to be the Chairman of the Nomination and Remuneration



Committee with effect from close of business hours on 29th July, 2021. Hence, their Committee Memberships till 29th July, 2021 have been considered.

[#] Mrs. Rusha Mitra was appointed as a Member of the Nomination and Remuneration Committee at the Meeting of the Board of Directors held on 8th April, 2021 with effect from the forthcoming Committee Meeting.

4. Meetings

- During the year ended 31st March, 2022, the Nomination and Remuneration Committee met 6 times on 8th April, 2021, 21st April, 2021, 22nd June, 2021, 26th July, 2021, 27th October, 2021 and 20th January, 2022 respectively.
- Necessary Quorum as per Regulation 19(2A) of the SEBI Listing Regulations, was present for all the Meetings.
- The Chairman of the Nomination and Remuneration Committee, Mr. O P Malhotra, was present at the Sixtieth Annual General Meeting of the Company held on 22nd June, 2021 to answer the shareholders' queries.
- The Company Secretary is in attendance at the Nomination and Remuneration Committee Meetings.

5. Remuneration Policy -

In compliance with the requirements of Act and Rules made thereunder and pursuant to Regulation 19 of the SEBI Listing Regulations read with Schedule II Part D to the said Regulations, the Board of Directors has a Nomination and Remuneration Policy for its Directors, Key Managerial Personnel, Functional Heads and other employees of the Company.

• Non - Executive Directors

The Non-Executive Directors are paid remuneration based on their contribution and current trends. The Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee decides the remuneration of the Non-Executive Directors.

The remuneration paid to the Non-Executive Directors by way of sitting fees is ₹ 1,00,000/- per Meeting for the Board Meetings, ₹ 50,000/- per Meeting for the Audit Committee Meetings, ₹ 20,000/- per Meeting for the Independent Directors' Committee Meetings and ₹ 5000/- per Meeting each for the Nomination and Remuneration Committee Meetings, Stakeholders Relationship Committee Meetings, Corporate Social Responsibility Committee Meetings and Risk Management Committee Meetings.

In addition to the afore-mentioned remuneration being paid by way of sitting fees, Commission was also paid to the Non-Executive Directors for the financial year 2020-21 during the financial year 2021-22.

THE DETAILS OF THE REMUNERATION PAID TO THE NON - EXECUTIVE DIRECTORS HAVE BEEN ENUMERATED BELOW:-

I. Details of Sitting Fees/ Remuneration

A. Sitting Fees/ Commission paid to the Non -Executive Directors

The sitting fees for the Board and the Committee Meetings and Commission paid to the Non-Executive Directors during the year ended 31st March, 2022 are as follows:-

Dr. Sanjiv Goenka - Sitting Fees ₹ 6,00,000/- and Commission ₹ 5,71,00,000/-, Mr. Shashwat Goenka - Sitting Fees ₹ 6,05,000/- and Commission ₹ 5,71,00,000/-, Mrs. Preeti Goenka - Sitting Fees ₹ 6,00,000/- and Commission ₹ 5,00,000/-, Mr. K S B Sanyal - Sitting Fees ₹ 3,20,000/- and Commission ₹ 5,00,000/-, Mr. O P Malhotra - Sitting Fees ₹ 3,10,000/- and Commission ₹ 5,00,000/-, Mr. Paras K Chowdhary - Sitting Fees ₹ 8,40,000/- and Commission ₹ 5,00,000/-, Mr. Pradip Roy - Sitting Fees ₹ 8,45,000/- and Commission ₹ 5,00,000/-, Mrs. Kusum Dadoo* - Commission - ₹ 5,00,000/-, Mrs. Rusha Mitra - Sitting Fees ₹ 5,45,000/-, Mr. R K Agarwal - Sitting Fees - ₹ 5,20,000/-, Mr. T C Suseel Kumar - Sitting Fees - ₹ 2,70,000/- and Mr. K Jairaj - Sitting Fees - ₹ 20,000/-.

*Mrs. Kusum Dadoo has tendered her resignation as an Independent Director from the Board of Directors of the Company w.e.f. 4th February, 2021 owing to personal reasons. Accordingly, the Commission was paid to Mrs. Dadoo for the financial year 2020-21 during the financial year 2021-22.

The Company also reimburses the out of pocket expenses incurred by the Directors for attending the Meetings.

• Executive Director

Payment of remuneration to the Managing Director, who is the Executive Director of the Company, is governed by the agreement executed between him and the Company and are also governed by the Board and Shareholders' resolutions. The remuneration structure comprises salary, variable pay, perquisites and allowances and retirement benefits in the forms of superannuation and gratuity. The Company does not have any Employee Stock Option Scheme.

Executive Director	Business relationships with the Company, if any	All elements of remuneration package, i.e. salary, benefits, bonuses, pension etc. for the year ended 31st March, 2022	
		Description	Amount (₹ in crores)
Mr. Kaushik Roy*	Managing Director	Salary and Allowances,	11.10
		Contribution to Provident, Gratuity and Superannuation Funds	1.30
		Perquisites	0.42
		Total	12.81

* Service Contract: For a period of three years w.e.f. 5th February, 2022. The Board of Directors of the Company at its Meeting held on 27th October, 2021 approved the re-appointment of Mr. Kaushik Roy as the Managing Director of the Company for a further period of 3 years w.e.f. 5th February, 2022 and the same was also approved by the shareholders by way of Postal Ballot and voting through electronic means on 2nd December, 2021.

* Notice Period: Ninety days notice from either side

* Severance Fees: Ninety days salary in lieu of notice

* Stock Options: None

6. Succession Policy

Succession Planning is a process of ascertaining the need for filling positions at the Board, senior management and other key positions. It involves identification for the said roles, assessment of their potential and developing next generation of leaders as potential successors for key leadership roles in the Company. The Company has in place a Succession Policy and the Board of Directors of the Company reviews and monitors the implementation of the Policy on an annual basis to ensure its effectiveness and to satisfy that plans are in place for orderly succession for appointments to the Board and to the Senior Management. The Company recognises that Succession Planning is a continuous process rather than a onetime event and hence, intends to put in place this Policy that aligns talent management with the said objective and endeavours to mitigate the critical risks such as Vacancy, Readiness and Transition risk. The Board of Directors of the Company has given the authority to Nomination and Remuneration Committee of the Board of Directors of the Company for implementing this Policy and its related procedures. The afore-said Policy is available on the website of the Company and may be accessed at the link: <https://www.pcbltd.com/investor-relation/general-policies>.

C. Stakeholders' Relationship Committee

1. Terms of Reference

The Company has a Stakeholders' Relationship Committee and the terms of reference of the Stakeholders' Relationship Committee are in conformity with the provisions of Regulation 20 read with Schedule II Part D of the SEBI Listing Regulations and Section 178 of the Act. The Stakeholders' Relationship Committee specifically looks into the various aspects of interest of shareholders, debenture holders and other security holders.

The role of the Committee inter alia includes the following:

- Resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings etc;

- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company.

2. Composition of the Stakeholders' Relationship Committee as on 31st March, 2022:-

The Stakeholders' Relationship Committee comprises 3 Directors, out of which 2 Directors are Non - Executive Independent Directors and 1 Director is an Executive Director of the Company. The Members of the Stakeholders' Relationship Committee are Mrs. Rusha Mitra, Mr. Pradip Roy and Mr. Kaushik Roy. The Stakeholders' Relationship Committee of the Board of Directors meets at regular intervals and specifically looks into the various aspects of interests of the shareholders and other security holders.

3. Details of Stakeholders' Relationship Committee Meetings Held During the Financial Year - 2021 - 2022:-

The Stakeholders Relationship Committee met 2 times during the financial year ended 31st March, 2022, details of which are depicted below:-

Sl. No.	Date	Committee Strength	No. of Members present
1	26th July, 2021	3	3
2	20th January, 2022	3	3

Attendance at Stakeholders' Relationship Committee Meetings held during the Financial Year 2021 -2022:-

The names of Members and Chairperson of the Stakeholders Relationship Committee, Meetings held and attendance thereof during the Financial Year 2021 - 2022 are as given below:-

Name of the Director	Position held	No. of Committee Meetings	
		Held during tenure	Attended
Mrs. Rusha Mitra (Non-Executive & Independent)	Chairperson ^{&}	2	2
Mr. K S B Sanyal (Non-Executive & Independent)	Member [*]	1	1
Mr. Kaushik Roy (Managing Director)	Member	2	2
Mr. Pradip Roy (Non-Executive & Independent)	Member [#]	1	1

[&] Mrs. Rusha Mitra was appointed as the Chairperson of the



Stakeholders Relationship Committee at the Meeting of the Board of Directors held on 8th April, 2021 with effect from the forthcoming Committee Meeting.

* The term of office of Mr. K S B Sanyal as an Independent Director of the Company has come to an end on 29th July, 2021 and consequently he has ceased to be the Independent Director of the Company with effect from close of business hours on 29th July, 2021. Subsequently, Mr. K S B Sanyal has also ceased to be the Member of the Stakeholders Relationship Committee with effect from close of business hours on 29th July, 2021. Hence, his Committee Membership till 29th July, 2021 has been considered.

[#] Mr. Pradip Roy was appointed as the Member of the Stakeholders Relationship Committee at the Meeting of the Board of Directors held on 26th July, 2021 with effect from the forthcoming Committee Meeting.

Name and designation of Compliance Officer: Mr. Kaushik Mukherjee, Company Secretary & Chief Legal Officer.

Name and designation of the Nodal Officer for IEPF related matters: Mr. Kaushik Mukherjee, Company Secretary & Chief Legal Officer.

4. Meetings

- During the year ended 31st March, 2022, the Stakeholders' Relationship Committee met twice on 26th July, 2021 and 20th January, 2022 respectively.
- The Chairperson of the Stakeholders Relationship Committee, Mrs. Rusha Mitra was present at the Sixtieth Annual General Meeting of the Company held on 22nd June, 2021 to answer the queries of the security holders.
- The Company Secretary is in attendance at the Stakeholders' Relationship Committee Meetings.
- The Company has a User ID and Password in place for logging into the SEBI Complaints Redressal System - 'SCORES' and can view the complaints which have been lodged by the shareholders. The Company ensures that timely redressals are made against any complaints raised by the shareholders relating to registration of share transfers, issue of new share certificates, sub-division or consolidation of shareholdings etc.

5. Status of Shareholders' Complaints

Number of complaints received during the year ended 31st March, 2022 as per records of the Company	Number of complaints resolved during the year ended 31st March, 2022	Number of complaints pending as on 31st March, 2022
2	2	Nil

* The Company has received confirmations from National Stock Exchange of India Limited, Bombay Stock Exchange Limited and from our Registrar Link Intime India Pvt. Ltd. that no investor complaints are pending against the company as on 31st March, 2022.

6. Share Transfer

Mr. Kaushik Roy, Managing Director, Mr. Kaushik Mukherjee, Company Secretary & Chief Legal Officer and Mr. Raj Kumar Gupta, Chief Financial Officer are severally authorized to approve share transfers in physical mode.

D. Risk Management Committee

1. Terms of Reference

The Company has a Risk Management Committee and the terms of reference of the Risk Management Committee are in conformity with the provisions of Regulation 21 of the SEBI Listing Regulations. The Risk Management Committee looks into the monitoring and reviewing of the risk management plan and such other functions, as it may deem fit and such function specifically covers cyber security.

Pursuant to the provisions of the Act, a statement indicating development and implementation of a risk management policy for the Company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company have also been dealt with in the Board's Report.

2. Composition of the Risk Management Committee as on 31st March, 2022:-

The Risk Management Committee comprises 3 Directors, out of which 1 Director is an Executive Director and the other 2 Directors are the Non-Executive Independent Directors. This composition is in line with the requirement of Regulation 21 of the SEBI Listing Regulations. The Members of the Risk Management Committee are Mr. Kaushik Roy, Mr. Paras K Chowdhary and Mr. Pradip Roy. Under the Chairmanship of Mr. Kaushik Roy, who is the Managing Director of our Company, the Risk Management Committee of the Board of Directors meets twice in a financial year to inform the Board Members about the risk assessment and minimization procedures and adoption of requisite risk mitigation measures and their implementation thereof.

3. Details of Risk Management Committee Meetings Held During the Financial Year - 2021 - 2022:-

The Risk Management Committee met twice during the financial year ended 31st March, 2022, details of which are depicted below:-

Sl. No.	Date	Committee Strength	No. of Members present
1	26th July, 2021	3	3
2	20th January, 2022	3	3

Attendance at Risk Management Committee Meetings held during the Financial Year 2021 -2022:-

The names of Members and Chairperson of the Risk Management Committee, Meetings held and attendance thereof during the Financial Year 2021 – 2022 are as given below:-

Name of the Director	Position held	No. of Committee Meetings	
		Held during tenure	Attended
Mr. Kaushik Roy (Managing Director)	Chairman	2	2
Mr. Paras K Chowdhary (Non-Executive Independent Director)	Member	2	2
Mr. Pradip Roy (Non-Executive Independent Director)	Member	2	2

4. Meetings

- During the year ended 31st March, 2022, the Risk Management Committee met twice on 26th July, 2021 and 20th January, 2022.
- The Chairman of the Risk Management Committee is the Managing Director of the Company.
- The Company Secretary is in attendance at the Risk Management Committee Meetings.
- The Risk Management process involves the identification, evaluation/assessment, prevention and control of the risks, determining the cost of risk likely to be and ensuring that adequate financial resources are available for implementing the selected technique, measuring and monitoring effectiveness of controls and reviewing and reporting the Risk Management process at appropriate intervals, at least annually.
- The Risk Management Committee has sought professional advice from an external member as and when it considers necessary.

E. Corporate Social Responsibility (CSR) Committee

1. Terms of Reference

The Board of Directors of the Company has a Corporate Social Responsibility Committee and the terms of reference are in conformity with the provisions of Section 135 read with Schedule VII of the Act and the Rules framed thereunder. The CSR Committee monitors the implementation of CSR projects or programmes undertaken by the Company.

The role of the Committee inter alia includes the following:-

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which

shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII of the Act.

- Recommend the amount of expenditure to be incurred on the activities referred to in the above point.
- Monitor the Corporate Social Responsibility Policy of the Company from time to time.

2. Composition of the Corporate Social Responsibility Committee as on 31st March, 2022:-

The Corporate Social Responsibility Committee comprises 3 Directors out of which 1 is an Executive Director, 1 is a Non - Executive Independent Director and 1 is a Non-Executive Director. The Chairman of the Committee is Mr. Kaushik Roy, an Executive Director, who is also the Managing Director of the Company. The Members of the Corporate Social Responsibility Committee are, Mr. Kaushik Roy, Mrs. Rusha Mitra and Mr. Shashwat Goenka.

3. Details of Corporate Social Responsibility Committee Meeting Held During the Financial Year 2021 - 2022:-

The Corporate Social Responsibility Committee met twice during the financial year ended 31st March, 2022, details of which are depicted below:-

Sl. No.	Date	Committee Strength	No. of Members present
1	21st April, 2021	3	3
2	9th February, 2022	3	3

Attendance at Corporate Social Responsibility Committee Meetings held during the Financial Year 2021 – 2022:-

The names of Members and Chairperson of the Corporate Social Responsibility Committee, Meetings held and attendance thereof during the Financial Year 2021 – 2022 are as given below:-

Name of the Director	Position held	No. of Committee Meetings	
		Held during tenure	Attended
Mr. Kaushik Roy (Managing Director)	Chairman	2	2
Mr. K S B Sanyal (Non-Executive and Independent)	Member*	1	1
Mr. Shashwat Goenka (Non-Executive)	Member	2	2
Mrs. Rusha Mitra (Non-Executive and Independent)	Member ^S	1	1

^S Mrs. Rusha Mitra was appointed as the Member of the Corporate Social Responsibility Committee at the Meeting of the Board of Directors held on 26th July, 2021 with effect from the forthcoming Committee Meeting.



* The term of office of Mr. K S B Sanyal as an Independent Director of the Company has come to an end on 29th July, 2021 and consequently he has ceased to be the Independent Director of the Company with effect from close of business hours on 29th July, 2021. Subsequently, Mr. K S B Sanyal has also ceased to be the Member of the Corporate Social Responsibility Committee with effect from close of business hours on 29th July, 2021. Hence, his Committee Membership till 29th July, 2021 has been considered.

4. Meetings

- During the year Corporate Social Responsibility Committee met twice on 21st April, 2021 and 9th February, 2022.
- The Company Secretary is in attendance at the Corporate Social Responsibility Committee.
- The Corporate Social Responsibility Policy of the Company is posted on the website of the Company at the link: <https://www.pcbltd.com/investor-relation/general-policies>.
- The details of CSR expenditure spent during the financial year 2021-22 have been elaborated in 'Annexure – C' to the Board's Report.

F. Independent Directors' Committee

1. Terms of Reference

The Board of Directors of the Company has an Independent Directors' Committee and the terms of reference are in conformity with the provisions of Section 149 read with Schedule IV to the Act and the Rules framed thereunder and Regulations 16(1)(b) and 25(8) of the SEBI Listing Regulations. Necessary confirmations have also been taken from the Directors in compliance with Rule 6 Sub Rule 3 of the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019, which has come into force with effect from 1st December, 2019. The statutory role of the Independent Directors' Committee of the Board of Directors is encapsulated herein below:-

- To review the performance of Non-Independent Directors and the Board as a whole;
- To review the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- To assess the quality, quantity and timeliness of flow of information between the Company Management and Board that is necessary for the Board to effectively and reasonably perform their duties.

Familiarization Programme of the Independent Directors

In accordance with the Code of Conduct for Independent Directors specified under the Act and the SEBI Listing Regulations, the Company

has in place a familiarization programme for all its Independent Directors. Such familiarization programmes help the Independent Directors to understand the Company's strategy, business model, operations, markets, organization structure, risk management etc. and such other areas as may arise from time to time.

The policy on the familiarization programmes imparted to the Independent Directors is posted on the website of the Company and may be accessed at the link: <https://www.pcbltd.com/investor-relation/general-policies>.

Dr. Sanjiv Goenka, Chairman, steers the deliberations of the Board with inputs from independent and non-independent directors. Mr. Kaushik Roy, Managing Director of the Company, is a well qualified professional with rich corporate level experience.

The Board has identified the following skills/ expertise/competencies fundamental for the effective functioning of the Company's business which are currently available with the Board.

Global Business	Understanding of global business dynamics across various geographical markets, industry verticals and regulatory jurisdictions.
Strategy and Planning	Appreciation of long – term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
Governance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.
Organisational Capacity Building	Acumen to evaluate organisational capacity and readiness across relevant parameters and provide guidance on bridging gaps in capacity building. Ability to understand the talent market and the Company's talent quotient so as to help finetune strategies to attract, retain and nurture competitively superior talent.
Risk Management and Compliance	Ability to appreciate key risks impacting the Company's businesses and contribute towards development of systems and controls for risk mitigation & compliance management and review and refine the same periodically.
Financial Expertise	Proficiency in financial management and reporting processes, capital allocation understanding the financial policies.

Policy Evaluation	Ability to comprehend the Company's governance philosophy and contribute towards its refinement periodically.
	Ability to evaluate policies, systems and processes in the context of the Company's businesses, and review the same periodically.
Environment, Social and Governance (ESG)	Experience in leading the Sustainability and Environment, Social and Governance visions of the organization to be able to integrate these into the strategy of the Company.

The eligibility of a person to be appointed as an Independent Director of the Company is dependent on whether the person possesses the requisite skill sets identified by the Board as above and whether the person is a proven leader in running a business that is relevant to the Company's business or is a proven academician in the field relevant to the Company's business. The Independent Directors so appointed are drawn from diverse backgrounds and possess special skills with regard to the industries / fields from where they come.

All the Independent Directors fulfil the conditions of independence specified in the Listing Regulations and they are all independent of Management. The Board of Directors of the Company have taken on record the declarations and confirmations submitted by the Independent Directors under Regulation 16(1)(b) read with 25(8) of the SEBI Listing Regulations after undertaking the due assessment of the veracity of the same.

2. Composition of the Independent Directors' Committee as on 31st March, 2022:-

The Independent Directors' Committee comprises all 6 Independent Directors. The Members of the Independent Directors' Committee are Mr. Paras K Chowdhary, Mr. Pradip Roy, Mrs Rusha Mitra, Mr. R K Agrawal, Mr. T C Suseel Kumar and Mr. K Jairaj. The Chairman of the Committee is Mr. Paras K Chowdhary, a Non-Executive Independent Director.

3. Details of Independent Directors' Committee Meeting Held During the Financial Year 2021-2022 :-

The Independent Directors' Committee met once during the financial year ended 31st March, 2022, details of which are depicted below:-

Sl No.	Date	Committee Strength	No. of Members present
1	15th March, 2022	6	6

Attendance at Independent Directors' Committee Meeting held during the Financial Year 2021- 2022:-

The names of Members and Chairperson of the Independent Directors' Committee Meeting held and attendance thereof during the Financial Year 2021 - 2022 are as given below:-

Name of the Director	Position held	No. of Committee Meeting	
		Held during tenure	Attended
Mr. Paras K Chowdhary (Non-Executive & Independent)	Chairman	1	1
Mr. Pradip Roy (Non-Executive & Independent)	Member	1	1
Mrs. Rusha Mitra (Non-Executive & Independent)	Member	1	1
Mr. R K Agarwal (Non-Executive & Independent)	Member	1	1
Mr. T C Suseel Kumar (Non-Executive & Independent)	Member	1	1
Mr. K Jairaj (Non-Executive & Independent)	Member	1	1

IV. SUBSIDIARY COMPANIES

The Company has 2 unlisted subsidiaries as on date, namely, Phillips Carbon Black Cyprus Holdings Limited and PCBL (TN) Limited and 1 step-down subsidiary namely, Phillips Carbon Black Vietnam Joint Stock Company. The Minutes of Meetings of the Board of Directors of the unlisted subsidiary companies are placed before the Meetings of the Board of Directors of the Company and the review of the financial statements, in particular, the investments made by the unlisted subsidiaries are taken on record and discussed at the Board Meeting of the Company. The Company does not have any material subsidiary. The Company's Policy for determination of a material subsidiary, as approved by the Board, may be accessed on its website at the link :- <https://www.pcblltd.com/investor-relation/general-policies>.

V. GENERAL BODY MEETINGS

1. Location and time of the last 3 Annual General Meetings (AGM) held and Special Resolutions Passed:

AGM Date	Venue	Time	Special Resolution Passed
60th 22nd June, 2021	Through video conferencing	10.30 A.M.	No
59th 30th July, 2020	Through video conferencing	10.30 A.M.	No
58th 19th July, 2019	"Dr. R P Goenka Auditorium", IMI	10.30 A.M.	Yes

An Extra-Ordinary General Meeting (EGM) of the Members of the Company was held on 24th September, 2021 at 10.30 A.M. (IST) through video conferencing to approve raising of funds by issuance of securities.

2. Details of Special Resolutions passed last year through Postal Ballot :-

The Shareholders had passed the following Resolutions as Special Resolutions by requisite majority by way of postal ballot through voting through electronic means -

- Change of Name of the Company from 'Phillips Carbon Black Limited' to 'PCBL Limited' and consequential amendment to the Memorandum of Association and Articles of Association of the Company
- Re-appointment of Mr. Kaushik Roy as the Managing Director of the Company w.e.f. 5th February, 2022
- Alteration of Memorandum of Association and Articles of Association
- Appointment of Mr. K Jairaj as a Non-Executive Independent Director of the Company
- Sub-division of 1 Equity Share of the Face Value of ₹ 2/- per share to 2 Equity Shares of the Face Value of ₹ 1/- per share
- Alteration of the Capital Clause in the Memorandum of Association
- Alteration of the Capital Clause in the Articles of Association.

Brief particulars of the postal ballot are provided below:-

- The Board of Directors of the Company appointed Mr. Anjan Kumar Roy, Practicing Company Secretary (Membership No. - FCS 5684), as the Scrutinizer for scrutinizing the postal ballot through e-voting;
- Dispatch of the Postal Ballot Notices dated 27th October, 2021, 20th January, 2022 and 10th February, 2022 along with the Explanatory Statement, were completed on 2nd November, 2021, 27th January, 2022 and 15th February, 2022 respectively through electronic mode to all those Members, whose email addresses are registered with the Company or with the Company's Registrar and Share Transfer Agent, namely, Link Intime India Private Limited ("RTA") or with their respective Depository Participants ("Depository"), in compliance with the MCA Circulars and SEBI Circulars.
- The Postal Ballot Notices were also posted on the website of the Company namely www.pcblltd.com.
- With regard to the Postal Ballot Notice of the Company dated 27th October, 2021, E-voting

commenced on Wednesday, 3rd November, 2021 at 9:00 A.M. (IST) and ended on Thursday, 2nd December, 2021 at 5:00 P.M. (IST).

- With regard to the Postal Ballot Notice of the Company dated 20th January, 2022, E-voting commenced on Friday, 28th January, 2022 at 9:00 A.M. (IST) and ended on Saturday, 26th February, 2022 at 5:00 P.M. (IST).
- With regard to the Postal Ballot Notice of the Company dated 10th February, 2022, E-voting commenced on Wednesday, 16th February, 2022 at 9:00 A.M. (IST) and ended on Thursday, 17th March, 2022 at 5:00 P.M. (IST).
- All the proposed Resolutions were passed with requisite majority and the Voting Results were duly intimated to the Stock Exchanges pursuant to Regulation 44(3) of the SEBI Listing Regulations as well as displayed on the Company's website at www.pcblltd.com.

3. Disclosure regarding appointment or re-appointment of Directors in accordance with Regulation 36(3) of the SEBI Listing Regulations has been provided in the Notice convening the Annual General Meeting of the Company.

VI. DISCLOSURES

1. Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large:

No such transactions took place during the year ended 31st March, 2022. The Board has approved the policy on materiality of related party transactions and on dealing with related parties including clear threshold limits duly approved by the Board of Directors of the Company and such policy is reviewed by the Board of Directors once in every three years and updated accordingly. The Policy is posted on the Company's website at the following link: <https://www.pcblltd.com/investor-relation/general-policies>. Details of transactions with the related parties as specified in Indian Accounting Standard (IND AS - 24) issued by the Institute of Chartered Accountants of India are disclosed in Note No. - 28 to the standalone financial statements for the financial year 2021-22.

2. Disclosure by Senior Management in accordance with Regulation 26(5) of the SEBI Listing Regulations:

For the financial year ended 31st March, 2022, the Senior Management Personnel of the Company have confirmed to the Board of Directors that they do not have any personal interest relating to material, financial and commercial transactions entered into with the Company that may have a potential conflict with the interests of the Company at large.

3. Disclosures on Compliance of Law :

The Company has complied with the mandatory requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets during the last three years. No penalties or strictures were imposed by SEBI, Stock Exchanges, or any statutory authorities on any matter related to capital markets during the last three years.

4. Vigil Mechanism / Whistle Blower Policy:

The Company has a Whistle Blower Policy / Vigil Mechanism which is posted on the website of the Company at the link: <https://www.pcblltd.com/responsibility/policy> for its Directors and Employees to report their concerns about the Company's working or about any violation of its policies. The vigil mechanism provides for adequate safeguards against victimization of Director (s) or Employee (s) or any other person who avail the mechanism and also provide direct access to the Chairperson of the Audit Committee. No personnel have been denied any access to the Audit Committee. Besides, as per the requirement of Clause 6 of Regulation 9A of SEBI (Prohibition of Insider Trading) Regulations, as amended, our Company ensures to make employees aware of such Whistle-Blower Policy to report instances of leak of unpublished price sensitive information.

5. Code for Prevention of Insider Trading Practices

In compliance with the SEBI Regulation on Prohibition of Insider Trading, the Company has in place a comprehensive Code of Conduct to Regulate, Monitor and Report Trading by Insiders, for its Directors and Senior Management Officers. The Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with the shares of the Company. The Code clearly specifies, among other matters, that Directors and Designated Persons of the Company, as defined in the Code, can trade in the shares of the Company only during 'Trading Window Open Period'. The trading window is closed during the time of declaration of results, dividend and other material events as per the Code. The intimation of the closure of Trading Window, as per the SEBI Regulations on Prohibition of Insider Trading, is given to the Stock Exchanges before the end of every quarter with effect from the 1st day of the month immediately succeeding the end of every quarter till 48 hours after the declaration of financial results of the Company to the Stock Exchanges. The same is intimated to the Designated Persons as well. These aforementioned Codes are posted on the website of the Company at the link: <https://www.pcblltd.com/investor-relation/general-policies>. Annual Declarations containing the annual disclosures of holding of securities have been obtained from all the Directors and the Designated Persons of

the Company for the financial year ended 31st March, 2022. Besides, a declaration has also been obtained from the Managing Director of the Company ensuring compliance with Regulation 9 Sub regulations 1 and 2 of the SEBI (Prohibition of Insider Trading) Regulations, as amended.

An awareness film on Prohibition of Insider Trading Regulations which has been designed to sensitise the employees of the Company about the recent trends of Insider Trading and its potentially damaging impact on individuals as well as the Company, has been posted on the website of the Company at <https://www.pcblltd.com/investor-relation/general-policies>. The film intends to spread awareness about trading in the Company's shares by "Insiders", including directors, employees and other persons connected to the Company while in possession of Unpublished Price Sensitive Information (UPSI).

Mr. Kaushik Mukherjee, Company Secretary & Chief Legal Officer, is the Compliance Officer who also acts as the Chief Investor Relations Officer.

6. Details of compliance with mandatory requirements and adoption of non-mandatory requirements

All mandatory requirements have been complied with and the non-mandatory requirements are dealt with at the end of the Report.

7. Policy for determining 'material' subsidiaries

The Company has adopted a Policy on Material Subsidiary in line with the requirements of the Listing Regulations. The objective of this Policy is to lay down criteria for identification and dealing with material subsidiaries. The policy on Material Subsidiary is available on the website of the Company at the following link: <https://www.pcblltd.com/investor-relation/general-policies>.

8. Commodity price risk or foreign exchange risk and hedging activities

1. Risk Management Policy of the Company with respect to the Commodities and Forex:

Commodities form a major part of the raw materials required for the Company's products portfolio and hence commodity price risk is one of the important market risks for the Company. Commodity price risk results from changes in market prices for raw materials, mainly carbon black feedstock which forms the largest portion of company's cost of sales. The Company endeavours to reduce such risks by maintaining inventory at optimum level through a highly probable sales forecast on quarterly basis and also through worldwide purchasing activities. Raw materials are purchased exclusively to cover Company's own requirements. Further, a significant portion of Company's volume is sold based on formula driven price adjustment mechanism which allows for recovery of the changed raw material cost from customers. The

Company also endeavours to offset the effects of increases in raw material costs through price increases in its non - contract sales, productivity improvement and other cost reduction efforts. The Company has not entered into any derivative contracts to hedge exposure to fluctuations in commodity prices.

The Company operates in International markets and therefore is exposed to foreign currency risk arising from foreign currency transactions. The exposure relates primarily to the Company's operating activities (when the revenue or expense is denominated in foreign currency), borrowings in foreign currencies and investment in overseas subsidiaries. Over ninety percent of Company's foreign currency transactions are in USD while the rest are in Euro, JPY and GBP. The risk is measured through forecast of highly probable foreign currency cash flows. The Company's risk management policy is hedging of net foreign currency exposure at all points in time through foreign exchange forward contracts, vanilla option contract and cross currency interest rate swaps. The objective of the hedging is to eliminate the currency risk due to volatility in exchange rates. The details of foreign exchange exposures as on 31st March, 2022 are disclosed in Notes to the Standalone Financial Statements.

2. Exposure of the Listed Entity to commodity and commodity risks faced by the entity throughout the year:

The Company has not entered into any derivative contracts to hedge exposure to fluctuations in commodity prices.

9. Certificate from the Managing Director and the Chief Financial Officer

Certificate from Mr. Kaushik Roy, Managing Director and Mr. Raj Kumar Gupta, Chief Financial Officer, in terms of Regulation 17(8) and the quarterly certificate from Mr. Kaushik Roy, Managing Director and Mr. Raj Kumar Gupta, Chief Financial Officer, in terms of Regulation 33(2A) of the SEBI Listing Regulations for the financial year ended 31st March, 2022 was placed before the Board of Directors of the Company in its Meeting held on 19th April, 2022.

10. Code of Conduct

A Code of Business Conduct and Ethics for Members of the Board and Senior Management Personnel which suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013, has been adopted by the Board. The Code of Conduct for Board Members and Senior Management Personnel of the Company is posted on the Company's website at the following link: <https://www.pcblltd.com/investor-relation/share-information/code-of-conduct>.

All Board Members and Senior Management Personnel have affirmed compliance with the Code on an annual basis for the financial year ended 31st March, 2022. A declaration to this effect signed by the Managing Director in terms of SEBI Listing Regulations forms a part of this Annual Report.

11. Declaration by Independent Directors under Section 149(6) of the Act and Regulation 16(1)(b) read with Regulation 25(8) of the SEBI Listing Regulations and Rule 6 Sub Rule 3 of the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019

During the financial year ended 31st March, 2022, the Company received declarations in terms of the provisions of Section 149(6) of the Act and Regulation 16(1)(b) read with Regulation 25(8) of the SEBI Listing Regulations from the following Independent Directors namely, Mr. Paras K Chowdhary, Mr. Pradip Roy, Mrs. Rusha Mitra, Mr. R K Agarwal, Mr. T C Suseel Kumar and Mr. K Jairaj. Necessary confirmations were also taken from the afore-mentioned Independent Directors in compliance with Rule 6 Sub Rule 3 of the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019 which has come into force with effect from 1st December, 2019.

12. Sexual Harassment Policy

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 covering all employees of the Company. The Internal Complaints Committee (ICC) is set up for the purpose of providing protection against the sexual harassment of women at workplace and for the prevention and redressal of complaints of sexual harassment and for matters connected therewith or incidental thereto. The status of complaints is as given below:

No. of complaints filed during the financial year	No. of complaints disposed of during the financial year	No. of complaints pending as on the end of the financial year
Nil	Nil	Nil

13. Dividend Distribution Policy

The Company has formulated a Dividend Distribution Policy in accordance with Regulation 43A of the SEBI Listing Regulations. The policy has been detailed in the Board's Report and is posted on the Company's website at the following link: <https://www.pcblltd.com/investor-relation/general-policies>.

14. Utilization of funds raised through preferential allotment or qualified institutions placement

During the year ended 31 March, 2022, the Company has allotted and issued 1,63,93,442 equity shares of ₹ 2 each at an issue price of ₹ 244 per equity share, aggregating to ₹ 399.99 crores (including securities premium of ₹ 396.71 crores) on 5 October, 2021. The issue was made through eligible Qualified Institutions Placement (QIP) in terms of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (SEBI Regulations) as amended, Section 42, Section 62 and other relevant provisions of the Companies Act, 2013.

Pursuant to the allotment of equity shares in the QIP, the paid up equity share capital of the Company has increased from ₹ 34.47 crores comprising of 17,23,37,860 equity shares to ₹ 37.75 crores comprising of 18,87,31,302 equity shares.

The Company had incurred expenses amounting to ₹ 9.89 crores towards issuance of equity shares which have been debited to securities premium account.

The Company has complied with applicable provisions of the Companies Act, 2013 and SEBI Regulations in respect of Qualified Institutions Placement of equity shares during the year. The amount raised, has been used for the purposes for which the funds were raised except for unutilised funds amounting to ₹ 196.10 crores as at 31 March, 2022 which have been invested in liquid funds.

15. Certificate from a Company Secretary in practice

The Company has obtained a Certificate from a Company Secretary in practice dated 19th April, 2022 stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any other such statutory authority.

16. Acceptance of recommendations of any Committee of the Board

All the recommendations made by any Committee of the Board during the financial year 2021-2022 have been duly accepted and taken on record by the Board of Directors of the Company.

17. Fees paid on a consolidated basis to the statutory auditor

The total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in

the network firm / network entity in which the statutory auditor is a part for the financial year 2021-22 is ₹ 1.58 crores.

18. Directors and Officers Insurance ('D and O Insurance')

The Company has in place D and O Insurance Policy for all its Independent Directors of such quantum and covering all such risks as may be determined by the Board of Directors of the Company.

19. Anti-Bribery Policy

The Company has formulated an Anti-Bribery Policy which explains the Company's individual responsibility to comply with anti-bribery and anti-corruption laws around the world and to ensure that any third parties that the Company engages to act on its behalf, do the same. The policy has been detailed in the Board's Report and is posted on the Company's website at the following link: <https://www.pcblltd.com/responsibility/policy>.

20. Secretarial Audit Report

The Company has undertaken Secretarial Audit for the financial year 2021-22 which, inter-alia, includes audit of compliance with the Act, and the Rules made under the Act, Listing Regulations and applicable Regulations prescribed by SEBI, Secretarial Standards issued by the Institute of Company Secretaries of India and other allied laws. The Secretarial Audit Report forms a part of this Annual Report.

21. Annual Secretarial Compliance Report

The Company has undertaken an Annual Secretarial Compliance Audit for the financial year 2021-22 for all applicable compliances as per SEBI Regulations and Circulars/Guidelines issued thereunder.

Accordingly, the Annual Secretarial Compliance Report for the financial year ended 31st March, 2022 will be submitted to the Stock Exchanges within the prescribed timeline.

22. Credit Ratings obtained by the Company

During the year under review, the Company had received its credit ratings from ICRA, CARE and CRISIL Ratings. The Rating Committee of ICRA Limited, after due consideration, assigned a short-term rating of [ICRA]A1+ (pronounced ICRA A one plus) for ₹ 500 crores Commercial Paper (CP) Programme. The Rating Committee of CARE Ratings Limited, after due consideration, assigned the rating of CARE AA: Stable (Double A; Outlook: Stable) for ₹ 550 crores Long Term Bank Facilities and a rating of CARE AA: Stable/ CARE A1+ (Double A; Outlook: Stable / A One Plus) for ₹ 1850 crores Long Term / Short Term Bank Facilities. The Rating Committee of CRISIL Ratings, after due consideration, assigned a rating of CRISIL A1+ (pronounced as CRISIL A one plus rating) for ₹ 550 crores Commercial Paper.

23. Change of Name of the Company

During the financial year 2021-22, the name of the Company was changed from 'Phillips Carbon Black Limited' to 'PCBL Limited' vide the Special Resolution passed by the Shareholders of the Company by way of Postal Ballot through electronic means on 2nd December, 2021. The Ministry of Corporate Affairs, Office of the Registrar of Companies, Nizam Palace, has issued fresh Certificate of Incorporation dated 29th December, 2021, consequent to the aforementioned change of name of the Company.

With this, the new name of the Company now stands to be PCBL Limited.

24. Alteration of Memorandum of Association and Articles of Association

Pursuant to the provisions of Sections 13, 14 and other applicable provisions of the Companies Act, 2013, read with Companies (Incorporation) Rules 2014 (including any statutory modifications or re-enactments thereof for the time being in force), the Company has altered its Memorandum of Association and Articles of Association vide the Special Resolution passed by the Shareholders of the Company by way of Postal Ballot through electronic means on 26th February, 2022 in order to make them consistent and aligned with the provisions of the Act and the Rules framed thereunder, and the Secretarial Standards on Board Meetings and General Meetings, besides deletion of certain redundant Clauses and Articles etc.

25. Sub-division of 1 Equity Share of the Face Value of ₹ 2/- per share to 2 Equity Shares of Face Value of ₹ 1/- per share and subsequent alteration of the Capital Clause in the Memorandum and Articles of Association of the Company

Pursuant to the provisions of Section 61 read with Section 64 and other applicable provisions of the Companies Act, 2013 and the Allied Rules framed thereunder (including any statutory modifications or re-enactments thereof for the time being in force) read with the applicable provisions of SEBI Listing Regulations and subject to the provisions of the Memorandum and Articles of Association, the Company has sub-divided its existing 1 Equity Share of the face value of ₹ 2/- per share to 2 Equity Shares of the face value of ₹ 1/- per share vide the Special Resolution passed by the Shareholders of the Company by way of Postal Ballot through electronic means on 17th March, 2022. Subsequently, the Company has also altered the Capital Clause in the Memorandum and Articles of Association vide the Special Resolution passed by the Shareholders of the Company by way of Postal Ballot through electronic means on 17th March, 2022.

VII. MEANS OF COMMUNICATION

1. The quarterly results of the Company were announced within due time as per the statutory requirements and were sent to the Stock Exchanges. These results were also published in the leading English newspapers, such as Business Standard (All Editions), and in Bengali newspapers in Aajkal (Kolkata).
2. The results are also posted on the Company's website: www.pcblltd.com.
3. Whenever the Company issues any press release, it is immediately sent to the Stock Exchanges as well as posted on the Company's website. The Company also puts forth the key information about the Company and its performance, including quarterly results, official news releases and presentations made to institutional investors or analysts and credit ratings, on its website - www.pcblltd.com regularly for the benefit of its shareholders and the public at large. The intimations are also given to the Stock Exchanges simultaneously.
4. This Annual Report has a detailed chapter on Management Discussion and Analysis.

VIII. GENERAL SHAREHOLDER INFORMATION

Provided in the 'General Shareholder Information' Section of the Annual Report and Accounts

IX. STATUS OF ADOPTION OF THE NON MANDATORY REQUIREMENTS

The Company has duly fulfilled the following discretionary requirements as prescribed in Sub-Regulation 1 of Regulation 27 Part E of Schedule II of the SEBI Listing Regulations as follows:

- **Reporting of Internal Auditor:** Internal Auditors of the Company make presentations to the Audit Committee on their Reports and has direct access to the Audit Committee.
- **Audit Qualifications**
During the financial year 2021-22, there was no audit qualification in the financial statements of the Company. The Company continues to adopt appropriate best practices in order to ensure unqualified financial statements.

Other Items

- The rest of the Non Mandatory Requirements will be implemented by the Company as and when required and/or deemed necessary by the Board.

X. CONFIRMATION OF COMPLIANCE

- The Statutory Auditors' Certificate states that the Company has complied with the conditions of Corporate Governance and the same is annexed hereto.

For and on behalf of the Board

Dr. Sanjiv Goenka

Chairman

DIN: (00074796)

Place: Kolkata

Date: 19th April, 2022

Independent Auditor's Report on Compliance

with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

The Members of

PCBL Limited (formerly known as Phillips Carbon Black Limited)

1. The Corporate Governance Report prepared by PCBL Limited (formerly known as Phillips Carbon Black Limited) (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) of sub - regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2022 as required by the Company for annual submission to the Stock exchange.

MANAGEMENT'S RESPONSIBILITY

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

AUDITOR'S RESPONSIBILITY

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control

(SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:
 - i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;
 - ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
 - iii. Obtained and read the Register of Directors as on March 31, 2022 and verified that atleast one independent woman director was on the Board of Directors throughout the year;
 - iv. Obtained and read the minutes of the following committee meetings / other meetings held April 1, 2021 to March 31, 2022:
 - (a) Board of Directors;
 - (b) Audit Committee;
 - (c) Annual General Meeting (AGM);
 - (d) Nomination and Remuneration Committee;
 - (e) Stakeholders Relationship Committee;
 - (f) Risk Management Committee
 - (g) Corporate Social Responsibility Committee
 - (h) Independent Directors' Committee
 - v. Obtained necessary declarations from the directors of the Company.
 - vi. Obtained and read the policy adopted by the Company for related party transactions.
 - vii. Obtained the schedule of related party transactions during the year and balances at the year- end. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee.

viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

OPINION

9. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2022, referred to in paragraph 4 above.

Place of Signature: Kolkata
Date: April 19, 2022

OTHER MATTERS AND RESTRICTION ON USE

10. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Kamal Agarwal**
Partner

Membership Number: 058652
UDIN: 22058652AHIQNO5596

General Shareholder Information

- **Annual General Meeting:** Date, Time and Venue: 28th June, 2022 at 10:30 A.M (IST). The Company is conducting its Annual General Meeting through Video Conferencing (VC) / Other Audio Visual Means (OAVM) pursuant to the MCA and SEBI Circulars as already elaborated in the Notice of the Annual General Meeting of the Company.
- **Financial Year:** 1st April 2021 to 31st March, 2022
- **Book Closure:** 22nd June, 2022 to 28th June, 2022 (both days inclusive)
- **Interim Dividend Payment Date:** The Board of Directors of the Company at its Meeting held on Thursday, 20th January, 2022 has declared an Interim Dividend @ 500 %, i.e. ₹ 10/- per equity share of ₹ 2/- each, for the financial year ended 31st March, 2022 and fixation of Wednesday, 2nd February, 2022 as the Record Date for the purpose of payment of the afore-mentioned Interim Dividend. The said Interim Dividend was paid on and from 11th February, 2022.
- **Listing on Stock Exchanges and Stock Codes: (*)**
 - a) BSE Limited - 506590
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400001
 - b) National Stock Exchange of India Ltd. - PCBL
Exchange Plaza,
Bandra Kurla Complex
Bandra (E), Mumbai - 400051

Listing Fees for all the above Stock Exchanges for FY 2021 - 2022 have been paid.

- Market Price high, low, close during each month from April, 2021 to March, 2022 (in ₹) (as available from the website of National Stock Exchange of India Limited and BSE Limited):-

Month	High		Low		Close	
	NSE	BSE	NSE	BSE	NSE	BSE
April'21	219.75	219.70	183.25	184.00	207.45	207.55
May'21	240.00	239.65	198.95	199.00	218.10	218.10
June'21	246.30	246.35	207.60	207.55	228.10	228.20
July'21	276.85	276.75	224.55	224.60	271.50	270.80
August'21	277.00	278.65	217.05	216.95	244.00	243.70
September'21	274.90	275.00	238.85	238.35	267.20	267.40
October'21	277.30	277.00	219.05	219.25	219.80	219.90
November'21	238.60	238.70	200.01	201.35	209.15	208.85
December'21	251.70	251.80	212.70	212.70	242.55	242.65
January'22	254.50	254.65	222.85	223.00	237.60	237.55
February'22	233.90	233.90	178.00	178.05	191.95	191.25
March'22	234.25	234.20	183.25	183.70	228.70	228.65

Monthly Comparison Chart of the Share Prices (in ₹) with the NSE Nifty and BSE SENSEX along with the No. of Shares traded during the period April, 2021 to March, 2022:-

Month	Nifty / Sensex (Close)		Share Price (Close) (₹)		No. of Shares Traded	
	NSE	BSE	NSE	BSE	NSE	BSE
April'21	14631.10	48782.36	207.45	207.55	35366347	3164556
May'21	15582.80	51937.44	218.10	218.10	40083871	4728921
June'21	15721.50	52482.71	228.10	228.20	32285547	8019738
July'21	15763.05	52586.84	271.50	270.80	63727980	5929429
August'21	17132.20	57552.39	244.00	243.70	26288307	2641482
September'21	17618.15	59126.36	267.20	267.40	29129642	2697645
October'21	17671.65	59306.93	219.80	219.90	30727795	3305938
November'21	16983.20	57064.87	209.15	208.85	23155946	2349877
December'21	17354.05	58253.82	242.55	242.65	30615823	2340946
January'22	17339.85	58014.17	237.60	237.55	21185717	1932155
February'22	16793.90	56247.28	191.95	191.25	9788983	1047798
March'22	17464.75	58568.51	228.70	228.65	15583547	2187624



- **Registrar and Share Transfer Agent:**
Link Intime India Pvt. Ltd.
Vaishno Chambers, 5th Floor,
Room No : 502 & 503
6, Brabourne Road, Kolkata - 700001
Telephone No: (033) 4004 9728, Fax No: (033) 4073 1698
Website: www.linkintime.co.in
E-Mail: kolkata@linkintime.co.in

- **Share Transfer Process**
The shares in physical form for transfer should be lodged at the office of the Company's Registrar and Share Transfer Agent, Link Intime India Pvt. Ltd., Kolkata or at the Registered Office of the Company. The transfers are processed within 10 days from the date of receipt of such request for transfer, if technically found to be in order and complete in all respects. As per directives issued by SEBI it is compulsory to trade in securities of any Company's equity shares in dematerialized form.

As per the requirement of Regulation 40(9) of the SEBI Listing Regulations, as amended, the Company has obtained the necessary certificate from the Company Secretary in practice for due compliance of the share transfer formalities, which, is then submitted to the Stock Exchanges within a period of 30 days from the end of the financial year.

- **Reconciliation of Share Capital Audit**
As stipulated by SEBI, a qualified Company Secretary in practice conducts the Reconciliation of Share Capital Audit of the Company for the purpose of reconciliation of total admitted capital with the depositories, i.e. NSDL and CDSL, and the total issued and listed capital of the Company.

The Company Secretary in practice conducts the Audit every quarter and issues us the Report which, is then submitted to the Stock Exchanges within a period of 30 days from the end of each quarter.

- **Compliance Certificate certifying Compliance under Regulation 7(2) of the SEBI Listing Regulations**
Pursuant to Regulation 7(3) of the SEBI Listing Regulations, the Company obtains a Compliance Certificate duly signed by both the Compliance Officer of the Company and the Authorised representative of the share transfer agent, namely Link Intime India Pvt. Ltd confirming that all the activities in relation to the share transfer facility are maintained by the Company's Registrar and Share Transfer Agent, which is a SEBI approved category-1 Registrar having Registration Number: INR000004058.

As per the requirement of Regulation 7(3) of the SEBI Listing Regulations, the Company has obtained the necessary certificate signed by both the Compliance Officer and its Registrar and Share Transfer Agent for due compliance of the provisions of this Regulation, which, is then submitted to the Stock Exchanges within a period of 30 days from the end of the financial year.

- **Intimation of loss of share certificates pursuant to Regulation 39(3) of the SEBI Listing Regulations**
Pursuant to Regulation 39(3) of the SEBI Listing Regulations, the Company intimates the loss of share certificates to the Stock Exchanges, as and when received, within a period of 2 days from the date of receipt of such intimation.

- **Statement on Investors' Complaints pursuant to Regulation 13(3) of the SEBI Listing Regulations**
Pursuant to Regulation 13(3) of the SEBI Listing Regulations, the Company obtains a Statement on Investors' Complaints on a quarterly basis from its Registrar and Share Transfer Agent, which, is then submitted to the Stock Exchanges within a period of 21 days from the end of each quarter.

- **Certificate in the matter of Regulation 74(5) of the SEBI (Depositories and Participants) Regulations, 2018**
Pursuant to Regulation 74(5) of the SEBI (Depositories and Participants) Regulations, 2018, the Company obtains a Certificate in compliance to the captioned subject on a monthly basis from its Registrar and Share Transfer Agent, stating that the securities received from the depository participants for dematerialisation during the month, were confirmed to the depositories by the Registrar and the securities comprised in the said certificates have been listed on the Stock Exchanges where the earlier issued securities were listed. This certificate, so obtained by the Company, is then submitted to the Stock Exchanges within the stipulated time period from the end of every month.

- **Dematerialization**
The process of conversion of shares from physical form to electronic form is known as dematerialisation. For dematerializing the shares, the shareholders should open a demat account with a Depository Participant (DP). He/ She is required to submit a Demat Request Form duly filled up along with the share certificates to his/her DP. The DP will allocate a demat request number and shall forward the request physically as well as electronically, through NSDL/ CDSL, to the Registrar and Transfer Agent. On receipt of the demat request both physically and electronically and after verification, the shares are dematerialised and an electronic credit of shares is given in the account of the shareholder.

Policy on Preservation and Utilisation of Stationery

Pursuant to the requirement of SEBI Circular No. – SEBI/HO/MIRSD/DOP1/CIR/P2018/73 dated 20th April, 2018 relating to strengthening of guidelines and raising industry standards for RTA, Issuer Companies and Banker to an Issue, the Registrar and the Share Transfer Agent (RTA) of the Company has in place a written policy on the preservation and utilisation of stationery and both the Company and its RTA ensure strict control on the stationery including blank certificates and warrants and also ensure periodical check by physical verification.

Distribution of Shareholding as on 31st March, 2022:-

Shareholding Pattern - Size of Holdings	No. of Shares (Face Value of ₹ 2/-)	Percentage (%) to share capital	No. of Shareholders	Percentage (%) to Total holders
1 – 500	14089489	7.4654	139341	89.1628
501 – 1000	6684825	3.5420	8340	5.3367
1001 – 2000	6663659	3.5308	4437	2.8392
2001 – 3000	4060458	2.1514	1600	1.0238
3001 – 4000	2381899	1.2621	665	0.4255
4001 – 5000	2727730	1.4453	577	0.3692
5001 – 10000	5508399	2.9186	755	0.4831
10001 & above	146614843	77.6844	562	0.3596
Total	188731302	100.0000	156277	100.0000

Shareholding Pattern as on 31st March, 2022:-

Nature of holdings	No. of Shares (Face Value of ₹ 2/-)	% of Holdings
Non Resident Indians	2220575	1.177
Institutional Investors	29766511	15.771
Promoters	96978105	51.384
Bodies Corporate	6644124	3.521
Resident Individuals	52947374	28.054
Alternative Investment Fund	174613	0.093
Total	188731302	100

Dematerialisation of shares:

Nature of holdings	Shares	%
NSDL -	164952270	87.40
CDSL -	22015446	11.67
Physical -	1763586	0.93
Total	188731302	100

ISIN NO. INE602A01023*

* **Note:-** The Company has undergone a Sub-division of 1 Equity Share of the Face Value of ₹ 2/- per share to 2 Equity Shares of the Face Value of ₹ 1/- per share and the Company has fixed Tuesday, 12th April, 2022 as the Record Date for determining the eligibility of the shareholders, with regard to the captioned split, as approved by the shareholders of the Company through postal ballot by way of electronic means on 17th March, 2022. Subsequently, the new ISIN No. of the Company stands changed to INE602A01031 effective 11th April, 2022.

Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity: Nil

Plant Locations

The Company's plants are located at Durgapur in West Bengal, Kochi in Kerala, Palej and Mundra in Gujarat. The detailed addresses of the Company's plants have also been given separately in the Annual Report.

Address for correspondence :

1) Registrar and Share Transfer Agent:

(For share and dividend related queries)
Link Intime India Pvt. Ltd.
Vaishno Chambers, 5th Floor,
Room No : 502 & 503
6, Brabourne Road, Kolkata – 700001
Telephone No: (033) 4004 9728,
Fax No: (033) 4073 1698
Website: www.linkintime.co.in
E-Mail: kolkata@linkintime.co.in

2) Company

(For any other matter and unresolved complaints)
Mr. Kaushik Mukherjee
Company Secretary
PCBL Limited
Registered Office : 31, Netaji Subhas Road
Kolkata – 700 001
Phone No.: (033) 6625 1461-1464
Fax : (033) 2243 6681

Corporate Office : RPSG Gouse, 2/4 Judges Court Road, 4th Floor,
Kolkata – 700027
Phone No. : (033) 4087 0500 / 0600
E – Mail : kaushik.mukherjee@rpsg.in

For and on behalf of the Board

Dr. Sanjiv Goenka

Chairman

DIN: (00074796)

Place: Kolkata

Date: 19th April, 2022



Declaration by the Managing Director Regarding Compliance with the Company's Code of Conduct Under Regulation 26(3) of the SEBI Listing Regulations

I, Kaushik Roy, Managing Director of PCBL Limited declare that all the Members of the Board of Directors and Senior Management Personnel have complied with the Company's Code of Conduct for Board Members and Senior Management Personnel for the year ended 31st March, 2022 in terms of the SEBI Listing Regulations.

For and on behalf of the Board

Kaushik Roy

Managing Director

(DIN: 06513489)

Place: Kolkata

Date: 19th April, 2022

Certificate Of Disqualification / Non-Disqualification Of Directors

(Pursuant to Regulation 34(3) and Schedule V, Para C, Clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members of
PCBL Limited
(Formerly known as M/s. Phillips Carbon Black Limited)
31, Netaji Subhas Road,
Kolkata – 700 001

- This certificate is issued in accordance with the terms of our engagement letter dated 11th April 2022.
- We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of PCBL Limited [CIN: L23109WB1960PLC024602] having its Registered Office at 31, Netaji Subhas Road, Kolkata – 700 001 [hereinafter referred to as 'the Company'], produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V, Para - C, sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- In our opinion and to the best of our information and according to the verifications [including status of Directors Identification Number(s) [DIN] at the portal www.mca.gov.in] as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sl. No.	Name of Director	DIN	Date of appointment in Company
1.	DR. SANJIV GOENKA	00074796	30/10/1986
2.	MRS. PREETI GOENKA	05199069	27/07/2018
3.	MR. KAUSHIK ROY	06513489	05/02/2013
4.	MR. SHASHWAT GOENKA	03486121	01/09/2014
5.	MR. PARAS KUMAR CHOWDHARY	00076807	24/12/1999
6.	MR. PRADIP ROY	00026457	31/01/2011
7.	MRS. RUSHA MITRA	08402204	08/04/2021
8.	MR. RAM KRISHNA AGARWAL	00416964	26/07/2021
9.	MR.THARAVANAT CHANDRASEKHARAN SUSEELKUMAR	06453310	27/10/2021
10.	MR. KALAIKURUCHI JAIRAJ	01875126	08/03/2022

- Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.
- This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **D. DUTT & CO.**
Company Secretaries
UNIQUE CODE NUMBER: I2001WB209400

(DEBABRATA DUTT)

Proprietor
FCS-5401

C.P. No. 3824

UDIN No.: F005401D000162162

Place: Kolkata
Date: 19th April, 2022

(Annexure 'F' to the Board's Report)

Business Responsibility & Sustainability Reporting

Pursuant to Regulation 34(2)(f) of the SEBI Listing Regulations

The Directors present the Business Responsibility and Sustainability Report of the Company for the financial year ended on 31st March, 2022. SEBI through a notification dated 5 May 2021 has made amendments to certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR). As per the amendments, top 1000 listed companies by market capitalisation are required to submit a new report on ESG parameters, namely Business Responsibility and Sustainability Report (BRSR) mandatorily from FY 2022-23 onwards. Additionally, SEBI through a notification dated 10 May 2021 has prescribed the format of new report, BRSR along with the guidance note to enable companies to interpret the scope of disclosures required to be made in the report. The company has taken a progressive step by adopting the new BRSR framework for its FY2021-22 report. This will help the company to assess its readiness and to bring incremental change to report on all the requirements of BRSR framework including essential & leadership indicators when it becomes mandatory from FY 2022-23 onwards. The Company is also continuing the practice of producing sustainability disclosures through comprehensive Sustainability Report available in public domain.

The Business Responsibility disclosures in this Report illustrate the Company's efforts towards providing standardised set of disclosures on its ESG performance for all stakeholders to make informed decisions. This Report is aligned with National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVG-SEE) released by Ministry of Corporate Affairs. This report provides an overview of the activities carried out by the Company under each of the nine principles as outlined in above mentioned Guidelines. The disclosures covered in BRSR are covered in detail in the Company's Sustainability Report. The Board of Directors have approved the Sustainability Policy of the Company, and the Sustainability Report for FY'21 is available on the Company's website at <https://www.pcblltd.com/responsibility> while sustainability report for FY 2021-22 is under development. For doing the same, the Company is undertaking efforts to be more in accordance with globally renowned GRI standards.

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1	Corporate Identity Number (CIN) of the Listed Entity	L23109WB1960PLC024602
2	Name of the Listed Entity	PCBL LIMITED (Formerly known as 'Phillips Carbon Black Limited')
3	Year of incorporation	31/03/1960
4	Registered office address	31, N. S. Road, Kolkata-700001
5	Corporate address	RPSC House, 4 th Floor, 2/4 Judges Court Road, Kolkata-700027
6	E-mail	pcbl@rpsg.in
7	Telephone	033-40870500/0600
8	Website	www.pcblltd.com
9	Financial year for which reporting is being done	2021-2022
10	Name of the Stock Exchange(s) where shares are listed	NSE & BSE
11	Paid-up Capital	₹ 37,74,62,604/-
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Kaushik Mukherjee Company Secretary and Chief Legal Officer Email: - kaushik.mukherjee@rpsg.in Telephone: 033-40870500/0600
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Consolidated Basis

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing	Chemical and chemical products, pharmaceuticals, medicinal chemical and botanical products	97.91

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Manufacturing of Carbon Black	1920	97.91

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	4, Durgapur, Kochi, Palej, Mundra	4, Chennai, Kolkata, Delhi, Mumbai	8
International	0	3, Belgium, Shanghai, Korea	3

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	States & Union Territory of India where PCBL Supplies Rubber Black 1)Tamil Nādu 2) Kerala 3) Karnataka 4) Goa 5) Andhra and Telangana 6) Delhi 7) Haryana 8) Himachal Pradesh 9) Punjab 10) Rajasthan 11) Uttar Pradesh 12) Uttarakhand 12) Assam 13) Madhya Pradesh. 14) Maharashtra 15) West Bengal 16) Jharkhand 17) Odisha 18) Chhattisgarh 19) Gujrat 20) Daman, 21) Puducherry States & Union Territory of India where PCBL Supplied Specialty Black 1. Daman and Diu (UT) 2) Delhi 3) Gujarat 4) Haryana 5) Haryana 6) Jammu and Kashmir 7) Karnataka 8) Madhya Pradesh 9) Maharashtra 10) Puducherry (UT) 11) Punjab 12) Rajasthan 13) Tamil Nadu 14) Telangana 15) Uttar Pradesh 16) West Bengal
International (No. of Countries)	45+ Countries

b. What is the contribution of exports as a percentage of the total turnover of the entity?

- Revenue from Operations – ₹ 4,446.42 crores
- Contribution of exports- 30% (approx.)

c. A brief on types of customers

Customer centricity is intrinsic to PCBL's business culture. We make continuous efforts towards understanding our customer's evolving needs and this has led to our growth and success over the years. We have continuously demonstrated our commitment towards providing the best customer service by constantly delivering value to our customers. We drive improvement in products by staying in sync with the customer's expectation and deliver upto their satisfaction. We work with the leading tyre manufacturers in India as well as around the globe such as MRF, CEAT, JK Tyre & Industries, Apollo Tyres, Bridgestone, Giti Tyres, Goodyear, Michelin, Yokohama, TVS Group, Continental, Toyo, Nexen, Kumho, Contitech, Trelleborg, Camso and Petlas among others. We offer grades to meet specific requirements of technical and rubber goods manufacturing companies. Moreover, we cater to the specialty black needs of prominent Indian and global companies. We have strategic relationships with these esteemed customers, providing customised products and also jointly develop products for them.



IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled)

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Employees						
1.	Permanent (D)	844	796	94.30%	48	5.69%
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total employees (D + E)	844	796	94.30%	48	5.69%
Workers						
4.	Permanent (F)	291	291	100%	0	0
5.	Other than Permanent (G)	734	719	97.96%	15	2.04%
6.	Total workers (F + G)	1025	1010	98.54%	15	1.46%

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Differently Abled Employees						
1.	Permanent (D)	0	0	0	0	0
2.	Other than Permanent (E)	4	2	50%	2	50%
3.	Total differently abled employees (D + E)	4	2	50%	2	50%
Differently abled Workers						
4.	Permanent (F)	0	0	0	0	0
5.	Other than permanent (G)	0	0	0	0	0
6.	Total differently abled workers (F + G)	0	0	0	0	0

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	10	2	20%
Key Management Personnel	3	0	0%

20. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	FY 21-22 (Turnover rate in current FY)			FY 20-21 (Turnover rate in previous FY)			FY 19-20 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees [in %age]	15.03	26.80	16	15	10	15	17	30	20
Permanent Workers [in %age]	2	0	2	0	0	0	0	0	0

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Phillips Carbon Black Cyprus Holdings Limited	Wholly Owned Subsidiary	100	Yes
2.	Phillips Carbon Black Vietnam Joint Stock Company	Subsidiary Company of Phillips Carbon Black Cyprus Holdings Limited	80	Yes
3.	PCBL(TN) Limited*	Wholly Owned Subsidiary	100	Yes

*Incorporated with effect from 29th September, 2020

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes
(ii) Turnover (in ₹): Revenue from Operations – ₹ 4,446.42 crores
(iii) Net worth (in ₹): ₹ 2,604.91 crores

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Every business operates in an environment influenced by multiple stakeholders. We are committed to be open and transparent in our communication with all our stakeholders in disseminating information in a fair and timely manner. However, there can be times when our stakeholders have some concerns/ grievances. We truly acknowledge this and therefore provide them with appropriate channels to raise their grievances so that these can be received and resolved in timely and best possible manner. During the financial year, we received 2 nos. of grievances from our from shareholders which were resolved during the same year. There are no pending grievances from any of the stakeholders of PCBL at the end of the financial year.

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then Provide web-link for grievance redress policy)	FY 2021-22 Current Financial Year			FY 2020-21 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes,	0	0	None	0	0	–
Investors (Other than shareholders)	Yes	0	0	None	0	0	–
Shareholders	Yes, a grievance redressal mechanism is in place. The web-link for the same is https://www.pcblltd.com/responsibility/policy	2	0	All complaints filed during the FY2021-22 were duly resolved during the same year.	2	0	All complaints filed during the FY2021-22 were duly resolved during the same year.
Employees and workers	Leena AI, Sampark (Quarterly employee engagement program)	0	0	None	0	0	-
Customers	SAP (Internal) As explained above	58	58	All complaints filed during the financial year 21-22 were duly resolved during the financial year	75	75	All complaints filed during the financial year 20-21 were duly resolved during the financial year
Value Chain Partners	Through e-Mail	0	0	-	0	0	-

- 24 Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format



S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	GHG emissions/ energy management/ Air Quality	Risk	Operational sustainability may be hampered by the negative impacts created on environment. The GHG emission reduction will help to minimize the impact on environment / air quality, improving energy efficiency will reduce combustion of fuel in the fossil fuel dominated grid which, in turn, will reduce carbon footprint of PCBL.	# Accounting / monitoring GHG and other emissions; corrective measure (long term / short term (to reduce the emission, improving energy efficiency (Heat etc.) exchangers; Using the process emission (off-gas) for power generation.	There is positive financial implication of reduction of GHG emission / improving energy efficiency / air quality
2	Water use/ management	Risk	Water is used for various processes in our operations. We take it as our responsibility to reduce freshwater consumption, especially in the water stress areas where we operate.	We focus on zero water discharge by adopting measures such as monitoring water consumption in various processes at operational level; exploring water-recycling opportunities to save freshwater consumption, replenishment of ground water through utilisation of harvested rainwater for horticulture. ..	There is positive financial implication from reduction in freshwater consumption
3	Solid waste management	Risk	Waste is generated as part of carbon black manufacturing process. We continuously strive to i. reduce the quantity of waste generated at source by adopting adequate measures; ii. ensuring waste generated is disposed off in an appropriate manner iii. exploring possibilities for recycling and reusing the waste generated.	As our approach towards waste management during the financial year, we monitored the quantity of different types of wastes generated like ETP sludge, cotton and rubber gloves, bags (jumbo and paper), etc., Thereafter the mapping was done to set the baseline. As an action plan, all operational sites have been mandated to work towards identification and implementation of waste management plan focusing on waste reduction, reuse & recycle.	There is positive financial implication of reduction in waste generation and reuse & recyclability of wastes.
4	Health & safety	Risk	PCBL has a people-first culture, and it makes every effort to ensure the work environment motivating. Health & safety has been considered for the broader ecosystem than just employees	Emphasis on Hazard identification, risk assessment, and incident investigation; rolled out an occupational, health and safety management programme across our plants. Plants are certified with the new ISO 45001:2018 standard. Established Safety Committee across all plants, which consists of Unit Head (Chairperson), Safety Head (Secretary), all department heads and contract worker representatives representing each contractor. Strict adherence to SOPs for following the highest level of health and hygiene, protecting the spread of the pandemic in our manufacturing units, regional offices and corporate office	There is positive financial implication of ensuring Health and Safety
5	Product Stewardship	Risk	This material topic has been considered in order to share the responsibility (EPR) to all those viz. manufacturers, retailers, users, and disposers who are involved in product life cycle for reducing the environmental impact of products. -A leadership mindset. Not just 'safety' & 'responsibility' but future focus with R&D spend	Taking initiative for life cycle assessment of the product and taking action to reduce the impact on environment, adherence to applicable national and international regulations (e.g., REACH), emphasising continuously on updating domain knowledge through R&D, analysing, and highlighting implications and staying ahead of the compliance curve	There is positive financial implication of Product Stewardship

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6	Human rights & community engagement	Opportunity	The role of a socially responsible corporate citizen to enrich relationships with stakeholders, from suppliers to customers, regulators, investors and the communities where it operates. When businesses respect human rights, they demonstrate their commitment to building sustainable and mutually beneficial relationships with those who influence or are impacted by their operations, including customers, communities, workers, and investors.	Adherence to established policies of PCBL e.g., Code of Conduct, Child labour policy and Whistle blower policy. These policies describe our approach towards human rights issues and sets the expectations from the value chain partners to adhere to human rights principles.	There is direct negative and indirect positive financial implication of Corporate Social Responsibility

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	The policies are uploaded on the website of the Company at www.pcblttd.com under the segment 'Investor Relations' and 'Sustainability'								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	IATF16949:2016	IATF16949:2016, ISO14001:2015	IATF16949:2016, ISO 45001:2018	IATF16949:2016, ISO14001:2015	IATF16949:2016, ISO 45001:2018	IATF16949:2016, ISO14001:2015	IATF16949:2016, ISO 45001:2018	IATF16949:2016	IATF16949:2016
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Y	Y	Y	Y	Y	Y	Y	Y	Y
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	All have been met.								



Disclosure Questions

Governance, leadership, and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

Dear Stakeholders,

PCBL is pleased to present to you its first Business Responsibility and Sustainability Report, FY'22 which supersedes BRR developed previously. We are thankful to all our stakeholders for investing their trust & belief in us that has helped us to grow exponentially over the past years.

Our approach to sustainability is not based on merely meeting compliances but goes a step beyond towards institutionalization of sustainability practices. At its core, lies the robust governance systems and risk management process including effective policies and processes, some of which even cascade down to our value chain partners. We ensure all our business activities are conducted in accordance with ethical principles, internal policies, procedures, and relevant laws and regulations. Hence prevention of corruption and promotion of fair competition is another important dimension of the compliance efforts at PCBL. Sustainability lies at the heart of all our business processes. To ensure that we conduct our operations in a responsible manner, we implemented Sustainability Policy in 2018, approved by the Board of Directors.

We strongly believe that success and sustainable growth of any organisation depends on creating long-lasting relationship with its stakeholders. We have created communication channels for all our stakeholders to ensure that they are granted their very own right "to be heard". Going beyond, we have also established the mechanism to receive their concerns and grievances, if any. We also ensure that their concerns/grievances are resolved in the minimum possible time to remain committed to our promise to provide them the very best.

On environment front, while we work rigorously on various aspects like resource management, energy management, emission reduction, water and waste management to imbibe best practices, we specifically work towards integrating ethical, environmental & social practices in our supply chain. We ensure adherence to all environmental and other applicable compliances. Backed by our R&D expertise, we are constantly exploring sustainable and environment-friendly products that can offer maximum value with minimum impact on the environment. Further, we focus on process and manufacturing technology to produce superior quality products and minimise waste generation.

Employees constitute one of the most important elements of PCBL and their safety is always a top priority. Safety audits are regularly carried out and systems are strengthened based on gaps identified. All possible learning & development opportunities are extended to ensure their holistic development. Respect for human rights is at the foundation of our business and ingrained in our culture, guiding our interactions with employees, suppliers, customers, and the communities we serve. We make sure that all our employees and value chain partners have safe, supportive and respectful workplaces where the dignity of every associate is recognized. While we can see significant changes in the lives of people we work with, our efforts to enable the economic empowerment of our communities, and to making a positive difference, will continue.

While we do all this, we believe that we are able to deliver value and contribute our bit in furthering the sustainable development agenda. However, the aspirations are ever evolving and we look up to continue to keep ourselves committed to the growth of our nation and our people at all times.

Kaushik Roy,

Managing Director

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).

The CSR Committee of the Board of Directors, functions under the Chairmanship of Mr. Kaushik Roy, Managing Director of the Company. The CSR Committee also comprises Mr. Shashwat Goenka, a Non-Executive Director and Mrs. Rusha Mitra, a Non-Executive Independent Director, as Members.

The details of the Directors responsible for the implementation of the BR policies are as follows: -

DIN: 06513489
Name: Kaushik Roy,
Designation: Managing Director

DIN: 03486121
Name - Shashwat Goenka
Designation: Non-Executive Director

DIN: 08402204
Name: Rusha Mitra,
Designation: Non-Executive Independent Director

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, the Company has a specified Committee of the Board responsible for decision making on sustainability related issues. Mr. Kaushik Roy, Managing Director and a Member of the CSR Committee of the Board of Directors of the Company, has the overall responsibility for the BR activities and his details are as follows: - DIN: 06513489 Name: Kaushik Roy, Designation: Managing Director Telephone No: 033 – 4087 0500 / 0600 Email ID – jayati.singh@rpsg.in								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other - please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	Quarterly								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y	Quarterly								
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.										P1	P2	P3	P4	P5	P6	P7	P8	P9
										N	N	N	N	N	N	N	N	N

12. If answer to question (1) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally, and ethically responsible.

PRINCIPLE 1

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	8	- Global business, strategy and planning, Governance, - organisational capacity building, - risk management and compliance, - finance, policy evaluation and environment, social and governance (ESG)	100%



Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Key Managerial Personnel	NA	NA	NA
Employees other than BoD and KMPs	218	70% - Technical Based Training Programme 20% - Safety Based Training Programme 10% - Behavioural Based Training Programme - Bringing in overall improvement in the performance of the employees to enhance the organizational efficiency	100%
Workers	14	Programs to improve the on-field performance of the workers	100%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary				
NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine		Nil		
Settlement		Nil		
Compounding fee		Nil		

Non-Monetary			
NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment		Nil	
Punishment		Nil	

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	Not Applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, PCBL has an Anti-Bribery Policy in place. We are committed to act with fairness and integrity in all our business matters. Our approach to anti-bribery or anti-corruption is characterised by strict adherence to all applicable laws and regulations that govern our operations worldwide. The Anti-Bribery Policy sets forth obligations on part of every employee for prevention, detection and reporting of any act of bribery or corruption. The policy is also extended to third-parties who are equally expected to adhere to the anti-bribery and anti-corruption laws respective to each geographical location we operate in and conduct all business dealings in a fair manner. The web-link of the aforesaid policy is <https://www.pcbltd.com/responsibility/policy>.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. Details of complaints with regard to conflict of interest:

	FY 2021-22 (Current Financial Year)		FY 2020-21 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	No complaints received.	0	No complaints received.
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	No complaints received.	0	No complaints received.

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness held	Topics / principles covered under the training	%age of value chain programmes partners covered (by value of business done with such partners) under the awareness programmes
- Two days training provided to 15 participants at customer end - One day training [10 mandays] provided to suppliers of paper bag, bulk bag, Wooden pallet, CBFS-FCC(New) and refractory of reactor	- Reuse of FIBC bags on the topic "Recycling of PCBL supplied FIBC bags after usages"; - Quality Management System and requirements on ESG; all the shop floor people were covered	- Approx. 13% - Approx. 30%(CBFS)+ 5%(others)

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

Yes, PCBL has a process in place to avoid / manage conflict of interests involving Members of the Board. We have a dedicated Code of Conduct to which all Board Members and Senior Management Personnel are bound. The code of conduct thus adopted stems from the fiduciary responsibility of the Board Members and the Senior Management towards all stakeholders to conduct business in a fair & ethical manner. Therefore, the Board Members and the Senior Management act as trustees in the matters related to conflict of interest and work in the best interest of all the stakeholders. Our code-of conduct sets the foundation for sound and fair business practices in all the countries we operate in.



PRINCIPLE 2

Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2021-22 Current Financial Year	FY 2020-21 Previous Financial Year	Details of improvements in environmental and social impacts
R&D	Total R&D Expenditure: ₹ 21.86 crores Percentage of R&D: 100%	Total R&D Expenditure:24.31 crores. Percentage of R&D: 100%	- Development of new grade of rubber to improve fuel economy of vehicle - Trial taken for production of grades with lower PAH (PAH is environment unfriendly); improvement observed but another trial will be taken for further improvement to achieve the target - Research going on the use of Bio fuel for production of carbon black
Capex	3.06%	3.38%	

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

PCBL has adopted a strategic approach by formulating supplier code of conduct and sustainable procurement policy. We adopt highly standardised procurement process which integrates ethical, environmental and social criteria. We also engage with our suppliers to sensitize them on sustainability issues which can pose a threat to their business continuity and in turn can have an impact on our business operations. we have created a 'Supplier Code of Conduct', which sets out the standards expected of any supplier engaged in business with us. It is aligned with the principles of United Nations Global Compact, Carbon Disclosure Project, and aims to contribute to the SDGs. We encourage our suppliers to implement best-in-class environmental and safety management practices.

PCBL has partnered with EcoVadis so that sustainability best practices are shared, and sustainability profile of our key suppliers are assessed, which is a part of our Sustainable Procurement program.

- b. If yes, what percentage of inputs were sourced sustainably?

As of now we don't have data to report since quantification is not done. We shall quantify the same and report in near future.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Over the years, we have established ourselves as one of the most reputed carbon black brands owing to product customisation, quality excellence and on-time delivery. PCBL provides products which are used by leading tyre companies within India and around the world for manufacturing tyres and other products. Our non-rubber customers include prominent global brands. Since our product "carbon black" acts as raw material for the other manufacturing companies, it is not possible for us to reclaim the product. However, we are exploring the possibility of extracting carbon black from the tyres which are disposed-off after their use, in collaboration with the manufacturers of same. This will help to reduce the use of consumption of virgin material and would substantially affect the cost as well.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

No. It is estimated that the use of recovered Carbon Black alone can reduce the size of the carbon footprint by 80%, which is why many large tyre manufacturers are trying to use significantly more. However, the technology is in under progress in India. Though EPR practices have been implemented by tyre manufacturing industries as it is directly applicable to them, the possibilities for our industry to apply EPR are under exploration.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

No, we have not conducted life cycle assessment for any of our products.

NIC Code	Name of Product /Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
LCA Not conducted					

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
LCA Not conducted		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2021-22 Current Financial Year	FY 2020-21 Previous Financial Year
Process additives	0.3%	0.3%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2021-22 Current Financial Year			FY 2020-2 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (Including packaging)	0	0	95.4	0	0	86.8
E-waste	0	0	6.4	0	0	3.0
Hazardous waste	0	0	58.4	0	0	18.6
Other waste	0	0	543.2	0	0	18.1

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
	None

PRINCIPLE 3

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by							
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)
Permanent employees									
Male	796	796	100	796	100	0	0	796	100
Female	48	48	100	48	100	48	100	0	0
Total	844	844	100	844	100	48	100	796	100
Other than Permanent employees									
Male	Not Applicable								
Female	-								
Total	-								



- b. Details of measures for the well-being of workers:

Category	Total (A)	% of employees covered by							
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)
Permanent employees									
Male	291	291	100	291	100	291	100	291	100
Female	0	0		0		0		0	
Total	291	291	100	291	100	291	100	291	100
Other than Permanent employees									
Male	719	72	10	0	0	0	0	72	10
Female	15	0	0	0	0	0	0	0	0
Total	734	72	10	0	0	0	0	72	10

2. Details of retirement benefits, for Current FY and Previous Financial Year.

	FY 2021-22 (Current Financial Year)			FY 2020-21 (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employee covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	100	100	100	100
Gratuity	100	100	100	100	100	100
ESI		100	100		100	100
Others – please specify	100		100	100		

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, all our offices are equipped with necessary infrastructure so as to ensure easy and equal access to persons with disabilities.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, PCBL has a Human rights policy which provides equal rights to person with disabilities without any sort of discrimination. The policy can be accessed at <https://pcbltd.com/responsibility/policy>

5. Return to work and Retention rates of permanent employees and workers that took parental leave. All the employees who took parental leave during the reporting year, returned to work and have been retained till present.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100	100	100	100
Female	100	100	100	100
Total	100	100	100	100

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers	a) Grievance / Suggestion box have been placed in conspicuous places to drop their issues and it is addressed by plant HR b) Workmen or contract workmen can raise their issues through sectional head then HOD and then to Unit Head who in turn addresses the complaint. c) Union also brings the issues direct to HR/IR Head for resolution. d) Quarterly Townhall meeting chaired by Plant Head is also available to redress their issues (if any).
Other than Permanent Workers	NA
Permanent Employees	Yes, Leena AI is an autonomous conversational AI-backed platform that helps organizations to achieve better employee experience. It is a chatbot that sends surveys to the respective employees and captures the mood score accordingly. Employees and submit their grievances in the AI chat bot.
Other than Permanent Employees	NA

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 21-22 (Current Financial Year)			FY 20-21 (Previous Financial Year)		
	Total employees / workers in respective category (A employees)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Permanent Employees						
- Male	0	0	0	0	0	0
- Female	0	0	0	0	0	0
Total Permanent Employees	0	0	0	0	0	0
Permanent Workers						
- Male	291	291	100	240	240	100
- Female	00	0		0	0	0
Total Permanent Workers	291	291	100	240	240	100

8. Details of training given to employees and workers:

Category	FY 2021-22 (Current Financial Year)					FY 2020-21 (Previous Financial Year)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	796	796	100	650	82	724	724	100	583	81
Female	48	48	100	38	79	50	50	100	35	70
Total	844	844	100	688	81.5	774	774	100	618	80
Workers										
Male	291	291	100	251	86.25	240	240	100	192	80
Female	0	0	0	0	0	0	0	0	0	0
Total	291	291	100	251	86.25	240	240	100	192	80

9. Details of performance and career development reviews of employees and worker:

Category	FY 2021-22 (Current Financial Year)			FY 2020-21 (Previous Financial Year)		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	796	796	100	724	724	100
Female	48	48	100	50	50	100
Total	844	844	100	774	774	100
Workers						
Male	291	291	100	240	240	100
Female	0	0	100	0	0	0
Total	291	291	100	240	240	100



10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?

Yes, Safety & Health is of paramount importance to us and we are committed to provide our employees with safe and healthy working environment. We focus on imparting safety awareness amongst our employees, contractors and vendors to ensure that there are no safety related incidents., injuries etc. To ensure this, we have rolled out an occupational, health and safety management programme across our plants. Our plants were already certified to OHSAS 18001:2007 standards. Also, we are now certified to the new ISO 45001:2018 standard. All our employees and contract workers are covered by our occupational health and safety management systems. In addition to this, our Environment, Health & Safety (EHS) policy provides the measures that should be taken to provide safe working environment to all.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Work related hazards are identified through HIRA, HAZOP, JSA Techniques. These methods help us to track and investigate such incidences and initiate appropriate actions. Material Safety Data Sheet (MSDS) are displayed at charge pump area and job specific PPE trainings are regularly provided to workers. The study also includes job safety analysis; awareness trainings and Safety observation and Learning event tracking.

- c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes, PCBL has implemented Learning Events system for all its employees to report any unsafe conditions, Unsafe acts, Near Miss, work related hazard etc.

- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

All the employees and workers can access the Occupational Health Centre at plants/sites for any non-occupational medical and healthcare services.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2021-22 Current Financial Year	FY 2020-21 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0.75	0.21
Total recordable work-related injuries	Employees	0	0
	Workers	34	1
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	4	1

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

PCBL has established a Safety Committee across all its plants consisting of Unit Head as the Chairperson, Safety Head (Secretary), all department heads and contract worker representatives. The committee reviews the safety performance at the plant level based on which necessary actions are initiated with approval from management. Workers are also members of the safety committee, wherein they can put forward their thoughts related to the safety matters. The collective participation allows the employees and workers to discuss the related matters with management and take necessary decisions. Moreover, our legal team ensures compliance with the all the laws, regulations governing health & safety parameters applicable to us. Besides, following initiatives are taken to create a safer workplace:

- We provide proper training to our employees on occupational health and safety topics like working in confined spaces, work at height, lock out tag out (LOTO), forklift operations, material handling, behaviour-based safety (BBS), use of personal protective equipment, general safety awareness
- Annual medical check-ups are also organised for workers. Thorough medical check-ups are undertaken to check if employees are fit to work in certain situations like confined spaces, at certain heights and on a forklift, among others

- Under the contractor safety management, the workers are also provided with plant and equipment training related to safety
- Implemented an online safety training calendar

Apart from the measures above, we have also implemented Learning Events system for all employees to report any unsafe conditions, unsafe acts, near miss etc on immediate basis so that necessary step can be taken to eliminate the risk without any delay. Reporting through this system is regularly reviewed and any actions required on long-term basis are also taken into consideration. Additionally, we also have certified first aid providers at Plant level who are competent enough to give first aid treatment in case of any incident.

13. Number of Complaints on the following made by employees and workers:

Category	FY 2021-22 (Current Financial Year)			FY 2020-21 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	None	0	0	None
Health & Safety	0	0	None	0	0	None

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	• Mundra: hygiene audit conducted by M/S Green Circle INC, Dated - 06.09.21 • Kochi: WASH by IR Class
Working Conditions	• Mundra: hygiene audit conducted by M/S Green Circle INC, Dated - 06.09.21 • Durgapur: Eight Zone monitoring survey by Safecon India • Kochi: Ergonomics survey, Ventilation, Personal exposure, Sound, Illumination conducted by M/S Green Circle INC

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

- Lifeline and Safety harness have been provided at the truck loading point and tanker unloading points to eliminate the risk of fall from heights.
- Wheel choke is used when the vehicle is parked for loading
- Aluminium coated heat resistant suits have been provided to employees working in high temperature zones

Leadership Indicators

- Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).
Yes, the Company has a Term Life Insurance Policy in place covering all its Employees and Workers in the event of their death.
- Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.
Currently PCBL does not have any mechanism in place to ensure that all the statutory dues are deducted and deposited by value chain partners appropriately. However, during the contract with value chain partners [suppliers & vendors] it is ensured that there is provision of compliance of terms and conditions which include all the laws of the land.
- Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment.



	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
Employees	0	0	0	0
Workers	0	0	0	0

- Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)
We currently do not offer any such programs.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	10% value chain partners (by value of business done with such partners) were assessed. We regulate the practices of our suppliers with respect to mentioned criteria by encouraging them to adhere to applicable laws & regulation in respective areas of operation. We also have a sustainable procurement policy which lays down set criteria for all our suppliers to adhere to including fair business practices, compliance to environmental laws and industry standards; prohibition of any kind of child labor etc. We also encourage them to have their own policies and processes in place, ensuring an ethical and sustainable supply chain. To align the suppliers to the same ethical, social and environmental goals, we have created a 'Supplier Code of Conduct', which sets out the standards expected of any supplier engaged in business with us. All our suppliers are regularly audited against these parameters to find deviations, if any.
Working Conditions	

- Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

No significant risks/ concerns observed from assessments of selected suppliers with respect to health and safety practices and working conditions.

PRINCIPLE 4:

Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

- Describe the processes for identifying key stakeholder groups of the entity.
PCBL recognizes the role of stakeholders in company's sustainability. It believes in partnerships as reflected in the vision statement. Key stakeholders are identified based on their involvement in making strategic decisions, minimizing risk, providing resources, running the operations smoothly, helping the organization to reach its goals and in growing the business. These key stakeholders are, in turn, most affected by our business.

Following steps are followed to identify and prioritize the key stakeholders.

- Understanding and identifying key stakeholders; whether general key stakeholders and key stakeholders for particular project.
- Determining their impact on Business (Direct or Indirect)
- Knowing their needs in relation to the business
- Prioritization of the list based on evaluation of the stakeholders on the list, determination of which stakeholders affect most the business as well as who are affected most by the business

Types of Key Stakeholders:

Internal stakeholders who have a direct relationship with the company. External key stakeholders who do not directly work with the company, but they are affected by the business.

PCBL identified six critical stakeholder groups, which are listed below.

- Employees
- Supply chain partners
- Customers
- Government and regulatory authorities
- Communities
- Shareholders, investors and lenders

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	People Connect Series was conducted across units and offices where the Management Committee Members (MCM) virtually connected with employees and discussed their well-being - Sampark Live - PCBL Townhall: Conducted once in a quarter for teams across geographies over a virtual platform where our MD and senior leadership team share business updates, challenges and way forward. Employees are also recognised and rewarded under 'Team of the Month', 'Well Done' and 'MD's Appreciation' categories - Certified General Management Programme: PCBL in association with IMI-Kolkata conducts a 15-month certified management programme for its HiPos, identified through a talent review process and feedback received from the mentors and managers - EMBARK PCBLite: Induction module for new joiners - Ensuring workplace safety - Leena (AI chatbot) to engage with employees and address their concerns	Sampark-chaired by MD(Once in a quarter) Townhall (Once in a month)	Employee welfare - Strategic direction and performance - Transparent communication - Diversity and inclusion - Leaders as coaches - Career growth and progression - Learning and development opportunities - Regular engagement - Health, safety and environmental standards - Effective grievance mechanisms
Supply chain partners	No	Meetings and workshops with global raw material suppliers and logistics partners to develop common approaches based on shared values - Meetings with (potential) suppliers and business partners - Regular compliance and risk assessments of key suppliers - Discussion on procurement standards and information on the Company's tenders and procurement plans - All our major suppliers publish sustainability report and discuss their targets along with performance	Once in a year with major suppliers	Local procurement and resource support - Responsible sourcing along the supply chain - Quality and service - Timely payments - Sustainability of the business and associated risks - Statutory and legal compliances - Health and safety needs - Environmental and social issues - Rationalising costs
Customers	No	Regular interactions with key account manager - Regular digital customer interface - Collaboration on product innovation - Customer and industry events and exhibitions - Regular customer satisfaction surveys - We cover all material topics impacting our customers by reviewing their disclosures in their sustainability report	Once in a quarter with major customers	Customised grades of carbon black to meet specific requirements - Sustainable packaging - Product innovation - Quality and service - Responsible sourcing along the supply chain



Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Government and regulatory authorities	No	Annual report and regulatory filings - Meeting on government directives and policy development - Facility Inspection - Regular meetings - Periodic evaluation and improvement of our benchmarks conforming to prevailing environmental, social and corporate governance requirements, be it local, national or global - Ensuring strict adherence to the Whistleblower Policy' and protect our employees by preserving utmost confidentiality	Continuously in touch with the regulators for regulatory compliance on time and nothing is pending; all approval in place	Adherence to national and international regulations - Good governance practices - Community engagement - Regulatory compliance - Ethical business conduct - Environmental stewardship - Maintaining safety - Project approvals
Communities	No	Employment and enterprise support - Community health and impact on the environment - Local infrastructure investments	Continuous process. In addition, Quarterly meeting held with representatives of local community in which all the grievances are addressed	Periodic need assessment and engagement Need-based interventions across focus areas: education, health and sanitation, community development, environment sustainability
Shareholders, investors and lenders	No	Events, including annual general meeting, results presentations, investors' calls and conferences and earnings calls - Disclose plans to achieve carbon neutrality, and our efforts to reduce carbon emissions, by responding to the CDP questionnaire. Also, provide crucial data and insights to global investors, helping them make informed decisions - Annual report, sustainability report and regulatory filings - One-on-one interactions - Grievance redressal - Lenders' meeting - Negotiate financing facilities - Proposals submission - Analysts' congregations	Every quarter	Financial performance - Annual performance, progress plans and new projects - Change in governance structure - Long-term sustainability strategy - Update on business directions - Loan covenants - Banking facilities - Credit ratings

Leadership Indicators

- Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

As businesses worldwide decisively move towards sustainable value creation, we continue engaging our stakeholders to understand their expectations and gain insights from these discussions to identify focus areas of intervention in environment, social and governance (ESG). These issues are key to building a long-lasting, value-accretive enterprise. PCBL believes that an effective stakeholder engagement process is a strong foundation to progress sustainably towards the vision. The Company actively engages with the stakeholders in its own operations and beyond to bring transformational change. Stakeholders' views and suggestions are incorporated into our business strategies while the concerns raised by them are worked upon to strengthen our internal systems. We regularly engage with our stakeholders, who impact us or are impacted by our business decisions, to discuss matters most important to them. The responsibility for

discussion on sustainability matters lies with the board level committee. Consultation is usually through various functions connecting with different stakeholder groups e.g. CSR team, suppliers team, HR etc and their feedback is presented quarterly at the Business Review Board meetings (attended by the Chairman and leadership team). The decisions thus taken are informed to the respective stakeholders through different functions.

- Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

We regularly engage with our stakeholders such as investors, shareholders and lenders, suppliers, business partners, community, employees, customers etc for business and management updates. PCBL adopts a holistic and responsible approach towards its stakeholders and ensures transparency in its disclosures concerning business matters. We provide crucial data and insights to global investors by doing investor presentation at regular intervals thereby helping them make informed decisions. A formal stakeholder engagement process involving direct & detailed consultation with different stakeholder groups, helps us in identifying the critical issues that need our immediate attention. The inputs received through stakeholder consultation process are presented to the board level Management Committee which plays a crucial role in the development and implementation of strategies, policies, and goals related to economic, environmental and social topics.

- Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

None of the stakeholder group has been identified as vulnerable or marginalised group.

PRINCIPLE 5:

Businesses should respect and promote human rights

Essential Indicators

- Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2021-22 (Current Financial Year)			FY 2020-21 (Previous Financial Year)		
	Total (A)	No. of employees/ workers covered (B)	% (B / A)	Total (C)	No. of employees/ workers covered (D)	% (D / C)
Employees						
Permanent	844	844	100%	785	785	100
Other than Permanent	0	0	0	0	0	0
Total Employees	844	0	0	785	785	100
Workers						
Permanent	291	291	100%	240	240	100
Other Permanent	734	734	100%	0	0	0
Total Workers	1025	1025	100%	240	240	100

- Details of minimum wages paid to employees and workers, in the following format:

Category	FY 21-22 (Current Financial Year)					FY 20-21 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	844	NA	NA	844	100	774	NA	NA	774	100
Male	796	NA	NA	796	100	724	NA	NA	724	100
Female	48	NA	NA	48	100	50	NA	NA	50	100
Other than Permanent	0	0	0	0	0	0	0	0	0	0
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0



Category	FY 21-22 (Current Financial Year)					FY 20-21 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Workers										
Permanent										
Male	291	0	0	291	100	240	0	0	240	100
Female	0	0	0	0	0	0	0	0	0	0
Other than Permanent										
Male	719	0	0	719	100	698	0	0	698	100
Female	15	0	0	15	100	4	0	0	4	100

- Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	8	Confidential	2	Confidential
Key Managerial Personnel	3	Confidential	0	Confidential
Employees other than BoD and KMP	793	7.20L	48	6.81L
Workers	291	4L	0	0

- Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? **(Yes/No)**

Yes, Human Resource department headed by ED-HR is responsible for addressing human rights impacts or issues caused or contributed to by the business

- Describe the internal mechanisms in place to redress grievances related to human rights issues.

PCBL has a mechanism in place to receive and address grievances from all its stakeholders including shareholders/investors; regulators; customers; employees; communities etc. Any stakeholder having grievance related to human rights issue can raise it through the existing forums.

Employees: AI Leena chatbot was launched to enhance transparency and inclusivity across the organisation. The chatbot converses with our employees based on a defined set of questions designed to measure the pulse of our teams and define their engagement level, while identifying the gaps. This helps us understand employee grievances and any other issues that employees might have. Based on the chats received from the chatbot, the senior management reaches out to people to address the problems. The adequacy of the grievance mechanisms is reviewed on regular basis.

Community: Quarterly meeting held with representatives of local community in which all the grievances are addressed, MOM is recorded and corrective action taken as per requirement; In a case, where complaint has been registered with local statutory body, the representatives visit the plant for inspection / verification to find non-conformity which is absent then found, complaint is withdrawn. Elsewise, corrective measures are taken against the complaint. The complaints can also be registered through phone calls from local community, which are addressed on the spot.

Government / regulatory authorities: We engage with national and local governments and regulators to share our intent, understand the latter's concerns and priorities, and find mutually beneficial solutions. We comply with all applicable regulations wherever we operate and proactively evaluate our performance regularly. The engagement channels with Government/regulatory authorities include Annual report and regulatory filings, meeting on government directives and policy development, regular facility Inspection by government officials,

Labour/contractors: All the grievances of casual labours are addressed in charter of demand/ long term settlement for five years and contractors sign on it. In addition, plant purchase team meet with contractors regularly in which complaints, if any, are captured and resolved with the help of local IR-Admin

Investors / lenders: PCBL has a Stakeholders' Relationship Committee and the terms of reference of the Stakeholders' Relationship Committee are in conformity with the provisions of Regulation 20 read with Schedule II Part D of the SEBI Listing Regulations and Section 178 of the Act. The Stakeholders' Relationship Committee specifically looks into the various aspects of interest of shareholders, debenture holders and other security holders.

The role of the Committee inter alia includes the following:

- Resolve the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company

External customer: complaints are registered in SAP through regional marketing managers and forwarded to plant for RCA; CAPA is forwarded to Technical services team through SAP for review, approval and closing the complaints

6. Number of Complaints on the following made by employees and workers:

	FY 21-22 (Current Financial Year)			FY 20-21 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	0	0	0	0
Discrimination at workplace	0	0	0	0	0	0
Child Labour	0	0	0	0	0	0
Forced Labour/Involuntary Labour	0	0	0	0	0	0
Wages	0	0	0	0	0	0
Other human rights related issues	0	0	0	0	0	0

7. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

Our human rights policy safeguards all our employees and workforce against any kind of discrimination. To ensure this and in compliance with the regulatory requirement we have formulated an Internal Complaint Committee to address such incidents as and when reported.

8. **Do human rights requirements form part of your business agreements and contracts?**

Yes, all the human rights related requirements are explicitly mentioned in the agreements and contracts entered into with the value chain partners. All these aspects are mentioned in our Human rights policy as well.

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	None
Forced/involuntary labour sexual harassment	None
Discrimination at workplace	None
Wages	None
Others - please specify	None



10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

NA

Leadership Indicators

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

None of the business process required any modification introduced as a result addressing human rights grievances/complaints

2. **Details of the scope and coverage of any Human rights due-diligence conducted.**

We have not conducted any due diligence on Human rights issues. However, our human rights policy is applicable to all our value chain partners. The policy has been formulated in line with internationally recognised frameworks including the Social Accountability 8000 International Standard and its associated international instruments. The policy covers different components as compliance to labour laws, continuous engagement with stakeholders on human rights and related matters, diversity at workplace, harassment free workplace, grievance mechanisms etc. While the policy highlights the key points of what it intends to achieve it also mentions that HR department shall be reviewing and updating standards on social policies, and for providing guidance and support to all concerned. We ensure that all human rights related aspects are compiled to by all the stakeholders we engage with irrespective of duration of association

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	Not Addressed
Discrimination at workplace	10%
Child Labour	10%
Forced Labour/Involuntary Labour	Not Addressed
Wages	Not addressed
Others - please specify	10%(Anti-bribery)

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

No issue was observed while addressing above points during second party audit at supplier end

PRINCIPLE 6:

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
Total electricity consumption (A) [Captive Load i.e (Process, R&D, admin etc except CPP) and CPP auxiliary excluding import]	800548.49 GJ	672753.61 GJ
Total fuel consumption (B) (Diesel)	805.68 GJ	1230.84 GJ
Energy consumption through other sources (C) (Import)	14225.699 GJ	7128.72 GJ
Total energy consumption (A+B+C)	815579.879 GJ	681113.17 GJ
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees) GJ/INR	1.83 x10 ⁻⁵	2.56 x 10 ⁻⁵
Energy intensity (optional) - the relevant metric may be selected by the entity GJ/MT	1.78	1.77

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not applicable

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	361717	242203
(ii) Groundwater	749357	587376
(iii) Third party water	1812156	1546885
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	2923230	2376464
Total volume of water consumption (in kilolitres)	2920321	2254335
Water intensity per rupee of turnover (Water consumed / turnover), (KL/INR)	6.56 x 10 ⁻⁵	8.47 x 10 ⁻⁵
Water intensity (optional) - the relevant metric may be selected by the entity	6.397 KL/MT	5.861 KL/MT

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Water is at the core of sustainable development and businesses can play a pivotal role in mitigating the water related risks through understanding of their consumption patterns and development of action plans to reduce the same. Water is an integral resource for our business as it is used for multiple processes in operations. All our units are zero liquid discharge and various other initiatives focusing on reduction, reuse and recycling of water have also been adopted to strengthen our commitment towards water conservation.

At PCBL, all our plants are zero liquid discharge (ZLD), and we are reusing our wastewater in our processes. All plants have ETP facilities.

- Palej manufacturing plant has 50 KLPD STP (domestic water) and 250 KLPD upgraded ETP. It has also commissioned 1,650 KLPD WTP. We have installed 50 KLPD STP at our Palej site. Its recycled water is being used for gardening. We have upgraded our ETP to 250 KLPD. The recycled water is being used as feed for water treatment plant where we convert the raw water into reverse osmosis (RO) and demineralised water for our process in specialty lines and CPP auxiliary.
- Mundra plant has ETP capacity of 285 KLPD and WTP of 1,800 KLPD. We reclaim industrial wastewater from boiler and cooling (~218 KLPD) in the same process after treatment in WTP. The remaining industrial wastewater of 120 KLPD is treated in ETP, and ~61 KLPD water is reused through the WTP plant. The remaining 59 KLPD treated effluent is reused for gardening and plantation within the premises. Domestic/sewage effluent is treated in STP and used for gardening. Further, we have deployed injection-well technology for the recharge of surface rainwater from a given invert level after its due filtration. We have also installed piezometer to observe underground water conditions by measuring the pressure of groundwater at a given depth
- Durgapur plant has ETP capacity of 500 KLPD. We have installed side stream filter in order to limit blow down water for the cooling tower. We are replacing the current RCW pumps with undersized pumps, thereby ensuring less wastage of water and improved efficiency.



- Kochi has ETP capacity of 130 KLPD. We introduced the use of chlorine dioxide (ClO₂) generator and improved the raw water quality, thereby reducing water treatment regeneration, resulting in a 10% saving in total water consumption. We have increased the Water Treatment Plant (WTP) ion-exchange bed Output Before Regeneration (OBR) from 20 to 35 hours, leading to an enhanced capacity for effluent treatment and better-quality output, which is recycled within the plant. We reuse the ultra-filter reject water back into the system and have introduced side stream filtration for cooling towers, thereby reducing blow down to save water.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
NO _x	Mg/Nm ³	11.61	15.75
SO _x	Mg/Nm ³	61.6535	55.647
Particulate matter (PM)	Mg/Nm ³	37.1495	31.938
Persistent organic pollutants (POP)	Not measured		
Volatile organic compounds (VOC)	Not measured		
Hazardous air pollutants (HAP)	Not measured		
Others - please specify	Not measured		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. The external agency assigned by state pollution control board has conducted the evaluation. The names of the agencies are listed below

- Qualissure Laboratory Services
- Envirodesigns Eco Labs
- Envirolysis Consultant and Auditor

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	635210.11	548525.18
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	3502.17	1730.07
Total Scope 1 and Scope 2 emissions per rupee of turnover	tCO ₂ -e / INR	1.436 x 10⁻⁵	2.069 x 10⁻⁵
Total Scope 1 and Scope 2 emission intensity (optional) - the relevant metric may be selected by the entity	tCO ₂ -e/MT	1.39	1.42

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

PCBL has undertaken several renewable energy projects that have helped to reduce consumption of conventionally produced electricity ultimately leading to reduction in GHG emissions. The projects are listed below:

- Installation of total 84 MW co-generation power plants across our units. In March'2022, another power plant of capacity 7 MW has been installed at our Palej Unit.
- During FY 2021-22, we exported net 321357.97 MWh of electricity to grid generated from waste heat recovery. As per Central Electricity Authority, the Grid Emission factor stands at 0.79 t CO₂/MWh (CEA Version 17, October 2021). Thus, our projects displaced equivalent grid electricity hence resulting in offset equivalent to 253872.8 tCO₂ during FY 2021-22. In FY 2021-22, the carbon footprint assessment was done as per ISO 14064: 2018 to better understand our energy consumption patterns and develop mitigation plans accordingly to enhance our efforts towards environment management.

- We are in the process of installing another power plant of capacity 7 MW at our Kochi plant by July, 2022.
- **Robust process technology driving excellence:**
 - Deployed new reactor design at three plants for improved quality consistency and lowering CO₂ emission per tonne of carbon black produced
 - Introduced Air Preheater (APH) management programme to improve heat recovery, thus making plants more environment-friendly
 - Introduced new oil preheater design to improve waste heat recovery and reduce carbon footprint
 - Coordination with procurement, for feedstock, to further economise purchase and for greater use of local and alternative suppliers

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	95.84	86.89
E-waste (B)	4.37	5.19
Bio-mical waste (C)	0.01	0.01
lattery waste (E)	3.08	0.91
Radioactive waste (F)	0.00	0.00
Other Hazardous waste. Please specify, if any. (G)	746.67	142.74
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	114.62	22.09
Total (A+B+C+D+E+F+G+H)	964.59	257.83
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	0	0
(ii) Re-used	17% of wooden pallet	10% of wooden pallet
(iii) Other recovery operations	0	0
Total	0	0
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	8.46	11.24
(ii) Landfilling	34.28	9.22
(iii) Other disposal operations	660.69	38.44
Total	703.43	58.90

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Waste generation is a part of the carbon black manufacturing process. However, being an organisation which is passionately committed to sustainable development, PCBL relentlessly works on reducing waste generation at the source and its proper disposal at all times. In order to address the same, several FIPs (Focused Improvement Projects) have been undertaken across all units of PCBL with cross-functional teams deploying DMAIC Methodology to reduce the waste by a factor of 25% from the baseline (Year 2020-21) by 2030. Categorization of wastes into hazardous & non-hazardous & then further classification of the both by the type (eg. plastic, insulation, ETP sludge, WTP sludge, e-waste, used batteries, used oil etc.) is done to ensure proper mapping and accounting of all the waste that is generated through the various operations. In addition to keeping track of our waste generation, PCBL has defined proper disposal methods for each type of waste which are aligned with the guidelines of Pollution Control Boards & other Govt. regulatory bodies.



Under this ongoing waste reduction drive, following improvements and benefits have been realised:

- At one unit alone, FIP of Zero Carbon Black Leakage had successfully reduced CB leakage by 69% (month-on-month) over a period of 4 months. This also led to monthly financial savings of ~ ₹ 4.3 lakhs. Similar benefits are coming from the other units as well. This directly leads to reduction of ETP sludge generation as well.
- Various collection units have been installed in the process like, tray collection system while cleaning mixer, material collection system while cleaning bag filters and APH and dyke arrangement for containment for spillage and easy collection.
- Oil splash/spillage containment arrangements were made at tanker unloading areas to prevent oil spillages & to recover & reuse the otherwise spilled oil.
- PPE (Mask, hand gloves etc.) were also a source of waste generation which was contained by maintaining a PPE distribution logbook to utilise the resources optimally. Additionally, recycled gloves usage was a prospect identified, and vendor development is in progress.
- Damaged paper bags were identified as another cause of solid waste. Identification and characterisation for reasons of bag damage were carried out and root causes were addressed to reduce the waste generation of bags. Apart from this, damaged jumbo bags were substituted for corrugated sheets that led to financial savings of approx. 1.68 lakhs on annual basis, at Palej.
- As a continuous improvement in reducing the generation of solid waste at source, various efforts and actions are ongoing using techniques like Fault-Tree Analysis to determine the sources and causes whereupon focused actions are diverted to achieve the results.
- Apart from deploying technological advancements, PCBL also lays equal emphasis on creating awareness among all its employees regarding waste generation & disposal & its impact on Health, Safety & Environment. To achieve this, various virtual & classroom training sessions were conducted for the employees & workers during the year under review.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations /offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
			Not Applicable

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
					Not in the current financial year

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
	We are in compliance with all the statutory environmental laws and regulations an there were no such incidences of non-compliance during the financial year.			

Leadership Indicators

- Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A) [Captive Load i.e (Process,R&d ,admin etc except CPP) and CPP auxiliary excluding import]	800548.49 GJ	672753.61 GJ
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	800548.49 GJ	672753.61 GJ
From non-renewable sources		
Total electricity consumption (D) Import from grid MWH	14225.699 GJ	7128.72 GJ
Total fuel consumption (B) (Diesel)	805.68 GJ	1230.84 GJ
Energy consumption through other sources (C)	0	0
Total energy consumed from non-renewable sources (D+E+F)	15031.379 GJ	8359.56 GJ

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

- Provide the following details related to water discharged:

Parameter	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	0 [all are units are Zero liquid Discharge]	0
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(ii) To Groundwater	0	0
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(iii) To Seawater	0	0
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(iv) Sent to third-parties	0	0
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(v) Others	0	0
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
Total water discharged (in kilolitres)	0	0

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

- Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

- Name of the area : Palej and Mundra
- Nature of operations: Manufacturing of Carbon Black



- Water withdrawal, consumption and discharge in the following format: NA

Parameter	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	361717	242203
(ii) Groundwater	644361	512795
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres)	1006078	754998
Total volume of water consumption (in kilolitres)	1004273	632869
Water intensity per rupee of turnover (Water consumed / turnover) (KL/INR)	2.26 x 10⁻⁵	2.38 x 10⁻⁵
Water intensity (optional) - the relevant metric may be selected by the entity (KL/MT)	2.20	1.65
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	0	0
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(ii) Into Groundwater	0	0
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(iii) Into Seawater	0	0
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(iv) Sent to third-parties	0	0
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(v) Others	0	0
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
Total water discharged (in kilolitres)	0	0

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

- Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	162850.99	273824.30
Total Scope 3 emissions per rupee of turnover	tCO ₂ /INR	3.66x10 ⁻⁶	10.29 x10 ⁻⁶
Total Scope 3 emission intensity (optional) - the relevant metric may be selected by the entity	tCO ₂ /MT	0.357	0.712

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, independent assessment/ evaluation/assurance has been carried out by TUV India Ltd.

- With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not applicable

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

We have put in place robust and scalable infrastructure for R&D activities. Our experts constantly look at various ways to improve the yield and performance of our products, and unlock new prospects for various downstream applications.

Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
Infrastructure		
a) Utilization of waste heat to generate green energy	a) In FY'2022, another power plant of capacity 7 MW has been installed at our Palej Unit	a) Utilization of excess tail gas to generate green energy
b) Facility for raw water treatment	b) At Palej, commissioned 1,650 KLPD WTP	b) Treatment of raw water for utilization in manufacturing process
Operations		
c) Flame profiling of reactors	c) Flame profiling done to measure the composition, flame pattern and energy distribution after combustion	c) Better combustion efficiency and higher refractory life
d) Strengthening preventive maintenance	d) Execution of Conditional Based Monitoring, Predictive maintenance, and Preventive Maintenance	d) Reliability improvement
Technology		
e) Modification of additive burner to improve reliability	e) Installed water cooled additive burner for Carcass	e) Reliability of the burner – Preventing failure of this burner, preventing quality issue as well as refractory damage.
f) Modification of pelletizer design for improvement in pellet quality	f) New design pelletizer installed	f) Better pellet quality, improved loading in a bag, reducing customer complaints.
g) Modification of reactor design for better efficiency	g) Refractory design upgraded	g) Better reactor efficiency and Reliability
h) Modification of heat exchangers top improve efficiency	h) APH box design modification done	h) Higher efficiency of heat exchanger, and improving APH Life.

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

All sites of PCBL have their own respective On-Site Emergency Plan / Disaster Management Plan, duly approved by the unit heads. The stated plan clearly identifies the disasters that may occur due to natural calamities or man-made and related risks and hazards as well as provides explanation to key terms used. The plan also mentions the pre-emergency preparations and post-emergency preparation that may need to be undertaken in such critical situations. The plan includes all the possible emergency scenarios viz. Fire, Explosions, toxic release, natural calamities etc. and the contact details along with list of emergency response team members. The roles and responsibilities are clearly identified and also communicated to respective employees so as to make sure the necessary information has been shared in advance. As per the plan, mock drills are conducted periodically to

ascertain preparedness of the workplace for such unfortunate incidences, in case if they occur. It helps in conditioning employees for faster response to curtail losses in terms of human life and asset losses. The de-briefing thereafter helps in identifying opportunities for improvement and closures.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

In line with our Sustainability Policy and Sustainable Procurement policy, we have adopted a procurement process integrating Ethical, Environmental and Social priorities. Owing to our dependency on our suppliers for providing essential raw material and other services, it is of paramount importance to us to sensitize them on issues of environmental importance. Considering the fact that their processes also create negative impacts on environment, we consider it as our responsibility to work with them to encourage

them to adopt sustainable practices. We have identified the following measures for achieving responsible, green and sustainable supply chain:

1. Reduction in emissions and water consumption

We encourage our suppliers to identify sources of emissions like CO₂ and other greenhouse gases, SO_x, NO_x and particulate matter. Following the identification, we encourage them to make efforts to reduce emissions. We also encourage them to explore opportunities to reduce water consumption.

2. Efficient systems and process

Suppliers should strive towards enhancing the efficiency and performance of the equipment and processes by continuous improvement, monitoring and assessment of technology. Good practices should be followed to ensure environmental resources are valued and protected.

3. Reduction in the consumption of hazardous and toxic materials

We encourage our suppliers to curb their use of hazardous and toxic materials. In doing so, we also encourage the use of appropriate substitutes and replacements.

4. Waste management

We handle toxic waste under professional guidance, which is disposed of through authorised waste processors by the suppliers. We also do not allow toxic waste outside our premises without proper approval.

5. Responsible sourcing

We encourage our suppliers to analyse the waste to landfill process and strive to reduce the quantity of disposal to landfills. We focus on helping the suppliers figure out alternative waste disposal techniques to be adopted to reduce environmental impact.

We recommend our suppliers to use renewable energy sources wherever possible, ensuring improved energy efficiency and self-dependence. We encourage our suppliers to undertake measures to identify the scope of replacing conventional energy sources with sustainable and renewable sources in their respective operations. We recommend our suppliers to focus on reducing resource consumption to improve efficiency, investing in cutting-edge technology and reusing material by innovating products and processes.

6. Digital communication and processes

To reduce the usage of paper, save trees and conserve environment, we encourage our

suppliers to focus on digital processes for services starting from submitting quotes/ tender and raising digitally signed invoices to the acceptance of payments.

7. Packing and loadability optimisation

We encourage suppliers to take proactive steps to reduce the environmental impact of their packaging material by developing innovative, practical solutions to modify the design and disposal method. Our products are packaged in bulk bags and paper bags on wooden pallets and plastic pallets. We have reduced the consumption of paper bags and replaced a large chunk of packaging with bulk bags. Besides, we have also initiated the use of recycled black plastic pallets to replace virgin plastic pallets, which ensures a sustainable footprint and reduces cost. On the loadability front, we have increased the height of our domestic bulk bag extensively and increased the size and loading enjoy an advantage on our inbound and outbound materials, owing to the strategic location of our facilities. We are doing coastal movement of material (through ships). Hence, the buoyancy of water transportation reduces weight by 40%, enabling reduction in fuel consumption. We conduct annual meetings with major raw material suppliers Small and medium-sized local businesses serve as vital players in a company's progress.

At PCBL, we see them as critical partners in growth and have developed various mechanisms and policies to support their development. Despite expansive opportunities for local manufacturing suppliers (LMS) in the carbon black industry, most of them struggle to leverage the market landscape due to lack of infrastructure and/ or specific capability. Moreover, the complex nature of the LMS' makes it difficult for the procuring organisation to understand their level of maturity in terms of technology or competence. We recognise that developing a LMS requires a strategic approach capacity, ensuring decreased polypropylene consumption while ensuring cost reduction. With reduction in the number of bags, we have reduced the number of trucks, saving fuel per tonne per km.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

During FY 2021-22, the second party audit was done for 10% of our total suppliers by value.

PRINCIPLE 7:

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.
8 (Eight)
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Indian Chamber of Commerce (ICC)	National
2	Bengal Chamber of Commerce and Industry (BCC&I)	State
3	Federation of Indian Chambers of Commerce & Industry (FICCI)	National
4	Confederation of Indian Industry (CII)	National
5	The Associated Chambers of Commerce & Industry of India (ASSOCHAM)	National
6	All India Management Association (AIMA)	National
7	Federation of Indian Export Organisations (FIEO)	National
8	Basic Chemicals, Cosmetics & Dyes Export Promotion Council (CHEMEXCIL) [arrange these organisations]	National
9	—	—
10	—	—

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Not Applicable		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of review by board (annually/half-yearly/quarterly/ others - please specify)	Web link, if available
No such positions advocated					

PRINCIPLE 8:

Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

PCBL is relentlessly strengthening a sustainable ecosystem around its manufacturing units through strategic need-based interventions in the areas of education, health and sanitation, environment sustainability to ensure holistic development of the surrounding communities. The needs of the community are assessed through periodic interactions with the various stakeholder groups. We are constantly guided by our mantra 'TOUCHING LIVES IN MORE WAYS THAN ONE' while taking care of the communities. We aim at co-create value by seeking a clear understanding of how the operations and products are interconnected with the evolving aspirations of the stakeholder fraternity. While we do this, we are governed by the set of norms including the board approved CSR policy.

In line with the mentioned Policy, we are undertaking community-development programmes to promote sustainable and inclusive development of the deprived sections of the population. The Policy has been duly approved by the Board of Directors and applies to all CSR initiatives and activities taken up for the benefit of different sections of the society. The policy outlines various focus areas such as education, health, community, development and environment sustainability to support and facilitate the development of



underprivileged and disadvantaged sections of the society. The CSR projects are decided in consultation with the stakeholders to ensure that they are relevant and address the specific needs of the community where they are implemented. Our in-house team consisting of professional ensures execution of the CSR projects in a timely & efficient manner. We also involve our own employees as volunteers in various projects. Furthermore, every project has a dedicated committee that ensure effective implementation of the project. Moreover, stakeholder consultations at regular intervals are conducted to ensure that projects thus implemented address the specific needs of the community members and that collective approach shall ensure the sustainability of all projects. The social impact assessments are carried out for all the projects. The projects are reviewed and reports are sought from external agencies wherever they are deployed.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
There is no SIA Notification as such.					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (in ₹)
None						

3. Describe the mechanisms to receive and redress grievances of the community.

CSR Committee at the Board level is responsible for CSR activities, supported by corporate CSR team. The CSR teams at the plant level deal with grievances received from stakeholders. We engage with the community on regular basis directly or through implementing agencies. The grievances received informally or formally through such forums are also conveyed to the CSR team, which are further discussed with the board level committee which meets once every 3 months. The resolution thus arrived at are conveyed back to the community members or their representatives.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Parameter	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	1.73	2.11
Sourced directly from within the district and neighbouring districts	5.1	6.73

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
No such impacts identified	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (in ₹)
1	Gujarat	Bharuch	19,70,000
2	Gujarat	Kutch	1,41,990
3	West Bengal	Kolkata	1,40,000
4	West Bengal	Burdwan	4,37,439
5	Kerala	Ernakulam	22,25,000
6	Gujarat	Kutch	2,04,300
7	West Bengal	Burdwan	1,09,140
8	West Bengal	Kolkata	6,25,000
9	Gujarat	Bharuch	5,53,884
10	Gujarat	Kutch	2,00,800

S. No.	State	Aspirational District	Amount spent (In ₹)
11	West Bengal	Burdwan	43,25,065
12	Kerala	Ernakulam	17,42,900
13	Gujarat	Bharuch	8,10,326
14	Gujarat	Kutch	45,97,773
Total			1,80,83,617

Amount given to RP-SANJIV GOENKA GROUP CSR TRUST for Promoting Education in Kolkata, West Bengal is ₹ 6,8500000

Total amount spent for the financial year 2021 – 2022 = ₹ 8.66 crores.

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? No
- (b) From which marginalized /vulnerable groups do you procure? Not Applicable
- (c) What percentage of total procurement (by value) does it constitute?

At PCBL, we see small and medium sized suppliers as critical partners in our growth and we have therefore developed various mechanisms and policies to support their development. The local manufacturing suppliers (LMS) in the carbon black industry, struggle to leverage the market landscape due to lack of infrastructure and/or specific capability. Moreover, the complex nature of the LMS' makes it difficult for the procuring organisation to understand their level of maturity in terms of technology or competence. Consequently, we have established a strategic local manufacturing development roadmap for our different purchase requirements. The plan has enabled us to identify different LMS' that serve our requirements for packaging, machineries and spares for machineries.

Packaging: As a strategic purchase item, we locally procure paper bags for automatic packaging machines in Mundra. Earlier, it was an imported item, but we buy it locally now. We developed the LMS by sharing our experience, technology and providing extensive opportunities to develop the required product according to international standards.

Machineries and spares: We developed local manufacturers for different types of APH bellows, alloy casting tubes, gear box, palletiser, paper bag packing machines etc., cages, filter bags by reverse engineering. We are also trying to develop APH (one of the important equipment in carbon black) locally.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
None		



6. Details of beneficiaries of CSR Projects:

Sl. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Promotion of Sports for children	People of 14 villages across 4 locations	These have not been identified as vulnerable/ marginalized groups.
2	Facilitating and Imparting Education among the underprivileged students		
3	Proving relief materials for COVID as well as for cyclone Yaas to the underprivileged people of the rural areas		
4	Construction and development of roads in the surrounding village areas		
5	Contribution of Ration and food among the underprivileged people		
6	Contribution towards house keeping work in the village areas		
7	Contribution towards sports kit and encouragement of women sports		
8	Contribution towards steps for implementing sustainability practices across the organization		
9	Contribution toward Eco Ambulance and Oxygen plant erection and commissioning		
10	Contribution towards cow fodder and developing green belt outside the plant premises and the surrounding village areas		
11	Civil work and development of nearby village		
12	Development of the surrounding village areas in and around the Plant		
13	Contribution towards upliftment of underprivileged person and their medical aid		
14	Contribution towards community shed constructions and development of the surrounding slum areas in and around the Plant		

PRINCIPLE 9:

Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Any issue/complaint raised by any customer is registered by regional managers of Marketing team in SAP system alongside Plant name, Grade, Invoice details, Customer/Agent details, picture (if any) etc. and forwarded to Technical Services(TS)Co-ordinator. The complaint is forwarded to respective functional head of plant, if complaint is justified, otherwise rejected to Mkt. Immediate containment actions to be shared with TS coordinator within 3 business days (if required in customer designated QPRS format). Any other information and/or requirement of sample from complaint bag/lot in order to facilitate root cause analysis, which is routed through TS coordinator. Identification of root cause through structured root cause analysis by Cross Functional Team(CFT) and corresponding action plan to be sent to respective Unit Head by functional head for approval. The RCA report/CAPA report is reviewed, the same report is forwarded to TS coordinator for further review. In case of rejection the said report is sent back to concerned functional head in order to revisit the RCA.TS Coordinator reviews the CAPA report alongside evidences and discusses with Head-TS/ Chief manufacturing for acceptance/ Rejection. If the RCA report found acceptable, loop is closed in SAP; in case of rejection CAPA is sent back to respective functional Head for further analysis and in order to resolve the issue.

Once the complaint is closed in SAP, a system generated mail along with RCA report is sent to RM-Mkt for onward submission to customer. Target for resolution of any customer complaint is 15 days. A system generated mail is sent to the responsible persons in order to complete the proposed corrective actions. A summary of pending action plan as mentioned in CAPA reports is sent through mail from SAP database on monthly basis. Effectiveness of the proposed action point is evaluated once in 3 months. TS coordinator arranges to collect customer feedback post three months from the date of submission of CAPA report in order to resolve the issue raised by customers.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	99% Approx
Safe and responsible usage	99%
Recycling and/or safe disposal	99%

3. Number of consumer complaints in respect of the following:

	FY 21-22 (Current Financial Year)		FY 20-21 (Previous Financial Year)		Remarks
	Filed during the year	Pending resolution at the end of year	Filed during the year	Pending resolution at the end of year	
Data privacy	0	0	0	0	0
Advertising	0	0	0	0	0
Cyber-security	0	0	0	0	0
Delivery of essential services	0	0	0	0	0
Restrictive Trade Practices	0	0	0	0	0
Unfair Trade Practices	0	0	0	0	0
Other					Nil

4. Details of instances of product recalls on account of safety issues:

There were no product recalls during the reporting year.

	Number	Reasons for recall
Voluntary recalls	None	
Forced recalls	None	

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

PCBL has an End User Mobility & Data Security Policy which is available on internal Employee Portal of the Organisation. In accordance with ISMS: ISO 27001 – Data Confidentiality, Integrity & Availability guidelines, we introduced the SAP Document Management System to sort and store all critical, sensitive and important organisational documents in a central encrypted repository. We launched Sapphire IMS – IT Call-Ticket Management and Asset-Management platform – to log in all IT-related incidents and service requests, ensuring improved IT support, along with better governance and accountability of the IT team. It is available on mobile app and portal. We also successfully completed the SAP DR Drill in Amazon Singapore Server using an innovative and unique methodology that saved us significant running costs. The simulated process enhanced the confidence of the IT team on the security and availability of core and most-critical business data in case of any real disaster.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not applicable as no such issue and incident has been reported during the reporting year

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

The product related information can be accessed at <https://www.pcblltd.com>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.



MSDS containing all the relevant information is available on [provide the link] and also communicated to customers separately.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

The information related to any risk of disruption/discontinuation of essential services is communicated to consumers through e-mails.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

At PCBL, customer satisfaction continues to be our key priority. The satisfaction study is being captured with multi-disciplinary approach through various feedback mechanisms as mentioned below:

- a) Analysis of customers' regular feedback on:

- Concern/issue resolution
- Supplier's performance rating assigned by customers
- Findings of various audits conducted by customers
- Regular interaction with customers at different levels

- b) Customer satisfaction survey (Annually)

Customer Satisfaction scoring (CSAT) is the most standard customer satisfaction metric, asking PCBL customers to rate satisfaction with business, product or service. The CSAT score is then the average rating of responses for a given customer.

Summary of Customer Satisfaction score (CSAT) based on Kano Model for last two financial years is given below:

CSAT Score from major Tyre manufacturers in 2019-2020: 83.0%

CSAT Score from major Non-Tyre rubber product manufacturers in 2019-2020: 89.8%

CSAT Score from major Tyre manufacturers in 2020-2021: 86.0%

CSAT Score from major Non-Tyre rubber product manufacturers in 2020-2021: 91.8%

5. Provide the following information relating to data breaches:

- a. Number of instances of data breaches along-with impact

None

- b. Percentage of data breaches involving personally identifiable information of customers

None

Independent Auditor's Report

To the Members of PCBL Limited (formerly Phillips Carbon Black Limited))

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying standalone financial statements of PCBL Limited (formerly Phillips Carbon Black Limited) ("the Company"), which comprise the Balance sheet as at March 31, 2022, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements'

section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Provisions for claims & litigations and disclosure of contingent liabilities (as described in Note 11.1 and 24 of the standalone financial statements)	
The Company is involved in litigations, both for and against the Company, comprising of tax matters, legal compliances and other disputes. The Company assesses the need to make a provision or disclose a contingency on a case-to-case basis considering the underlying facts of each matter, in consultation with its advisors and lawyers. This involves a high level of management judgement and assumptions which impact the risk assessment and consequential provisioning and disclosure of contingencies in the financial statements.	Our audit procedures included the following: - We evaluated and tested the Company's processes and controls for monitoring of such claims, litigations, disputes, compliances and assessment thereof for determining the likely outcome. - We read the summary of the litigations prepared by the management and discussed the material cases to determine the Company's assessment of the likelihood and magnitude of any liability that may arise. - We obtained independent legal confirmations from the concerned lawyers, where applicable, to seek their opinion on the status of such litigations and validate the management judgement and assumptions.



Key audit matters	How our audit addressed the key audit matter
This area is significant to our audit, since the completeness and accuracy of accounting and disclosures for contingencies is dependent on such management judgement and assumptions.	- We discussed with the management, including the Company's internal tax experts and head of legal matters to understand the basis of management's judgements and estimates. - We obtained risk assessment of tax litigations from our tax specialists to assess management's judgements and assumptions on such matters. - We read the minutes of the board meetings and tested the Company's legal expenses to determine the completeness of claims, disputes and litigations. - We tested the adequacy of disclosures in the Ind AS financial statements. - We also obtained necessary representation from the management in regard to provisioning and disclosure in respect of the claims and litigation.
Fair Valuation of investments in unquoted equity and preference shares (as described 4(a) of the standalone financial statements)	
The Company has fair valued its non-current investments in unquoted equity and preference shares of few companies as at the year end. Determining the fair value of such unquoted investments requires valuation techniques which has been performed by independent valuation experts, applying applicable valuation methodologies. These investments, being material to these financial statements, was determined to be a key audit matter in our audit.	Our audit procedures include the following: - We obtained the last audited financial statements for the year ended March 31, 2021, and the unaudited management certified trial balance for the year ended March 31, 2022, where relevant, of the investee companies and traced the composition of the net asset value of such investee companies used in fair valuation exercise, to the same. - We read such financial information to determine any matters which should have been considered for the valuation exercise and discussed with the management for the year ended March 31, 2022 if there are any other significant developments since the last audited financial statements. - We compared the fair valuation of such investments as on March 31, 2022 with the fair valuation as on March 31, 2021 and discussed with the concerned valuer and the management the reasons for changes to such fair valuation. - Further, we obtained Independence confirmation from the concerned valuers and assessed their competence. - We also obtained suitable management representation as regards the fair valuation of these investments.

We have determined that there are no other key audit matters to communicate in our report.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance

including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery,

intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
- iv.
 - a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 33 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 33 to the standalone financial statements, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
 - v. The dividend declared or paid during the year by the Company is in compliance with section 123 of the Act.

For **S. R Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005
Per **Kamal Agarwal**
Partner
Membership Number: 058652
UDIN: 22058652AHIPOJ1895
Place of Signature: Kolkata
Date: April 19, 2022

Annexure '1'

referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: PCBL Limited (formerly Phillips Carbon Black Limited) ("the Company")

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) All the Property, Plant and Equipment have not been physically verified by the management during the year but there is a regular programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.
- (e) As represented to us by the management, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year except for inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed. Inventories lying with third parties have been confirmed by them and discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such confirmations.
- (b) As disclosed in note 10 (a) to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year based on the security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks are in agreement with the books of accounts of the Company.
- (iii) (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) During the year the Company has not provided guarantees and security and not granted advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. The investments made and the terms and conditions of the loans granted are not prejudicial to the Company's interest.
- (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.

- (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.
- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.
- (f) The Company has not granted any advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. As disclosed in note 4 (e) to the financial statements, the Company has granted loans repayable on demand to a company. Of these following are the details of the aggregate amount of loans granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013:

	Amount in INR crores All Parties - Related Parties
Aggregate amount of loans/ advances in nature of loans - Repayable on demand	6.19
Percentage of loans/ advances in nature of loans to the total loans	100%

- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of
- (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the Dues	Amount (In crores)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income tax	11.81	F.Y. 2017-2018	Commissioner of Income-tax (Appeals)
Central Excise Act, 1944	Excise Duty	1.26	1997-98 to 1998-99 2003-04 to 2008-09 2012-13 to 2015-16	Commissioner (Appeals)
		45.32	2004-05 to 2016-17	Customs Excise and Service Tax Appellate Tribunal
	Excise Duty	0.91	2011-2012	High Court at Gujarat
Central Excise Act, 1944 read with Cenvat Credit rules, 2004	Excise Duty	5.77	2008-09 & 2010-2015	Customs Excise and Service Tax Appellate Tribunal
	Excise Duty	19.17	2008-09, 2009-10, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17	High Court at Calcutta
	Service Tax	6.02	2012-13	Customs Excise and Service Tax Appellate Tribunal

sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture and sale of carbon black and sale of power, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

Name of the statute	Nature of the Dues	Amount (In crores)	Period to which the amount relates	Forum where the dispute is pending
Central Sales Tax Act, 1956	Central Sales Tax	1.91	1994-95, 1995-96, 1999-00	High Court at Calcutta
		1.39	2007-08	Senior Joint Commissioner Commercial Taxes.
		4.48	2003-04, 2004-05	West Bengal Commercial Taxes Appellate & Revisional Board
Customs Act, 1962	Customs Duty	0.09	2009-10, 2012-13	Customs Excise and Service Tax Appellate Tribunal
		0.38	2006-07 to 2010-11	Deputy Commissioner of Custom
Gujarat Value Added Tax Act, 2006	Value Added Tax	0.23	2006-07	Gujarat Value Added Tax Tribunal
West Bengal Sales Tax Act, 1994	Sales Tax	0.67	2003-04	West Bengal Commercial Taxes Appellate & Revisional Board
		0.41	1994-95 to 1995-96, 1999-00	West Bengal Taxation Tribunal
West Bengal Value Added Tax Act, 2003	Value Added Tax	2.62	2015-16	West Bengal Taxation Tribunal
		0.78	2007-08	Senior Joint Commissioner Commercial Taxes.

(viii) As represented to us by the management, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) As represented to us by the management, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) Term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) As disclosed in note 8 to the financial statements, the Company has complied with provisions of sections 42 and 62 of the Companies Act, 2013 in respect of Qualified Institutions Placement of equity shares during the year. The amount raised, have been used for the purposes for which the funds were raised except for idle funds amounting to Rs 196.10 crore which were not required for immediate utilization and which have been gainfully invested in liquid investments payable on demand. The maximum amount of idle funds invested during the year was Rs 393.98 crore, of which Rs 196.10 crore was outstanding at the end of the year.

(xi) (a) As represented to us by the management, no fraud/ material fraud by the Company or no fraud / material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.



(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

(xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) & (c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) As represented to us by the management, the Group has 5 Core Investment Companies as a part of the Group.

(xvii) The Company has not incurred cash losses in the current financial year and immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 34 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 20(a) to the financial statements.

(b) All amounts that are unspent under section (5) of section 135 of Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance of with provisions of sub section (6) of section 135 of the said Act. This matter has been disclosed in note 20(a) to the financial statements.

For **S. R Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Per **Kamal Agarwal**
Partner
Membership Number: 058652
UDIN: 22058652AHIPQJ1895

Place of Signature: Kolkata
Date: April 19, 2022

Annexure '2'

To the Independent Auditor's Report of Even Date on the Standalone Financial Statements of PCBL Limited (Formerly Phillips Carbon Black Limited)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of PCBL Limited (formerly Phillips Carbon Black Limited) ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THESE STANDALONE FINANCIAL STATEMENTS

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, adequate internal financial controls with

reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S. R Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Per **Kamal Agarwal**
Partner
Membership Number: 058652
UDIN: 22058652AHIP0J1895

Place of Signature: Kolkata
Date: April 19, 2022

Standalone Ind AS Balance Sheet

as at 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

	Notes	As at 31 March, 2022	As at 31 March, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	1,813.18	1,605.32
Capital work-in-progress	3(b)	129.40	266.76
Investment property	3(c)	4.48	4.48
Intangible assets	3(d)	0.75	0.65
Right of use assets	3(e)	89.46	106.29
Financial assets			
(i) Investments	4(a)	483.00	220.28
(ii) Loans	4(e)	7.22	7.42
(iii) Other financial assets	4(f)	25.89	27.43
Non current tax assets (Net)	7	-	5.16
Other non-current assets	5	18.81	17.40
Total Non-current assets		2,572.19	2,261.19
Current assets			
Inventories	6	603.91	444.84
Financial assets			
(i) Investments	4(a)	300.04	-
(ii) Trade receivables	4(b)	1,105.10	708.50
(iii) Cash and cash equivalents	4(c)	103.97	114.04
(iv) Other bank balances	4(d)	4.72	104.92
(v) Loans	4(e)	0.46	0.56
(vi) Other financial assets	4(f)	16.22	43.36
Other current assets	5	48.74	32.67
Total Current assets		2,183.16	1,448.89
TOTAL ASSETS		4,755.35	3,710.08
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	8	37.75	34.47
Other equity	9	2,567.16	1,892.70
TOTAL EQUITY		2,604.91	1,927.17
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
(i) Borrowings	10(a) (i)	220.34	304.74
(ii) Lease Liabilities	10(c)	82.86	98.62
(iii) Other financial liabilities	10(d)	8.01	8.96
Provisions	11	0.46	0.86
Deferred tax liabilities (Net)	12	276.30	271.47
Total Non-current liabilities		587.97	684.65
Current liabilities			
Financial Liabilities			
(i) Borrowings	10(a) (ii)	463.65	302.05
(ii) Lease Liabilities	10(c)	18.97	18.44
(iii) Trade payables	10(b)		
a) Total outstanding dues of micro enterprises and small enterprises		21.56	13.26
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		889.41	578.24
(iv) Other financial liabilities	10(d)	71.78	75.07
Provisions	11	79.33	84.39
Current tax liabilities (Net)	14	0.77	-
Other current liabilities	13	17.00	26.81
Total Current liabilities		1,562.47	1,098.26
TOTAL LIABILITIES		2,150.44	1,782.91
TOTAL EQUITY AND LIABILITIES		4,755.35	3,710.08
The accompanying notes form an integral part of the Standalone Ind AS financial statements.			

This is the Standalone Ind AS Balance Sheet referred to in our report of even date.

For **S. R Batliboi & Co. LLP**
ICAI Firm Registration Number 301003E/E300005
Chartered Accountants

Kamal Agarwal
Partner
Membership Number: 058652

Kolkata
Date: 19 April, 2022

For and on behalf of Board of Directors of PCBL Limited

Kaushik Roy
Managing Director
(DIN: 06513489)

Kaushik Mukherjee
Company Secretary

Rusha Mitra
Director
(DIN: 08402204)

Raj Kumar Gupta
Chief Financial Officer

Standalone Ind AS Statement of Profit and Loss

for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

	Notes	Year ended 31 March, 2022	Year ended 31 March, 2021
Revenue from operations	15	4,446.42	2,659.52
Other income	16	26.73	15.79
Total Income		4,473.15	2,675.31
Expenses			
Cost of materials consumed	17(a)	3,169.12	1,582.74
Changes in inventories of finished goods	17(b)	(35.32)	26.19
Employee benefits expense	18	158.72	132.17
Finance costs	19	29.09	33.88
Depreciation and amortisation expense	20	120.88	110.12
Other expenses	21	498.32	399.85
Total Expenses		3,940.81	2,284.95
Profit before tax		532.34	390.36
Income-tax expense	22		
Current tax (Net of utilisation of minimum alternate tax credit)		110.46	69.35
Deferred tax	12	(5.26)	8.74
Total tax expense		105.20	78.09
Profit for the year		427.14	312.27
Other Comprehensive Income			
Items that will not to be reclassified to profit or loss, net of taxes	22		
Re-measurement loss on post-employment defined benefit-plans (net of tax)		(1.81)	(0.24)
Net gain/(loss) on equity instruments [FVTOCI] (net of tax)		51.03	44.10
Other Comprehensive Income for the year, net of tax		49.22	43.86
Total Comprehensive Income for the year, net of tax		476.36	356.13
Earnings per equity share:			
Nominal Value per share [Refer Note 8(i)]	27		
Basic (₹)		11.84	9.06
Diluted (₹)		11.84	9.06
The accompanying notes form an integral part of the Standalone Ind AS financial statements.			

This is the Standalone Ind AS Statement of Profit and Loss referred to in our report of even date.

For **S. R Batliboi & Co. LLP**
ICAI Firm Registration Number 301003E/E300005
Chartered Accountants

Kamal Agarwal
Partner
Membership Number: 058652

Kolkata
Date: 19 April, 2022

For and on behalf of Board of Directors of PCBL Limited

Kaushik Roy
Managing Director
(DIN: 06513489)

Kaushik Mukherjee
Company Secretary

Rusha Mitra
Director
(DIN: 08402204)

Raj Kumar Gupta
Chief Financial Officer

Statement of Ind AS Standalone Cash Flows

for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Notes	Year Ended 31 March, 2022	Year Ended 31 March, 2021
A. Cash Flow from Operating Activities			
Profit before Tax		532.34	390.36
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and amortisation expense	20	120.88	110.12
Finance costs	19	29.09	33.88
Allowance for doubtful debts / expected credit losses - trade receivables	21	-	0.83
Interest income from certain financial assets	16	(4.74)	(3.46)
Dividend income from equity instruments designated at FVTOCI	16	(7.59)	(7.59)
(Gain) / Loss on sale/fair valuation of investments carried at FVTPL	16/21	(9.47)	2.97
Provisions / Liabilities no longer required written back	16	-	(0.10)
(Profit)/Loss on disposal/discard of property, plant and equipment	21	0.39	(1.41)
Provisions for claims and litigations written back (net)	11.1	(2.27)	(4.85)
Unrealised Foreign exchange differences (net)		0.09	(6.26)
		126.38	124.13
Operating profit before changes in operating assets and liabilities		658.72	514.49
Working capital adjustments			
(Increase)/Decrease in inventories		(159.07)	(118.65)
(Increase)/Decrease in trade receivables		(394.17)	(123.46)
(Increase)/Decrease in other financial and non-financial assets		9.72	(10.09)
Increase/(Decrease) in trade payables		317.13	166.69
Increase/(Decrease) in other financial and non-financial liabilities		(7.68)	22.30
		(234.07)	(63.21)
Cash generated from operations		424.65	451.28
Income taxes paid (net of refunds)		(103.57)	(66.00)
NET CASH FLOWS GENERATED FROM OPERATING ACTIVITIES		321.08	385.28
B. Cash Flow from Investing Activities			
Purchase of property, plant and equipment		(169.95)	(115.49)
Proceeds from disposal of property, plant and equipment *		0.00	1.41
Purchase of non-current investments		-	(1.01)
Investment in Equity shares of subsidiary		(7.00)	(2.36)
Investment in Preferences shares of subsidiary		(194.00)	-
Purchase of current investments		(3,541.82)	(1,976.93)
Proceeds from sale/redemption of current investments		3,251.25	1,979.83
Fixed deposits (placed) /matured with banks		100.00	(100.00)
Proceeds from sale / redemption of preference shares		-	7.04
Interest received		6.08	0.25
Dividend received from equity instruments designated at FVTOCI		7.59	7.59
NET CASH FLOWS USED IN INVESTING ACTIVITIES		(547.85)	(199.67)

Statement of Ind AS Standalone Cash Flows

for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Notes	Year Ended 31 March, 2022	Year Ended 31 March, 2021
C. Cash Flow from Financing Activities			
Proceeds from Issue of Equity shares through Qualified Institutions Placement (net of expenses)	8/9	390.11	-
Proceeds from non-current borrowings		120.00	235.00
Repayment of non-current borrowings		(160.85)	(156.00)
Payment of lease liabilities, including interest thereon		(28.87)	(29.25)
Increase /(decrease) in cash credit facilities from banks		49.87	(99.75)
Proceeds from current borrowings		883.48	1,088.86
Repayment of current borrowings		(815.48)	(1,061.86)
Dividends paid		(188.73)	(120.64)
Finance cost paid		(32.83)	(35.90)
NET CASH FLOWS GENERATED FROM / (USED IN) FINANCING ACTIVITIES		216.70	(179.54)
Net (decrease) / increase in Cash and Cash Equivalents		(10.07)	6.07
Opening Cash and Cash Equivalents		114.04	107.97
Closing Cash and Cash Equivalents		103.97	114.04

* Amount is below the rounding off norm adopted by the Company.

Changes in liabilities arising from financing activities

Particulars	1 April, 2021	Cash Flows	Others	31 March, 2022
Current borrowings (excluding Current maturities of long term debt)	256.92	117.87	0.18	374.97
Lease Liabilities [Refer Note 10(c)]	117.06	(28.87)	13.64	101.83
Non-current borrowings (including Current Maturities)	349.87	(40.85)	-	309.02
Total liabilities from financing activities	723.85	48.15	13.82	785.82

Particulars	1 April, 2020	Cash Flows	Others	31 March, 2021
Current borrowings (excluding Current maturities of long term debt)	329.67	(72.75)	-	256.92
Lease Liabilities [Refer Note 10(c)]	132.94	(29.25)	13.37	117.06
Non-current borrowings (including Current Maturities)	287.30	79.00	(16.43)	349.87
Total liabilities from financing activities	749.91	(23.00)	(3.06)	723.85

Accounting Policy

For the purpose of presentation in the statement of cash flows, Cash and cash equivalents comprise cash at bank, cash in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

The accompanying notes form an integral part of the Standalone Ind AS Statement of Cash Flows

This is the Standalone Ind AS Statement of Cash Flows referred to in our report of even date.

For **S. R Batliboi & Co. LLP**
ICAI Firm Registration Number 301003E/E300005
Chartered Accountants

Kamal Agarwal
Partner
Membership Number: 058652

Kolkata
Date: 19 April, 2022

For and on behalf of Board of Directors of PCBL Limited

Kaushik Roy
Managing Director
(DIN: 06513489)

Kaushik Mukherjee
Company Secretary

Rusha Mitra
Director
(DIN: 08402204)

Raj Kumar Gupta
Chief Financial Officer

Standalone Ind AS Statement of Changes in Equity

for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	Notes	31 March, 2022		31 March, 2021	
		Number of Shares	Amount	Number of Shares	Amount
Equity shares of ₹ 2/- (31 March, 2021 ₹ 2/-) each issued, subscribed and paid up: Refer Note 8(i)					
Opening balance	8	17,23,37,860	34.47	17,23,37,860	34.47
Equity shares issued through Qualified Institutions Placement	8(ii)	1,63,93,442	3.28	-	-
Closing balance		18,87,31,302	37.75	17,23,37,860	34.47

B. OTHER EQUITY

Particulars	Notes	Reserves and Surplus					Other reserves Equity Instruments through Other comprehensive income	Total other equity
		Capital reserve	Securities premium	General reserve	Statutory Reserve	Retained earnings		
As at 1 April, 2021	9	1.53	224.12	73.38	0.60	1,473.85	119.22	1,892.70
Profit for the year		-	-	-	-	427.14	-	427.14
Other comprehensive income/ (loss) for the year (net of tax)		-	-	-	-	(1.81)	51.03	49.22
Dividend	26	-	-	-	-	(188.73)	-	(188.73)
Equity shares issued through Qualified Institutions Placement (net of expenses)	8(ii) & 9	-	386.83	-	-	-	-	386.83
As at 31 March, 2022		1.53	610.95	73.38	0.60	1,710.45	170.25	2,567.16

Particulars	Notes	Reserves and Surplus					Other reserves Equity Instruments through Other comprehensive income	Total other equity
		Capital reserve	Securities premium	General reserve	Statutory Reserve	Retained earnings		
As at 1 April, 2020	9	1.53	224.12	73.38	0.60	1,282.46	75.12	1,657.21
Profit for the year		-	-	-	-	312.27	-	312.27
Other comprehensive income/ (loss) for the year (net of tax)		-	-	-	-	(0.24)	44.10	43.86
Dividend	26	-	-	-	-	(120.64)	-	(120.64)
As at 31 March, 2021		1.53	224.12	73.38	0.60	1,473.85	119.22	1,892.70

The accompanying notes form an integral part of the Standalone Ind AS financial statements
This is the Standalone Ind AS Statement of Changes in Equity referred to in our report of even date.

For **S. R Batliboi & Co. LLP**
ICAI Firm Registration Number 301003E/E300005
Chartered Accountants

Kamal Agarwal
Partner
Membership Number: 058652

Kolkata
Date: 19 April, 2022

For and on behalf of Board of Directors of PCBL Limited

Kaushik Roy
Managing Director
(DIN: 06513489)

Kaushik Mukherjee
Company Secretary

Rusha Mitra
Director
(DIN: 08402204)

Raj Kumar Gupta
Chief Financial Officer

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

CORPORATE INFORMATION

PCBL Limited (Formerly "Phillips Carbon Black Limited") is a public company limited by shares domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company is primarily engaged in the business of manufacturing & sale of carbon black and sale of power as detailed under segment information in Note 29. Equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited.

The registered office of the Company is located at Duncan House, 31, Netaji Subhas Road, Kolkata 700001, West Bengal, India.

During the year ended 31 March, 2022, the Company has changed its name from 'Phillips Carbon Black Limited' to 'PCBL Limited' pursuant to issuance of fresh Certificate of Incorporation dated December 29, 2021 by Ministry of Corporate Affairs, Office of the Registrar of Companies, Kolkata - 700020.

These standalone financial statements were approved and authorised for issue in accordance with resolution of the Board of Directors on 19 April, 2022.

I. Basis of Preparation and Other Significant Accounting Policies

1.1.1. Compliance with Ind AS

These standalone financial statements comply in all material respects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting Standards) Rules, 2015] (as amended from time to time) and other relevant provisions of the Act. These standalone financial statements has also been prepared in compliance with presentation requirement of Division II of Schedule III of the Companies Act, 2013 (IND AS Compliant Schedule III) as applicable to the standalone financial statements.

These standards and policies have been consistently applied to all the years presented, unless otherwise stated. The standalone financial statements are presented in Indian Rupee (₹), which is the Company's functional and presentation currency.

The Ministry of Corporate Affairs (MCA) through a notification, amended Schedule III of the Companies Act, 2013 and the amendments are effective from 1 April, 2021. These amendments require certain regroupings in the Schedule III format of Balance Sheet. The Company has given

effect of such regroupings in these standalone financial statements including figures for the corresponding previous year wherein:

- Current maturities of long term debts has been regrouped from "Other financial liabilities" in the Standalone Financial Statements for FY 2020-2021 to "Current Borrowings" in these Standalone Financial Statements.
- Lease Liabilities are presented separately as "Lease Liabilities" in these Standalone Financial Statements and not grouped under "Other financial liabilities" as presented in the Standalone Financial Statements for FY 2020-2021.
- Security Deposits has been regrouped from "Loans" in the Standalone Financial Statements for FY 2020 - 2021 to "Other financial assets" in these Standalone Financial Statements.

1.1.2. Historical cost convention

These standalone financial statements have been prepared on a historical cost basis, except the following, which are measured at fair values:-

- certain financial assets and liabilities (including derivative instruments);
- Plan assets of defined benefit employee benefit plans

1.1.3. Current versus Non-current Classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

- expected to be realised or intended to be sold or consumed in the normal operating cycle,
- held primarily for the purpose of trading,
- expected to be realised within twelve months after the reporting period, or
- cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

A liability is classified as current when:

- it is expected to be settled in the normal operating cycle,
- it is held primarily for the purpose of trading,
- it is due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

1.2. Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

1.3. Other financial assets (other than Investments)

1.3.1. Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

For assets measured at fair value, gains and losses is either recorded in the statement of profit and loss or other comprehensive income.

1.3.2. Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit and loss.

(a) Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective Interest Rate (EIR). The EIR amortisation is included in finance income in the profit or loss.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or Fair value through Other comprehensive income (FVTOCI) are measured at fair value through profit or loss.

1.3.3. Impairment of financial assets

The Company assesses on a forward looking basis, the expected credit losses associated with its assets carried at amortized cost and FVTOCI

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 30 details how the Company determines whether there has been a significant increase in credit risk.

1.3.4. Derecognition of financial assets

A financial asset is derecognised only when

- The rights to receive cash flows from the asset have expired
- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

The financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

1.3.5. Fair value of Financial Instruments

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair values includes discounted cash flow analysis and available quoted market prices. All methods of assessing fair values result in general approximation of fair values and such value may never actually be realised.

1.4. Derivatives Instruments

The Company enters into certain derivative contracts to hedge risks, which are not designated as hedges. Derivatives are recognised at fair values on the date a derivative contract is entered into and subsequent fair value changes are recognised in the statement of profit and loss at the end of each reporting period.

1.5. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

1.6. Foreign currency transactions and translation

Foreign currency transactions are translated into the functional currency using the exchange rates at the date of the transactions. At the year end, monetary assets and liabilities denominated in foreign currencies are restated at the year-end exchange rates. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the statement of profit and loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income/ other expense.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

1.7. New and amended standards

Amendments and interpretations as outlined below apply for the year ended 31 March, 2022, but do not have an impact on the Standalone Financial Statements.

- Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116
- Ind AS 116: COVID-19 related rent concessions

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

- c. Ind AS 103: Business combinations
- d. Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

1.8. Rounding of amounts

All amounts disclosed in the standalone Financial Statements and notes have been rounded off to the nearest Crores (with two places of decimal) as per the requirement of Schedule III, unless otherwise stated.

NOTE 2: CRITICAL ESTIMATES AND JUDGEMENTS

The preparation of standalone financial statements in conformity with the Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and reported amounts of assets, liabilities, income, expense and disclosure of contingent assets and liabilities at the date of these standalone financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each Balance Sheet date. Revision to accounting estimates is recognised in the period in which the estimates are revised and future periods are impacted.

The areas involving critical estimates and judgments are:

Employee Benefits (Estimation of defined benefit obligation)

Post-employment benefits represents obligation that will be settled in future and require assumptions to project benefit obligations. Post-employment benefits accounting is intended to reflect the recognition of future benefits cost over the employee's approximate service period, based on the terms of plans and the investment and funding decisions made. The accounting requires the company to make assumptions regarding variables such as discount rate, rate of compensation increase and future

mortality rates. Changes in these key assumptions can have a significant impact on the defined benefit obligations, funding requirements and benefit costs incurred.

Estimation of expected useful lives and residual values of property, plants and equipment

Property, plant and equipment are depreciated at historical cost using straight-line method based on the estimated useful life, taking into account any residual value. The asset's residual value and useful life are based on the Company's best estimates and reviewed, and adjusted if required, at each Balance Sheet date.

Contingent Liabilities and Provisions for claims and litigations

Legal proceedings covering a range of matters are pending against the Company. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcomes. The cases and claims against the Company often raise difficult and complex factual and legal issues that are subject to many uncertainties and complexities, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law, in the normal course of business. The Company consults with legal counsel and certain other experts on matters related to litigations. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible or an estimate is not determinable, the matter is disclosed.

Fair Value Measurements

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques which involve various judgements and assumptions. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility. Changes in the assumption about these factors could affect the reported fair value of financial instruments. Refer Note 30 for further disclosures.



Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

NOTE 3(A) PROPERTY, PLANT AND EQUIPMENT

Accounting Policy

All items of property, plant and equipment are stated either at historical cost i.e. cost of acquisition / construction or at deemed cost as on the date of transition to Ind AS less accumulated depreciation, impairment loss, if any. Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Company and the cost of the asset can be measured reliably. The carrying amount of the replaced component is derecognised when replaced. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

Depreciation

In case of certain property, plant and equipment, depreciation is provided on a pro-rata basis on the straight line method over the estimated useful lives of the assets which are different than the rates prescribed under the Schedule II to the Companies Act, 2013.

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of Plant & Equipment and Electrical Installations over estimated useful life of 18 to 20 years which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on historical cost/deemed cost of other property, plant and equipment (except land) is provided on pro rata basis on straight line method based on useful lives specified in Schedule II to the Companies Act, 2013.

The useful lives, residual values and method of depreciation of property plant and equipment are reviewed and adjusted, if appropriate at the end of each reporting year.

An item of property, plant and equipment or its components recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The cost of property, plant and equipment not ready to use are disclosed under capital work-in-progress.

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 3 (A): PROPERTY, PLANT AND EQUIPMENT

	Freehold Land	Leasehold Land	Buildings (i)	Non-Factory Buildings and Flats	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Electrical Installations	Railway Sidings	Total
Year ended 31 March, 2022											
Gross carrying amount											
Opening balance as at 1 April, 2021	202.06	404.02	82.17	103.18	1,167.25	7.71	9.79	0.18	37.36	0.01	2,013.73
Additions during the year	-	-	17.27	8.50	263.99	0.18	2.35	-	15.95	-	308.24
Disposal during the year	-	-	-	-	(1.55)	(0.02)	(0.05)	-	(0.54)	-	(2.16)
Closing Gross carrying amount	202.06	404.02	99.44	111.68	1,429.69	7.87	12.09	0.18	52.77	0.01	2,319.81
Accumulated Depreciation											
Opening balance as at 1 April, 2021	-	-	20.03	9.73	357.83	2.52	6.86	0.18	11.25	0.01	408.41
Depreciation during the year	-	-	3.84	3.07	86.87	1.37	1.77	-	3.06	-	99.98
Adjustment of depreciation on disposal	-	-	-	-	(1.17)	(0.01)	(0.04)	-	(0.54)	-	(1.76)
Closing Accumulated Depreciation	-	-	23.87	12.80	443.53	3.88	8.59	0.18	13.77	0.01	506.63
Net carrying amount as at 31 March, 2022	202.06	404.02	75.57	98.88	986.16	3.99	3.50	-	39.00	-	1,813.18
Year ended 31 March, 2021											
Gross carrying amount											
Opening balance as at 1 April, 2020	202.06	429.20	77.18	91.47	990.87	7.05	7.36	0.18	24.02	0.01	1,829.40
Additions during the year	-	-	4.99	11.71	176.38	0.69	2.60	-	13.34	-	209.71
Disposal during the year	-	(25.18)*	-	-	-	(0.03)	(0.17)	-	-	-	(25.38)
Closing Gross carrying amount	202.06	404.02	82.17	103.18	1,167.25	7.71	9.79	0.18	37.36	0.01	2,013.73
Accumulated Depreciation											
Opening balance as at 1 April, 2020	-	-	16.04	7.02	280.50	1.24	5.64	0.17	9.33	0.01	319.95
Depreciation during the year	-	-	3.99	2.71	77.33	1.30	1.39	0.01	1.92	-	88.65
Adjustment of depreciation on disposal	-	-	-	-	-	(0.02)	(0.17)	-	-	-	(0.19)
Closing Accumulated Depreciation	-	-	20.03	9.73	357.83	2.52	6.86	0.18	11.25	0.01	408.41
Net carrying amount as at 31 March, 2021	202.06	404.02	62.14	93.45	809.42	5.19	2.93	-	26.11	-	1,605.32

* Refer Note 28

(i) Gross Carrying amount and accumulated depreciation includes ₹ 51.23 Crores (31 March, 2021 - ₹ 47.86 Crores) and ₹ 13.03 Crores (31 March, 2021 - ₹ 11.21 Crores), respectively in respect of Buildings on Leasehold Land.

(ii) The Company has borrowings from banks, which carry security charge over certain of the above property, plant and machinery.[Refer note 10(a) for details.]

(iii) Gross carrying amount on leasehold land is against certain lease agreements where the Company has an option to renew the properties on expiry of the lease period. The Company based on terms and conditions of lease agreements has assessed these lease arrangements to be perpetual in nature, accordingly leasehold land is not amortised.

(iv) Aggregate amount of depreciation has been included under depreciation and amortization expense in the Statement of Profit and Loss (Refer note 20).



Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 3(B): CAPITAL WORK-IN-PROGRESS

CAPITAL WORK-IN-PROGRESS

Particulars	
Year ended 31 March, 2022	
Opening balance as at 1 April, 2021	266.76
Additions during the year	164.20*
Capitalization during the year	(301.56)
Closing Gross carrying amount	129.40
Year ended 31 March, 2021	
Opening balance as at 1 April, 2020	305.58
Additions during the year	164.82*
Capitalization during the year	(203.64)
Closing Gross carrying amount	266.76

1. During the year the Company has capitalised the following expenses to cost of Property, plant and equipment / capital work-in-progress:

	31 March, 2022	31 March, 2021
Finance Cost	9.73	9.09
Salaries and wages	5.03	4.45
Other Overheads	1.97	0.47
	16.73	14.01
Add: Balance brought forward from previous year	12.93	18.42
Less: Capitalised during the year to Property, plant and equipment	20.31	19.50
Balance lying in capital work-in-progress	9.35	12.93

* Includes ₹ 1.10 Crores (31 March, 2021 ₹ 3.91 Crores) on account of duty saved on assets imported under the EPCG scheme.

Ageing of Capital Work-in-Progress (CWIP):

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March, 2022					
Projects in progress	109.71	17.87	1.82	-	129.40

Ageing of Capital Work-in-Progress (CWIP):

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March, 2021					
Projects in progress	105.42	73.83	81.99	5.52	266.76

NOTE 3(C): INVESTMENT PROPERTY

Accounting Policy

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

Particulars	Land
Year ended 31 March, 2022	
Opening gross carrying amount at 1 April, 2021	4.48
Closing gross carrying amount	4.48
Year ended 31 March, 2021	
Opening gross carrying amount at 1 April, 2020	4.48
Closing gross carrying amount	4.48

Estimation of fair value

The Company's investment property consists of freehold land in Angul, Odisha, India.

The fair value of the investment property is based on current prices for similar property. The main inputs used are quantum, area, location, demand, and trend of fair market value in the area.

The fair value is base on independent valuation done by registered valuer [as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017]. Fair valuation is based on market approach method and categorised as Level 2 fair value hierarchy. As at 31 March, 2022 and 31 March, 2021, the fair value of the property is ₹ 7.41 Crores and ₹ 5.39 Crores respectively.

The Company has no restrictions on the realisability of its investment property and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance and enhancements.

Fair value hierarchy disclosures for investment properties have been provided in Note 30 (iv).

NOTE 3(D): INTANGIBLE ASSETS

Accounting Policy

Intangible assets have a finite useful life and are stated at cost less accumulated amortisation, impairment loss, if any.

Computer Software for internal use, which is primarily acquired from third party vendors, is capitalised. Subsequent costs associated with maintaining such software are recognised as expense as incurred. Cost of software includes license fees and cost of implementation / system integration services, where applicable.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Amortisation method and period

Computer software is amortized on a straight line basis over estimated useful life of three years from the date of capitalisation.

Amortisation method and useful lives are reviewed periodically at each financial year end.

Particulars	Computer Software
Year ended 31 March, 2022	
Gross carrying amount	
Opening balance as at 1 April, 2021	2.25
Additions during the year	0.29
Closing Gross carrying amount	2.54
Accumulated amortisation	
Opening balance as at 1 April, 2021	1.60
Amortisation charge during the year	0.19
Closing accumulated amortisation	1.79
Net Carrying Amount as at 31 March, 2022	0.75
Year ended 31 March, 2021	
Gross carrying amount	
Opening balance as at 1 April, 2020	2.25
Additions during the year	-
Closing Gross carrying amount	2.25
Accumulated amortisation	
Opening balance as at 1 April, 2020	1.24
Amortisation charge during the year	0.36
Closing accumulated amortisation	1.60
Net Carrying Amount as at 31 March, 2021	0.65

1. Amortisation has been included under depreciation and amortisation expense in the Statement of Profit and Loss (Refer Note 20).

NOTE 3(E): RIGHT OF USE ASSETS

Accounting Policy

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 1.2. Impairment of non-financial assets.

Particulars	Rights of use assets*
Year ended 31 March, 2022	
Gross carrying amount	
Balance as of 1 April, 2021	143.82
Additions during the year	3.88
Closing Gross carrying amount	147.70
Accumulated depreciation	
Balance as of 1 April, 2021	37.53
Depreciation charge during the year	20.71
Closing accumulated depreciation	58.24
Net Carrying Amount as at 31 March, 2022	89.46

Particulars	Rights of use assets*
Year ended 31 March, 2021	
Gross carrying amount	
Balance as of 1 April, 2020	141.40
Additions during the year	2.42
Closing Gross carrying amount	143.82
Accumulated depreciation	
Balance as of 1 April, 2020	16.42
Depreciation charge during the year	21.11
Closing accumulated depreciation	37.53
Net Carrying Amount as at 31 March, 2021	106.29

* Right of use assets mainly consists of Office Building & Godown, Storage Tanks for Raw Material and Vehicles taken under lease agreement.

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Closing Gross carrying amount	Net carrying amount	Closing Gross carrying amount	Net carrying amount
Office Building & Godown	74.36	54.43	73.52	61.22
Storage Tanks for Raw Material	66.86	33.76	63.82	42.31
Vehicles	6.48	1.27	6.48	2.76
Total	147.70	89.46	143.82	106.29

NOTE 4(A): INVESTMENTS

Accounting Policy

1. Investment in subsidiaries

Investments in shares of subsidiaries are stated at cost less provision for impairment losses, if any. Investments are tested for impairment whenever an event or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of investments exceeds its recoverable amount. If, in a subsequent period, recoverable amount equals or exceeds the carrying amount, the impairment loss recognised is reversed accordingly.

1.1 Investment (other than investment in shares of subsidiaries)

1.1.1. Classification

The Company classifies its investments as those to be measured subsequently at fair value (either through other comprehensive income or through profit and loss).

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

The classification depends on the Company's business model for managing the investments and the contractual terms of cash flows.

For investments measured at fair value, gains and losses are either recorded in the statement of profit and loss or other comprehensive income. For investments in debt instruments, this depends on the business model in which the investment is held. For investments in equity instruments, this depends on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVTOCI). The Company reclassifies the debt investments when and only when the business model for managing those investment changes.

1.1.2. Measurement

At initial recognition, the Company measures an investment at its fair value plus, in the case of investment not at fair value through profit and loss, transaction costs that are directly attributable to the acquisition of the investment. Transaction costs of investments carried at fair value through profit and loss are expensed in the statement of profit and loss.

(a) Debt Instrument

Subsequent measurement of debt instruments depends on the Company's business model for managing the investment and the cash flow characteristics of the investment. The Company classifies its debt instruments as:

Fair value through profit and loss: Investments that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit and loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit and loss is recognised in statement of profit and loss and presented on net basis in the statement of profit and loss within other income/ other expense in the period in which it arises.

(b) Equity Instrument

The Company subsequently measures all equity investments at fair value through Other Comprehensive Income and there is no subsequent reclassification of fair value gains and losses to the statement of profit and loss. At the time of derecognition of such investments, the gain or loss is transferred to retained earnings.

	As at 31 March, 2022	As at 31 March, 2021
Non-Current		
Investments in Subsidiary companies at cost (unquoted)		
In Equity Instrument (fully paid up)		
Phillips Carbon Black Cyprus Holdings Limited	21.65	21.65
18,118 (31 March, 2021: 18,118) equity shares of Euro 1/- each		
PCBL (TN) Limited *	9.36	2.36
93,60,000 (31 March, 2021: 23,60,000) equity shares of ₹ 10/- each		
Total (A)	31.01	24.01
In Preference Shares (fully paid-up)		
PCBL (TN) Limited		
1,94,00,000 (31 March, 2021: Nil) 9% Cumulative Non Convertible Redeemable	194.00	-
Preference shares of ₹ 100 each		
Total (B)	194.00	-

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

	As at 31 March, 2022	As at 31 March, 2021
Investments in Equity Instruments (fully paid-up) - Others [At FVTOCI] [Refer Note 2 below]		
Quoted		
Bank of Baroda	0.40	0.27
35,930 (31 March, 2021: 35,930) equity shares of ₹ 2/- each		
Indian Overseas Bank	0.02	0.02
11,400 (31 March, 2021: 11,400) equity shares of ₹ 10/- each		
Norplex Oak India Limited	-	-
380,000 (31 March, 2021: 380,000) equity shares of ₹ 10/- each ^		
Maple Circuits Limited	-	-
765,000 (31 March, 2021: 765,000) equity shares of ₹ 10/- each ^		
CESC Limited	127.90	100.08
##16,861,980 equity share of Re 1/- each (31 March, 2021: 16,86,198 equity shares of ₹ 10/- each)		
RPSG Ventures Limited	19.74	11.37
(Erstwhile: CESC Ventures Limited)		
337,239 (31 March, 2021: 337,239) equity shares of ₹ 10/- each		
Spencers Retail Limited	9.21	8.10
1,146,613 (31 March, 2021: 1,146,613) equity shares of ₹ 5/- each		
Total (C)	157.27	119.84
Unquoted		
Apeejay Charter Private Limited	0.04	0.04
1,600 (31 March, 2021: 1,600) equity shares of ₹ 10/- each		
RPSG Resources Private Limited	10.36	8.72
(Erstwhile: Accurate Commodore Pvt. Limited)		
390,000 (31 March, 2021: 390,000) equity shares of ₹ 10/- each		
Woodlands Multispeciality Hospital Limited	8.85	7.74
145,480 (31 March, 2021: 145,480) equity shares of ₹ 10/- each		
Ritushree Vanijya Private Limited	23.52	14.36
1,900 (31 March, 2021: 1,900) equity Shares of ₹ 10/- each		
Soltly Commercial Private Limited	23.52	14.36
1,900 (31 March, 2021: 1,900) equity Shares of ₹ 10/- each		
Spotboy Tracom Private Limited	25.71	22.15
330,875 (31 March, 2021: 330,875) equity shares of ₹ 10/- each		
RPG Industries (P) Ltd.	0.38	1.34
402,000 (31 March, 2021: 402,000) equity shares of ₹ 10/- each		
Total (D)	92.38	68.71
Investments in Preference Shares (fully paid-up) - Others [At FVTPL]		
Unquoted		
Devise Properties Private Ltd.	8.34	7.72
1,050,000 (31 March, 2021: 1,050,000) 0% Convertible Preference shares of ₹ 100/- each at par		
Norplex Oak India Limited	-	-
50 (31 March, 2021: 50) Preference shares of ₹ 100/- each ^		
Maple Circuits Limited	-	-
50 (31 March, 2021: 50) Preference shares of ₹ 100/- each ^		
Total (E)	8.34	7.72
(F)=(A)+(B)+ (C)+(D)+(E)	483.00	220.28

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

	As at 31 March, 2022	As at 31 March, 2021
Current		
Investments in Mutual Funds [At FVTPL]		
Quoted		
SBI Liquid Fund	50.01	-
1,50,038.47 Units (31 March, 2021: NIL) of face value ₹ 1,000/- each		
ICICI Prudential Overnight Fund Direct Plan - Growth	100.00	-
87,25,871.78 Units (31 March, 2021: Nil) of face value ₹ 100/- each		
LIC Liquid Fund	50.01	-
1,29,330.78 Units (31 March, 2021: Nil) of face value ₹ 1,000/- each		
HDFC Liquid Fund	100.02	-
2,39,012.35 Units (31 March, 2021: Nil) of face value ₹ 1,000/- each		
	300.04	-
1 Additional Information		
(a) Aggregate amount - market value of quoted investments	457.31	119.84
(b) Aggregate amount of unquoted investments	325.73	100.44

* incorporated subsidiary Company with effect from 29 September, 2020

1 Equity shares of ₹ 10/- each has been split to 10 Equity shares of Re1/- each.

^ The cost of quoted and unquoted investments in equity instruments (fully paid up) and preference shares (fully paid up) respectively have been written off in the past, though quantity thereof appears in the books

2 These investments in equity instruments are not held for trading. Upon the application of Ind AS 109, the Company has chosen to designate these investments in equity instruments as at FVTOCI as the management believes that this provides a more meaningful presentation for long term investments, than reflecting changes in fair values immediately in statement of profit and loss. Based on the aforesaid election, fair value changes are accumulated within Equity under "Fair Value Changes through Other Comprehensive Income - Equity Instruments". The Company transfers amounts from this reserve to retained earnings when relevant equity shares are derecognized.

3 Refer note 30 for information about fair value measurements and note 31 for credit risk and market risk on investments.

NOTE 4(B): TRADE RECEIVABLES**Accounting Policy**

Trade receivables are amounts receivable from customers for goods sold in the ordinary course of business. Trade receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

	As at 31 March, 2022	As at 31 March, 2021
Secured		
Considered Good	1.94	1.17
Unsecured		
Considered Good	1,103.16	707.33
Receivables which have significant increase in credit risk	1.11	1.79
Receivables - credit impaired	-	8.68
Less: Allowance for significant increase in credit risk	(1.11)	(1.79)
Less: Allowance for credit impaired receivables	-	(8.68)
	1,105.10	708.50

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

- No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
- Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days.

Ageing of Trade Receivables:

As at 31 March, 2022

	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	1,007.89	97.21	-	-	-	-	1,105.10
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	1.11	1.11
Less: Allowance for significant increase in credit risk	-	-	-	-	-	(1.11)	(1.11)
Total	1,007.89	97.21	-	-	-	-	1,105.10

As at 31 March, 2021

	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	676.17	32.33	-	-	-	-	708.50
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	1.79	1.79
Undisputed Trade receivables – credit impaired	-	-	-	-	-	8.68	8.68
Less: Allowance for significant increase in credit risk	-	-	-	-	-	(1.79)	(1.79)
Less: Allowance for credit impaired receivables	-	-	-	-	-	(8.68)	(8.68)
Total	676.17	32.33	-	-	-	-	708.50

NOTE 4(C): CASH AND CASH EQUIVALENTS

Accounting Policy

Cash and cash equivalents comprise cash at bank, cash in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

	As at 31 March, 2022	As at 31 March, 2021
Balances with banks	103.62	113.82
Remittances in transit	0.27	0.17
Cash on Hand	0.08	0.05
	103.97	114.04



Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 4(D): OTHER BANK BALANCES

	As at 31 March, 2022	As at 31 March, 2021
Balances with Banks		
- Deposits with original maturity of more than three months but less than twelve months [#]	-	100.00
- In Unpaid Dividend Accounts*	4.72	4.92
	4.72	104.92

[#]These Deposits are callable deposit at any point of time at various rates of interest applicable as per actual period of withdrawal.

*Earmarked for payment of Unclaimed Dividends

NOTE 4(E): LOANS

(Unsecured, considered good)

	As at 31 March, 2022	As at 31 March, 2021
Non-current		
Loan to Related Party - Repayable on Demand		
Phillips Carbon Black Cyprus Holding Limited (Subsidiary)	6.19	6.19
Other Loans		
Loan to Employees @	1.03	1.23
	7.22	7.42
@ Includes amount due from an officer of the Company	-	0.02
Current		
Other Loans		
Loan to Employees @	0.46	0.56
	0.46	0.56
@ Includes amount due from an officer of the Company	0.02	0.06
Amount of Loan or Advance in the nature of Loan Outstanding:		
Type of Borrower:		
Key Managerial Person (KMP)	0.02	0.08
Related Parties	6.19	6.19

NOTE 4(F): OTHER FINANCIAL ASSETS

(Unsecured, considered good)

	As at 31 March, 2022	As at 31 March, 2021
Non-Current		
Security deposits	25.34	26.88
Margin Money Deposit against guarantees	0.55	0.55
	25.89	27.43
Current		
Interest Receivable	-	2.09
Security deposits	16.09	16.09
Receivable from PCBL (TN) Limited (Subsidiary)	0.13	25.18
	16.22	43.36

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 5: OTHER ASSETS

(Unsecured considered good, unless otherwise stated)

	As at 31 March, 2022	As at 31 March, 2021
Non-current		
Capital advances		
- Considered Good:	12.76	12.79
- Considered Doubtful:	0.78	0.46
Less: Allowance for doubtful advances	(0.78)	(0.46)
Deposits under Protest	3.73	3.75
Others		
Prepaid Expenses	2.32	0.86
	18.81	17.40
Current		
Advances other than capital advances		
Advances to Suppliers/ Service providers (other than capital)		
- Considered Good:	19.63	13.18
- Considered Doubtful:	0.88	0.16
Less: Allowance for doubtful advances	(0.88)	(0.16)
Others		
Balances with Government Authorities*		
- Considered Good:	16.88	11.98
- Considered Doubtful:	2.16	2.16
Less: Allowance for doubtful advances	(2.16)	(2.16)
Advances to Employees	1.19	0.88
Prepaid Expenses	9.27	5.63
Export Benefit Receivables#	1.77	1.00
[Net of allowance for uncertainty of realisation ₹ Nil (31 March, 2021: ₹ 7.06 Crores)]		
	48.74	32.67

*Balances with Government Authorities primarily includes amounts realisable, if any, from the GST Authorities and customs authorities of India and the unutilised GST input credits on purchases to be utilised against future GST liabilities. These are generally realised within one year and hence these balances have been classified as current assets.

#Export Benefit Receivables primarily consist of amounts receivable from government authorities of India towards incentives on export sales made by the Company.

NOTE 6: INVENTORIES

(At lower of cost and net realisable value)

Accounting Policy

Inventories are stated at lower of cost and net realisable value.

- Raw materials, Stores and Spares and Packing Material: cost is determined on moving weighted average method and includes cost of purchase and other incidental costs. However, material and other items held for use in production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.
- Finished goods: cost includes cost of direct materials, labour and a proportion of manufacturing overheads based on the normal operating capacity.

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated cost necessary to make the sale.

	As at 31 March, 2022	As at 31 March, 2021
Raw materials [including Goods in Transit ₹ Nil (Previous Year ₹ 192.40 Crores)]	464.32	349.22
Finished goods	88.46	53.14
Stores and spares parts [including packing material ₹ 6.05 Crores (Previous Year ₹ 6.46 Crores)]	51.13	42.48
	603.91	444.84

NOTE 7: NON CURRENT TAX ASSETS (NET)

	As at 31 March, 2022	As at 31 March, 2021
Advance payment of Taxes	-	5.16
(31 March, 2021: Net of Provisions for Tax : ₹ 485.20 Crores)		
	-	5.16

NOTE 8: EQUITY SHARE CAPITAL

	As at 31 March, 2022	As at 31 March, 2021
Authorized share capital		
31,00,00,000 (31 March, 2021: 31,00,00,000) equity shares of ₹ 2/- each (Refer (i) below)	62.00	62.00
Issued, subscribed and paid-up		
18,87,31,302 (31 March, 2021: 17,23,37,860) equity shares of ₹ 2/- each fully paid up (Refer (i) below)	37.75	34.47
	37.75	34.47

Reconciliation of number of ordinary shares outstanding

Particulars	Year ended 31 March, 2022		Year ended 31 March, 2021	
	Number of Shares	Amount	Number of Shares	Amount
As at the beginning of the year	17,23,37,860	34.47	17,23,37,860	34.47
Add: Equity shares issued during the year [Refer Note (ii) below]	1,63,93,442	3.28	-	-
As at the end of the year	18,87,31,302	37.75	17,23,37,860	34.47

- Pursuant to the Special Resolution passed by the Shareholders of the Company by way of Postal Ballot through electronic means on 17 March, 2022, the Company has sub-divided its equity share of face value ₹ 2/- (₹ Two only) each fully paid up, into 2(two) equity shares of face value Re 1/- (Rupee One) each fully paid-up, effective from 13 April, 2022. This has been considered for calculating weighted average number of equity shares for year ended 31 March, 2022 and 31 March, 2021 as per Ind AS 33-Earnings Per Share.
- During the year ended 31 March, 2022, the Company has allotted and issued 1,63,93,442 equity shares of ₹ 2 each at an issue price of ₹ 244 per equity share, aggregating to ₹ 399.99 Crores (including securities premium of ₹ 396.71 Crores) on 5 October, 2021. The issue was made through eligible Qualified Institutions Placement (QIP) in terms of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (SEBI Regulations) as amended, Section 42 , Section 62 and other relevant provisions of the Companies Act, 2013.

Pursuant to the allotment of equity shares in the QIP, the paid up equity share capital of the Company has increased from ₹ 34.47 crore comprising of 17,23,37,860 equity shares to ₹ 37.75 Crores comprising of 18,87,31,302 equity shares.

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

The Company had incurred expenses amounting to ₹ 9.89 Crores towards issuance of equity shares which have been debited to securities premium account.

The Company has complied with applicable provisions of the Companies Act, 2013 and SEBI Regulations in respect of Qualified Institutions Placement of equity shares during the year. The amount raised, has been used for the purposes for which the funds were raised except for unutilised funds amounting to ₹ 196.10 Crores as at 31 March, 2022 which have been invested in liquid funds.

(iii) No equity shares were allotted as fully paid up by way of bonus shares or pursuant to contract(s) without payment being received in cash during the last five years. Further, none of the shares were bought back by the Company during the last five years.

(iv) Details of equity shares held by the shareholders holding more than 5% of the shares in the Company:-

	Number of Shares	Number of Shares
	(Holding %)	(Holding %)
Rainbow Investments Limited (Refer Note 28)	8,65,15,370	8,65,15,370
	(45.84%)	(50.20%)

(v) Shareholding of Promoters

Sl. No.	Name	Year ended 31 March, 2022			Year ended 31 March, 2021		
		No. of Shares	% of total Shares	% Changes during the year	No. of Shares	% of total Shares	% Changes during the year
1	Rainbow Investments Limited*	8,65,15,370	45.84	-	8,65,15,370	50.20	-
2	Dotex Merchandise Private Limited*	53,40,000	2.83	-	53,40,000	3.10	-
3	Quest Capital Markets Limited (Erstwhile: BNK Capital Markets Limited)	36,69,000	1.94	100%	-	-	-
4	STEL Holdings Limited*	14,51,915	0.77	221.28%	4,51,915	0.26	-
5	Lebnitze Real Estates Private Limited	1,320	0.00**	100%	-	-	-
6	Saregama India Limited*	500	0.00**	-	500	0.00**	-
Total		9,69,78,105	51.38	100.00%	9,23,07,785	53.56	-

*Change in % of shareholding of promoters is due to allotment of equity shares to Qualified Institutional Buyers (QIBs) under Qualified Institutions Placement (QIP) during the year.

** Amount is below the rounding off norm adopted by the Company.

(vi) Terms/ Rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 2/- per share and each shareholder is entitled for one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(vii) Allotment of 1,823 equity shares is pending against rights issue made during 1993-94.

(viii) 48 equity shares have not been issued to the concerned non-resident shareholders pending approval of the Reserve Bank of India.

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 9: OTHER EQUITY

	As at 31 March, 2022	As at 31 March, 2021
(i) Reserves and Surplus		
Capital Reserve (Refer a below)	1.53	1.53
Securities Premium (Refer b below)	610.95	224.12
Statutory reserve (U/s 45IC of Reserve Bank of India Act, 1934) (Refer c below)	0.60	0.60
General reserve (Refer d below)	73.38	73.38
Retained Earnings (Refer e below)	1,710.45	1,473.85
(ii) Other Reserves		
Equity Instruments through Other comprehensive income (Refer f below)	170.25	119.22
	2,567.16	1,892.70
(a) Capital reserve represents amount transferred from the transferor company pursuant to a Scheme of Amalgamation - Balance brought forward	1.53	1.53
(b) Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of Section 52 of the Companies Act, 2013		
Balance as at the beginning of the year	224.12	224.12
Premium on equity shares issued through Qualified Institutions Placement [Refer Note 8(ii)]	386.83 **	-
Balance as at the end of the year	610.95	224.12
** Net of expenses on shares issued through Qualified Institutions Placement. The expenses includes RS. 0.70 Crores towards services rendered by statutory auditor.		
(c) Statutory Reserve represents amount transferred from transferor Company pursuant to a scheme of amalgamation - Balance brought forward	0.60	0.60
(d) General Reserve - balance brought forward	73.38	73.38
Under the erstwhile Indian Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn though the Company may transfer such percentage of its profits for the financial year as it may consider appropriate. Declaration of dividend out of such reserve shall not be made except in accordance with rules prescribed in this behalf under the Act.		
(e) Retained Earnings		
Balance as at the beginning of the year	1,473.85	1,282.46
i) Profit for the year	427.14	312.27
ii) Items of other comprehensive income recognised directly in Retained Earnings		
- Remeasurement of post-employment defined benefit obligation, net of tax	(1.81)	(0.24)
iii) Dividends paid (Refer note 26)	(188.73)	(120.64)
Balance as at the end of the year	1,710.45	1,473.85
Retained Earnings are the profits and gains that the Company has earned till date less any transfer to general reserve, dividends or other distributions paid to shareholders.		
(f) Other Comprehensive Income		
Equity Instruments through Other Comprehensive Income		
Balance as at the beginning of the year	119.22	75.12
i) Changes in fair value of FVTOCI Equity Instruments, net of tax	51.03	44.10
Balance as at the end of the year	170.25	119.22

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

The Company has elected to recognise changes in the fair value of certain investments in equity instruments in Other Comprehensive Income. These changes are accumulated within the FVTOCI equity investments reserve within equity. The Company transfers amounts from this reserve to Retained Earnings when the relevant equity shares are derecognised.

NOTE 10 (A): BORROWINGS

Accounting Policy

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit and loss over the period of the borrowings using the effective interest rate method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the borrowings to the extent that it is probable that some or all of the facility will be utilised. In this case, the fee is deferred until the draw down occurs. Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current and non-current liabilities based on repayment schedule agreed with banks.

(i) Non-current borrowings

	As at 31 March, 2022	As at 31 March, 2021
SECURED LOANS		
Term loans from Banks	309.02	349.87
Less: Current maturities of long term debts [Refer (ii) below]	(88.68)	(45.13)
	220.34	304.74
Out of the Term Loans in (i) above, loans amounting to:		
a) ₹ 309.02 Crores (31 March, 2021 - ₹ 295.48 Crores) are secured with a first charge by way of a hypothecation over all moveable properties of the Company both present and future, ranking pari passu with charge created in favour of other term lenders.		
b) ₹ Nil (31 March, 2021 - ₹ 54.39 Crores) is secured with a first charge by way of a hypothecation on the entire fixed assets of the company both present and future ranking pari passu with charge created in favour of other term lenders.		
Maturity Profile of Long Term Borrowings		
Loan with residual maturity of upto 1 and 3 years	36.67	66.00
Loan with residual maturity of upto 3 and 5 years	272.35	54.39
Loan with residual maturity of upto 5 and 10 years	-	229.48
	309.02	349.87
Interest rate on Rupee loans from Banks are based on spread over respective Lenders benchmark rate and that of Foreign Currency Loans are based on spread over SOFR/ LIBOR. All of the above are repayable in periodic instalments over the maturity period of the respective loans.		

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(ii) Current Borrowings

	As at 31 March, 2022	As at 31 March, 2021
SECURED LOANS FROM BANKS		
Loans repayable on demand	49.87	-
Other loans	200.10	31.92
a) Nature of Security		
Secured by first charge by way of hypothecation of all the Company's current assets, namely all the stock of raw materials, stock in process, semi finished goods and finished goods, consumable stores and spares not relating to plant and machinery (consumable and spares) both present and future, bills receivable, bills whether documentary or clean, outstanding monies, receivables, book debts and all other current assets of the Company both present and future, ranking pari passu without any preference or priority of one over the others.		
Current maturities of long term debts [Refer Note(i) above]	88.68	45.13
UNSECURED LOANS		
Loans repayable on demand		
- From Banks	125.00	225.00
	463.65	302.05

Refer notes 3(a), 4(b) and 6 for details of assets pledged as security as set out in the above note. Refer note 31 for information about liquidity risk and market risk on borrowings.

NOTE:10(B) TRADE PAYABLES

Accounting Policy

Trade payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest rate method.

	As at 31 March, 2022	As at 31 March, 2021
Current		
Total outstanding dues of Micro Enterprises and Small Enterprises	21.56	13.26
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	889.41	578.24
	910.97	591.50
Information relating to Micro, Small and Medium Enterprises (MSMEs):		
(i) The Principal amount and interest due there on remaining unpaid to suppliers under Micro, Small and Medium Enterprises Development Act, 2006		
Principal	20.02	11.76
Interest	0.00*	0.16
(ii) The amount of interest paid by the buyer under Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of payment made to suppliers beyond the appointed day during the year		
Principal	-	-
Interest	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006		
Principal	175.92	84.02
Interest	0.04	0.46

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

	As at 31 March, 2022	As at 31 March, 2021
(iv) The amount of interest accrued and remaining unpaid at the end of the year	1.54	1.50
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as deductible expenditure under Section 23	0.04	0.62

* Amount is below the rounding off norm adopted by the Company.

Ageing of Trade Payables:

As at 31 March, 2022

Particulars	Not due	Outstanding for following periods from due date				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	17.51	3.89 [§]	0.16 [§]	-	-	21.56
(ii) Others	868.07	16.55	2.61	1.59	0.59	889.41
Total	885.58	20.44	2.77	1.59	0.59	910.97

[§]Represents retention amount of suppliers

As at 31 March, 2021

Particulars	Not due	Outstanding for following periods from due date				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)MSME	10.43	2.80 [§]	0.03 [§]	-	-	13.26
(ii) Others	544.32	24.96	1.44	2.07	5.45	578.24
Total	554.75	27.76	1.47	2.07	5.45	591.50

[§]Represents retention amount of suppliers

NOTE 10 (C): LEASE LIABILITIES

Accounting Policy

Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) and does not include non-lease components (maintenance charges etc.). In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

	As at 31 March, 2022	As at 31 March, 2021
At the beginning of the year	117.06	132.94
Addition to lease liability during the year	3.88	2.42
Accretion of interest	9.76	10.95
Payment/adjustments of lease liabilities	(28.87)	(29.25)
At the end of the year	101.83	117.06
Lease Liabilities: Non Current	82.86	98.62
Lease Liabilities: Current	18.97	18.44

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

The table below provides details regarding the contractual maturities of lease liabilities as at year end on an undiscounted basis :

Particulars	As at 31 March, 2022	As at 31 March, 2021
Less than one year	27.04	28.68
One to five years	73.01	86.93
More than five years	30.66	43.74
Total	130.71	159.35

Particulars	Year Ended 31 March, 2022	Year Ended 31 March, 2021
The table below provides details of amount recognised in Statement of profit and loss :		
Depreciation on Right-of-use assets (Refer note 20)	20.71	21.11
Interest expenses on lease liabilities (Refer note 19)	9.76	10.95
Rental expenses (excluding taxes) recorded for short term leases (refer note 21)	8.10	5.88
Total	38.57	37.94

NOTE 10 (D): OTHER FINANCIAL LIABILITIES

Accounting Policy

Short Term Employee Benefits

Liabilities for short term employee benefits that are expected to be settled wholly within 12 months after the end of the period are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefits payable in the balance sheet.

	As at 31 March, 2022	As at 31 March, 2021
Non-current		
Capital creditors	8.01	8.96
	8.01	8.96
Current		
Interest accrued but not due	1.08	4.85
Unpaid Dividends [Refer Note (i) below]	4.72	4.92
Others:		
Security Deposits received	1.94	1.17
Employee benefits payable	21.98	24.60
Capital creditors	22.74	26.47
Directors' fees & commission payable	17.15	11.40
Derivative instrument not designated as hedges - foreign-exchange forward contracts	1.39	0.98
Others	0.78	0.68
	71.78	75.07

- (i) There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 11: PROVISIONS

Accounting Policy

(I) Provisions

Provisions are recognised when the Provisions has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimates of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

	As at 31 March, 2022	As at 31 March, 2021
Non-current		
Provision for Employee Benefits		
Provision for gratuity (Refer Note 18.1)	-	0.42
Provision for Other liabilities	0.46	0.44
	0.46	0.86
Current		
Provision for Employee Benefits		
Provision for gratuity (Refer Note 18.1)	6.68	9.31
Provision for compensated absences	11.99	10.88
Provision for Other liabilities	0.04	1.31
Provisions for claims and litigations (Refer Note 11.1)	60.62	62.89
	79.33	84.39

11.1 Provisions for claims and litigations

The Company has estimated the provisions for pending claims and litigation based on the assessment of probability for these demands crystallising against the Company in due course. The table below gives information about movement in claims and litigations, and provisions

	As at 31 March, 2022	As at 31 March, 2021
At the beginning of the year	62.89	67.74
Add: Incurred during the year	3.08	0.50
Less: Reversed during the year	5.35	5.35
At the end of the year	60.62	62.89

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 12: DEFERRED TAX LIABILITIES (NET)

	Balance as at 1 April, 2021	Recognized to Statement of Profit and Loss for the year	Recognized to/ Reclassified from OCI	Balance as at 31 March, 2022
	Total	Total	Total	Total
Deferred Tax Liabilities:				
Property, plant and equipments, Intangible Assets	290.62	(1.59)	-	289.03
Financial Assets at Fair value through Other Comprehensive Income	24.48	-	10.09	34.57
Others	0.33	(0.33)	-	-
	315.43	(1.92)	10.09	323.60
Deferred Tax Assets:				
Items allowable for tax purpose on payments/ adjustments	27.68	1.56	-	29.24
Allowance for doubtful debts - trade receivables	3.95	(3.27)	-	0.68
Lease under Ind AS 116	4.03	0.57	-	4.60
Long-Term Capital Loss	8.30	4.48	-	12.78
	43.96	3.34	-	47.30
Net Deferred Tax Liabilities:	271.47	(5.26)	10.09	276.30

	Balance as at 1 April, 2020	Recognized to statement of Profit and Loss for the year	Recognized to/ Reclassified from OCI	Balance as at 31 March, 2021
	Total	Total	Total	Total
Deferred Tax Liabilities:				
Property, plant and equipments, Intangible Assets	280.05	10.57	-	290.62
Financial Assets at Fair value through Other Comprehensive Income	16.62	-	7.86	24.48
Others	0.33	-	-	0.33
	297.00	10.57	7.86	315.43
Deferred Tax Assets:				
Items allowable for tax purpose on payments/ adjustments	29.24	(1.56)	-	27.68
Allowance for doubtful debts - trade receivables	3.66	0.29	-	3.95
Lease under Ind AS 116	2.84	1.19	-	4.03
Fair value changes on financial assets	6.39	(6.39)	-	-
Long-Term Capital Loss	-	8.30	-	8.30
	42.13	1.83	-	43.96
Net Deferred Tax Liabilities:	254.87	8.74	7.86	271.47

Note:

- Section 115BAA of the Income Tax Act, 1961 gives the corporate assessee an option to apply lower tax rate with effect from April 1, 2019 subject to certain condition specified therein. The Company has not opted for the same due to ongoing volatility and uncertainty in business environment create by the pandemic and geo political issues. Accordingly, no effect in this regard has been considered in measurement of tax expenses for the purpose of these financial statements. Management, however, will continue to review its profitability forecast at regular intervals and make necessary adjustments to tax expenses when there is reasonable certainty to avail the lower rate of tax.

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 13: OTHER CURRENT LIABILITIES

Accounting Policy

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidy will be received. If the grant received is to compensate the import cost of assets, and is subject to an export obligation as prescribed in the EPCG scheme, then the recognition of the grant would be linked to fulfilment of the associated export obligations. At the year end, the portion of grant for which the export obligation has not been met is retained in deferred revenue under other current liabilities. Revenue grant is recognised as an income in the period in which related obligation is met.

	As at 31 March, 2022	As at 31 March, 2021
Advance from Customers	4.10	3.31
Dues payable to Government Authorities	4.94	16.09
Liability for Export Obligations / Government grants	7.96	7.41
	17.00	26.81

NOTE 14: CURRENT TAX LIABILITIES (NET)

	As at 31 March, 2022	As at 31 March, 2021
Provision for Income Tax	0.77	-
[Net of Advance Tax ₹ 593.93 Crores]		
	0.77	-

NOTE 15: REVENUE FROM OPERATIONS

Accounting Policy

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade and other discounts, rebates and amounts collected on behalf of third parties.

Where the Company is the principal in the transaction, the sales are recorded at their gross values. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing component, non-cash considerations and consideration payable to the customer (if any). Any amounts received for which the Company does not provide any distinct goods or services are considered as a reduction of purchase cost.

However, Goods and Service Tax (GST) is not received by the Company on its own account. Rather, it is collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company regardless of when the payment is being made and specific criteria have been met for each of the Company's activities as described below.

Sale of carbon black

Revenue from sale of carbon black is recognised when the control of the goods has passed to the buyer as per the terms of contract. In case of domestic sales, the performance obligation is satisfied upon delivery of the finished goods at customer's location. In case of export sales, the performance obligation is satisfied once the goods are shipped and the bill of lading has been obtained.

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Sale of power

Revenue from the sale of power is recognised upon transmission of units to the buyer net of Unscheduled Interchange gains/losses as per the terms of contract with the customer.

Other Operating revenues

Exports entitlements (arising out of duty draw back, Merchandise exports from India Schemes) are recognised when the right to receive credit as per the terms of the schemes is established in respect of the exports made by the Company and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

	Year ended 31 March, 2022	Year ended 31 March, 2021
Sales of Finished Goods		
Carbon black	4,332.03	2,586.71
Sale of Power	93.00	67.25
Other Operating Revenues		
Scrap sales	10.51	5.56
Exports Incentive	10.88	-
Total revenue from operations	4,446.42	2,659.52
India	3,104.37	1,975.56
Outside India	1,320.66	678.40
Total revenue (excluding scrap sales and exports incentive)	4,425.03	2,653.96

NOTE 16: OTHER INCOME

Accounting Policy

a. Interest Income

Interest Income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

b. Dividends

Dividends are recognised in the statement of profit and loss only when the right to receive payment is established and the amount of the dividend can be measured reliably which is generally when shareholders approve the dividend.

	Year ended 31 March, 2022	Year ended 31 March, 2021
Interest income from certain financial assets	4.74	3.46
Dividend income from equity instruments designated at FVTOCI	7.59	7.59
Gain on sale of investments carried at FVTPL	9.47	2.90
Provisions/Liabilities no longer required written back	-	0.10
Miscellaneous income	4.93	1.74
	26.73	15.79

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 17(a): COST OF MATERIALS CONSUMED

	Year ended 31 March, 2022	Year ended 31 March, 2021
Opening Stock	349.22	198.93
Add: Purchases	3,284.22	1,733.03
Less: Closing Stock	(464.32)	(349.22)
Cost of material consumed	3,169.12	1,582.74

NOTE 17(b): CHANGES IN INVENTORIES OF FINISHED GOODS

	Year ended 31 March, 2022	Year ended 31 March, 2021
Opening Stock (Carbon black)	53.14	79.33
Closing Stock (Carbon black)	88.46	53.14
	(35.32)	26.19

NOTE 18: EMPLOYEE BENEFITS EXPENSE

Accounting Policy

(I) Post-employment benefits

Defined benefit plans

- The liability or asset recognised in the balance sheet in respect of Defined benefit plans is the present value of the Defined benefits obligation at the end of the reporting period less the fair value of plan assets. The Defined benefit obligation is calculated annually by actuaries using the Projected Unit Credit Method at the year end.
- The present value of the Defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations.
- The net interest cost is calculated by applying the discount rate to the net balance of the Defined benefit obligation and the fair value of plan assets. This cost is included in Employees Benefits Expense in the statement of profit and loss.
- Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the statement of changes in equity.
- Changes in the present value of the Defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the profit or loss as past service cost.

(II) Defined contribution plans

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenses for the period in which the employee has rendered the service.

(III) Other short-term employee benefit obligations

Liabilities for short term employee benefits that are expected to be settled wholly within 12 months after the end of the period are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefits payable in the balance sheet.

The Company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on the number of days of unutilised leave at each balance sheet date on the basis of year-end actuarial valuation using projected unit credit method. The scheme is unfunded.



Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

	Year ended 31 March, 2022	Year ended 31 March, 2021
Salaries, wages and bonus	128.23	106.50
Contribution to provident and other funds (Refer note 18.1)	17.67	15.47
Staff welfare expense (Refer note 18.1)	12.82	10.20
	158.72	132.17

18.1 Employee Benefits:

(I) Post employment obligations

(A) Gratuity

The Gratuity scheme is a defined benefit plan that provides for a lump sum payment on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of last drawn salary and the period of service and paid as lump sum at exit. Gratuity payable is not restricted to the maximum limit prescribed under the Payment of Gratuity Act, 1972. The liability in respect thereof is determined by actuarial valuation at the year end based on the Projected Unit Credit Method and is recognized as a charge on accrual basis. Trustees administer the contributions made to the Gratuity fund. Amounts contributed to the Gratuity fund are invested solely with the Life Insurance Corporation of India.

The following table sets forth the particulars in respect of the defined benefit plans of the Company for the year ended 31st March, 2022:

Particulars	Gratuity Fund (Funded)		
	Present Value of Obligation	Fair value of plan assets	Net Amount
(i) 1 April, 2021	34.23	(24.50)	9.73
Current Service Cost	2.69	-	2.69
Interest expense/(Income)	2.07	(1.74)	0.33
Total Amount recognised in profit or loss	4.76	(1.74)	3.02
Remeasurements (gain)/loss			
(Gain)/loss from change in financial assumptions	(0.68)	0.24	(0.44)
(Gain)/loss arising from experience adjustments	3.19	-	3.19
Total amount recognised in other comprehensive income	2.51	0.24	2.75
Employer's contributions	-	(8.00)	(8.00)
Benefit payments	(1.71)	0.89	(0.82)
31 March, 2022	39.79##	(33.11)	6.68
(ii) 1 April, 2020	31.96	(25.55)	6.41
Current Service Cost	2.53	-	2.53
Interest expense/(Income)	1.94	(1.53)	0.41
Total Amount recognised in profit or loss	4.47	(1.53)	2.94
Remeasurements (gain)/loss			
(Gain)/loss from change in financial assumptions	0.21	0.20	0.41
(Gain)/loss arising from experience adjustments	(0.03)	-	(0.03)
Total amount recognised in other comprehensive income	0.18	0.20	0.38
Employer's contributions	-	-	-
Benefit payments	(2.38)	2.38	-
31 March, 2021	34.23##	(24.50)	9.73

##Includes ₹ 4.92 Crores (31 March, 2021: ₹ 3.68 Crores) related to present value obligation of gratuity payable for contractual workers. This is an unfunded plan.

The expected return on plan assets is determined after taking into consideration composition of plan assets held, assessed risks of asset management, historical results of return on plan assets, Company's policies for plan asset management and other relevant factors.

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

The expenses for the above mentioned Gratuity benefit is included and disclosed under the head "Contribution to provident and other funds" under Note 18

	2021-22	2020-21
(iii) Actual Return on Plan Asset	1.74	1.53

(iv) The net liability disclosed above relating to funded are as follows

	As at 31 March, 2022	As at 31 March, 2021
Present value of funded obligations	39.79	34.23
Fair value of plan assets	(33.11)	(24.50)
Deficit of funded plan	6.68	9.73

(v) Principal: Actuarial assumptions

	As at 31 March, 2022	As at 31 March, 2021
(i) Discount rate	6.50%	6.20%
(ii) Salary escalation rate #	7.00%	7.00%
(iii) Mortality Table (In service)	Indian Assured Lives Mortality (2006-08) (Modified) Ult.	Indian Assured Lives Mortality (2006-08) (Modified) Ult.

The estimate of future salary increase considered in actuarial valuation takes into account factors like inflation, seniority, promotion and other relevant factors, such as demand and supply in the employment market.

In case of funded plan, the Company ensures that the investment positions are managed within an asset - liability matching (ALM) framework that has been developed to achieve investment that are in line with the obligation under the gratuity scheme. Within this framework the Company's ALM objective is to match asset with gratuity obligation. The Company actively monitors how the duration and the expected yield of instruments are matching the expected cash outflows arising from the gratuity obligations. The Company has not changed the process used to manage its risk from previous periods. The Company does not use derivatives to manage its risk. The gratuity scheme is funded with LIC which has good track record of managing fund except Contractor worker.

(vi) Sensitivity Analysis

		Increase/ (Decrease) in DBO		Increase/ (Decrease) in DBO	
		As at 31 March, 2022	As at 31 March, 2021		As at 31 March, 2021
Discount Rate - Gratuity	Decrease by 1%	2.42	2.27	Increase by 1%	(2.08)
Salary escalation Rate	Decrease by 1%	(2.10)	(1.95)	Increase by 1%	2.40

Method used for sensitivity analysis:

The sensitivity results above determine their individual impact on the plan's end of year Defined Benefit Obligation. In reality, the plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar opposite directions, while the plan's sensitivity to such changes can vary over time.

(vii) Risk Exposure

Through its defined benefit plans, the Company is exposed to some risks, the most significant of which are detailed below:

- Interest rate risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
- Salary Inflation risk: Higher than expected increases in salary will increase the defined benefit obligation.

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

- Demographic risk: This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

(II) Defined Contribution Plans

The Company has certain Defined Contribution Plans viz. Provident Fund and Superannuation Fund. Contributions are made to provident fund for employees at the rate of 12% of basic salary as per regulations. The Company has a defined contribution Superannuation plan for which contribution is made at a rate not exceeding 4.87% of Basic and Dearness Allowance of the member with Superannuation. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹ 13.71 Crores (31 March, 2021- ₹ 2.42 Crores).

Certain employees of the Company used to receive provident fund benefit which were administered by the exempted provident fund trust set up by the Company (Defined Benefit Contribution). During the year such exempted provident fund trust has been surrendered with Employee Provident Fund Organisation (EPFO). Hence, provident contribution of these employees have reckoned as defined benefit contribution plan during the year.

(III) Defined Benefit Liability and Employer Contributions

Expected contribution to Post-employment benefit plans for the year ending 31 March, 2022 basis the actuarial report is ₹ 2.50 Crores (31 March, 2021: ₹ 6.05 Crores)

The weighted average duration of the defined benefit obligation is 5 years (31 March, 2021 - 6 years) for employees and 8 years (31 March, 2021 - 10 years) for contractual employees. The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	Less than a year	Between 1 -2 years	Between 2 -3 years	Between 3 -4 years	Between 4 -5 years	Between 5 -10 years	Total
31 March, 2022							
Defined benefit obligation							
Gratuity	13.48	3.79	2.46	5.51	2.79	16.64	44.67
Total	13.48	3.79	2.46	5.51	2.79	16.64	44.67
31 March, 2021							
Defined benefit obligation							
Gratuity	12.25	1.80	3.28	2.15	4.32	14.24	38.04
Total	12.25	1.80	3.28	2.15	4.32	14.24	38.04

NOTE 19: FINANCE COSTS

Accounting Policy

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Other borrowing costs are expensed in the period in which they are incurred.

	Year ended 31 March, 2022	Year ended 31 March, 2021
Interest expense on debts and borrowings	18.80	21.55
Interest on lease liabilities	9.76	10.95
Other Borrowings Costs	0.53	1.38
	29.09	33.88

NOTE 20: DEPRECIATION AND AMORTISATION EXPENSE

	Year ended 31 March, 2022	Year ended 31 March, 2021
Depreciation of property, plant and equipment (Refer Note 3(a))	99.98	88.65
Amortization of intangible assets (Refer Note 3(d))	0.19	0.36
Depreciation on Right of Use Assets (Refer Note 3(e))	20.71	21.11
	120.88	110.12

NOTE 21: OTHER EXPENSES

	Year ended 31 March, 2022	Year ended 31 March, 2021
Consumption of stores and spares	54.67	41.44
Consumption of packing materials	73.62	54.79
Power and fuel	19.79	24.25
Water charges	5.73	3.86
Rent	8.10	5.88
Rates and taxes	3.74	2.80
Repairs and maintenance:		
- Buildings	1.95	2.42
- Plant and Machinery	24.73	15.66
- Others	6.14	4.46
Insurance	7.12	5.73
Travelling and conveyance	6.57	4.46
Subscriptions and donations	48.32	27.37
Freight outward (net of recovery)	119.61	97.29
Commission to selling agents	36.00	27.40
Directors sitting fees & Commission	18.02	12.06
Research and development expenses (refer note 23)	9.38	9.02
Net gain on foreign currency transactions	(22.22)	(10.24)
Loss/ (Profit) on disposal of property, plant and equipment	0.39	(1.41)
Bad Debt Written off during the year:	9.36	
Less: Adjusted with Allowance for significant increase in credit risk/credit impaired receivables	(9.36)	-
Fair Value loss on financial assets (investments) at FVTPL	-	5.87
Allowance for doubtful debts / expected credit loss - trade receivable (net)	-	0.83
Corporate Social Responsibility Expenditure [refer note (a) below]	8.66	3.07
Payment to auditors [refer note (b) below]	0.83	0.72
Miscellaneous expenses	67.17	62.12
	498.32	399.85



Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(a) Details of CSR expenditure:

	Year ended 31 March, 2022	Year ended 31 March, 2021
(i) Gross amount required to be spent by the Company during the year	8.63	7.93
(ii) Excess CSR expenditure of the previous year is offset against the current year's CSR obligation	0.19	5.05
(iii) Amount spent / to be spent for the year as per the provisions of the Companies Act, 2013	8.66 *	3.07 *
(iv) Excess CSR expenditure to be offset against the next year's CSR obligation	0.22	0.19
A) Amount spent during the year		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	8.66	3.07
B) Details related to spent / unspent obligations:		
i) Contribution to Trust for Ongoing Project	6.85	1.50
ii) Amount spent in relation to other than Ongoing Project	1.81	1.57

* Includes ₹ 6.85 Crores (31 March, 2021- ₹ 1.50 Crores) payable to a registered trust in respect of an ongoing projects for carrying out CSR activities

C) Details of ongoing project and other than ongoing project

Particulars	31 March, 2022			31 March, 2021		
	Ongoing Project (In Separate CSR unspent account)	Other than Ongoing Project	Total	Ongoing Project (In Separate CSR unspent account)	Other than Ongoing Project	Total
i) Opening balance [shortfall / (Excess)]	1.50	(0.19)	1.31	-	(5.05)	(5.05)
ii) Amount required to be Spent during the year	6.85	1.78	8.63	1.50	6.43	7.93
iii) Amount Spent during the year	1.50	1.81	3.31	-	1.57	1.57
iv) Closing balance	6.85	(0.22)	6.63	1.50	(0.19)	1.31

(b) Details of payment to auditors

	Year ended 31 March, 2022	Year ended 31 March, 2021
As auditor:		
Audit Fees	0.49	0.43
Limited reviews	0.19	0.17
Tax audit fees	0.08	0.07
Others services*	0.07	0.05
Reimbursement of expenses **	0.00	0.00
	0.83	0.72

*An amount of ₹ 0.70 Crores paid during the year to Statutory Auditor of the Company for Qualified Institutions Placement (QIP) which has been adjusted with Securities premium account.

** Amount is below the rounding off norm adopted by the Company.

(c) The Company has incurred following Research and Development expenditure for Innovation Centre in Belgium

	Year ended 31 March, 2022	Year ended 31 March, 2021
Revenue expenses	12.48	8.77
Capital expenses	-	6.52
Total	12.48	15.29

For Research and Development expenditure in India-Refer Note 23

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 22: TAX EXPENSE

Accounting Policy

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect of situation in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction that at the time of the transaction affects neither accounting profit/loss nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period.

Current and deferred tax is recognised in statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, if any. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax assets. The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period. Unrecognised MAT are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the MAT to be recovered.

In the situations where the Company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of temporary differences which reverse during the tax holiday period, to the extent the Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognized in the year in which the temporary differences originate. However, the Company restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.



Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

	Year ended 31 March, 2022	Year ended 31 March, 2021
a. Income-tax expense recognised in the statement of Profit and Loss		
Current tax		
Current tax (Net of utilisation of minimum alternate tax credit) on profits for the year	110.46	69.35
Deferred Tax		
Origination and reversal of temporary differences	(5.26)	8.74
Income-tax expense	105.20	78.09
b. Income-tax expense on other comprehensive income		
Total current tax impact on Other Comprehensive Income - Remeasurement of post employment defined benefit obligation	(0.97)	(0.13)
Deferred tax - Fair value through other comprehensive income - equity instruments	10.09	7.86
Income-tax expense recognised in Other Comprehensive Income	9.12	7.73
c. Reconciliation of statutory rate of tax and the effective rate of tax		
Profit before income tax	532.34	390.36
Enacted Income tax rate in India applicable to the Company	34.95%	34.95%
Tax on Profit before tax at the enacted Income tax rate in India	186.05	136.43
Adjustments:		
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Items not deductible / Income exempt from tax	1.53	(0.71)
Incentives / additional benefits allowable under Income-tax	(71.70)	(27.09)
Tax Credits	(9.88)	(32.00)
Other items	(0.80)	1.46
Total Income tax expense	105.20	78.09
Effective tax rate	19.76%	20.00%

NOTE 23: RESEARCH AND DEVELOPMENT EXPENSES

Accounting Policy

The Company's business research and development concentrates on the development of improved finished goods and better operational efficiency. Research costs are expensed as incurred. Expenditure on development that does not meet the specified criteria under Ind AS 38 'Intangible Assets' is recognised as expense as incurred.

Revenue Expenses incurred in India

	Year ended 31 March, 2022					Year ended 31 March, 2021				
	Total	Durgapur	Kochi	Palej	Mundra	Total	Durgapur	Kochi	Palej	Mundra
Raw Materials & Stores Consumed	2.78	0.54	-	2.24	-	3.23	1.31	-	1.79	0.13
Salaries, Wages and Bonus	4.22	0.23	0.20	3.55	0.24	3.86	0.59	0.53	2.12	0.62
Contribution to Provident and Other Funds	0.47	0.06	0.05	0.29	0.07	0.30	0.05	0.03	0.17	0.05
Staff Welfare Expense	0.23	-	-	0.23	-	0.11	-	-	0.11	-
Miscellaneous Expenses	1.68	-	-	1.68	-	1.52	-	-	1.52	-
Total	9.38	0.83	0.25	7.99	0.31	9.02	1.95	0.56	5.71	0.80

Also Refer Note 21 (c) for Research and development expenditure incurred for Innovation centre in Belgium.

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 24: CONTINGENT LIABILITIES

Accounting Policy

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

	As at 31 March, 2022	As at 31 March, 2021
Contingent Liabilities for:		
(a) (i) Claims against the Company not acknowledged as debts:		
Income-tax matters under dispute	19.27	-
Excise duty matters under dispute	4.04	4.04
Sales tax matter under dispute	0.14	0.30
Service tax matters under dispute	6.26	6.26
Value added tax matters under dispute	1.09	1.09
(ii) Other money for which the Company is contingently liable		
Excise duty matters under dispute	1.57	1.57
(b) Guarantees or counter guarantees or counter indemnity given by the Company		
On behalf of bodies corporate and others		
- Limit	-	0.09
- Outstanding	-	0.09

It is not practicable for the Company to estimate the timings of the cash outflows, if any, in respect of the above contingent liabilities pending resolution of the respective proceedings.

NOTE 25: COMMITMENTS

	As at 31 March, 2022	As at 31 March, 2021
Capital Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for		
Property, plant and equipment (net of capital advances)	30.41	26.08

NOTE 26: DIVIDEND ON EQUITY SHARE

	Year ended 31 March, 2022	Year ended 31 March, 2021
Interim Dividend for the year ended 31 March, 2022 of ₹ 10/- per share on face value of ₹ 2/- per share	188.73	120.64
(31 March, 2021 ₹ 7/- per share on face value of ₹ 2/- per share)		
	188.73	120.64



Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 27: EARNING PER EQUITY SHARE

Accounting Policy

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the equity by the weighted average number of equity shares outstanding during the year.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

	Year ended 31 March, 2022	Year ended 31 March, 2021
Basic and Diluted		
(i) Number of Equity Shares at the beginning of the year [Refer Note 8(i)]	34,46,75,720	34,46,75,720
(ii) Number of Equity Shares at the end of the year [Refer Note 8(i)]	37,74,62,604	34,46,75,720
(iii) Weighted average number of equity shares outstanding during the year [Refer Note 8(i)]	36,06,64,940	34,46,75,720
(iv) Face value of each Equity Share (₹) [Refer Note 8(i)]	1.00	1.00
(v) Profit after Tax available for Equity Shareholders (₹ in Crores)	427.14	312.27
(vi) Basic and Diluted earnings per Share (₹) [(iii)/(i)]	11.84	9.06

The Company does not have any dilutive potential equity shares.

The impact of Share Split has been considered for calculating weighted average number of equity shares for all periods presented, as per Ind AS 33-Earnings Per Share.

NOTE 28: RELATED PARTY TRANSACTIONS

(a) Parent- under de facto control

Name	Type	Place of Incorporation	As at 31 March, 2022	As at 31 March, 2021
Rainbow Investments Limited	Parent- under de facto control as defined in Ind AS -110 ("Parent")	India	45.84%	50.20%

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(b) Subsidiaries

The Company has following subsidiary and step down subsidiary companies:-

Name	Type	Place of Incorporation	As at 31 March, 2022	As at 31 March, 2021
Phillips Carbon Black Cyprus Holdings Limited	Wholly Owned Subsidiary	Cyprus	100%	100%
Phillips Carbon Black Vietnam Joint Stock Company	Subsidiary Company of Phillips Carbon Black Cyprus Holdings Limited	Vietnam	80%	80%
PCBL (TN) Limited*	Wholly Owned Subsidiary	India	100%	100%

*incorporate with effect from 29 September, 2020

(c) Key management personnel of the Company and the Parent- under de facto control with whom transactions have taken place during the year

Name	Relationship
i) Sanjiv Goenka	Chairman and Non Executive Director
ii) Shashwat Goenka	Non Executive Director
iii) Preeti Goenka	Non Executive Director
iv) Kaushik Roy	Managing Director
v) O P Malhotra (Refer Note below)	Non Executive Independent Director
vi) K S B Sanyal (Refer Note below)	Non Executive Independent Director
vii) Paras K Chowdhary	Non Executive Independent Director
viii) Pradip Roy	Non Executive Independent Director
ix) Kusum Dadoo (Resigned with effect from 4 February, 2021)	Non Executive Independent Director
x) Rusha Mitra (Appointed with effect from 8 April, 2021)	Non Executive Independent Director
xi) Ram Krishna Agarwal (Appointed with effect from 26 July, 2021)	Non Executive Independent Director
xii) T.C.Suseel Kumar (Appointed with effect from 27 October, 2021)	Non Executive Independent Director
xiii) K Jairaj (Appointed with effect from 8 March, 2022)	Non Executive Independent Director
xiv) Raj Kumar Gupta	Chief Financial Officer and holding Directorship in subsidiary Company (w.e.f. 29 September, 2020)
xv) Kaushik Mukherjee	Company Secretary and holding Directorship in subsidiary Company (w.e.f. 29 September, 2020)
xvi) Sunil Bhandari	Employee holding Directorship in "Parent"
xvii) Subhrangsu Chakraborty (Resigned with effect from 3 January, 2022)	Person holding Directorship in "Parent"
xviii) Yugesh Kanoria	Person holding Directorship in "Parent"

Note:

O P Malhotra and K S B Sanyal have retired as Non Executive Independent Directors with effect from 29 July, 2021 upon completion of their term.

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(d) Others with whom transactions have taken place during the year

Name	Relationship
RPG Power Trading Company Limited	Company under common control
Trade Apartments Limited	Company under common control
Dynamic Success Projects Private Limited	Company under common control
CESC Limited	Company under common control
RPSG Ventures Limited (Erstwhile: CESC Ventures Limited)	Company under common control
Spencer's Retail Limited	Company under common control
Guiltfree Industries Limited	Company under common control
RPSG Resources Private Limited (Erstwhile: Accurate Commodeal Pvt. Limited)	Company under common control
Crescent Power Limited	Company under common control
Alipore Towers Pvt Ltd	Company under common control
Quest Capital Markets Limited (Erstwhile: BNK Capital Markets Limited)	Company under common control
Off-Shore India Ltd	Company under common control
Brabourne Investments Ltd	Company under common control
Eastern Aviation & Industries Pvt Ltd	Company under common control
Lebnitze Real Estates Private Limited	Company under common control
Woodlands Multispeciality Hospital Limited	Company under common control
Duncan Brothers & Co. Ltd	Associate of "Parent"
Harrison Malayalam Limited	Company under common control
STEL Holdings Limited	Company under common control
Duncan Agency Senior Staff Superannuation Fund No. 3 (Superannuation Fund)	Post Employment Benefit Plan of the Company (Other related parties)
Phillips Carbon Black Limited Employees' Gratuity Fund (Gratuity Fund)	Post Employment Benefit Plan of the Company (Other related parties)

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(e) Details of transaction between the Company and related parties and outstanding balances

(All amounts in ₹ Crores, unless otherwise stated)

Sl. No.	Nature of Transactions	Parent- under de facto control as defined in Ind AS -110,Company under Common Control and Subsidiaries		Associates of Parent- under de facto control as defined in Ind AS-110		Key Management Personnel of the Company, Parent- under de facto control as defined in Ind AS-110		Other Related Parties		Total	
		Year ended 31 March, 2022	Year ended 31 March, 2021	Year ended 31 March, 2022	Year ended 31 March, 2021	Year ended 31 March, 2022	Year ended 31 March, 2021	Year ended 31 March, 2022	Year ended 31 March, 2021	Year ended 31 March, 2022	Year ended 31 March, 2021
A. Transactions											
1	Dividend paid on Equity Shares	91.64	60.88	-	-	-	-	-	-	91.64	60.88
2	Dividend received on Equity Shares	7.59	7.59	-	-	-	-	-	-	7.59	7.59
3	Transfer of Leasehold Land	-	25.18	-	-	-	-	-	-	-	25.18
4	Investment in Equity Shares	7.00	3.37	-	-	-	-	-	-	7.00	3.37
5	Investment in Preference Shares	194.00	-	-	-	-	-	-	-	194.00	-
6	Dividend Income-Preference Shares	0.14	-	-	-	-	-	-	-	0.14	-
7	Security Deposit paid	0.36	30.00	-	-	-	-	-	-	0.36	30.00
8	Security Deposit Refund	2.00	-	-	-	-	-	-	-	2.00	-
9	Accommodation Charges paid	0.02	-	0.02	0.03	-	-	-	-	0.04	0.03
10	Accommodation Charges recovered	0.04	0.08	-	-	-	-	-	-	0.04	0.08
11	Reimbursement of expenses paid	3.28	0.76	-	-	-	-	-	-	3.28	0.76
12	Reimbursement of expenses received	14.65	8.14	-	-	-	-	-	-	14.65	8.14
13	Electricity charges paid	0.03	0.03	-	-	-	-	-	-	0.03	0.03
14	Rent & Flat Maintenance Paid	1.08	0.40	-	-	-	-	-	-	1.08	0.40
15	Purchases of vaccines	0.51	-	-	-	-	-	-	-	0.51	-
16	Power Selling expenses paid	1.73	1.37	-	-	-	-	-	-	1.73	1.37
17	Sale of Power	77.65	53.03	-	-	-	-	-	-	77.65	53.03
18	Advances given	-	0.50	-	-	-	-	0.03	-	0.03	0.50
19	Advances recovered	-	-	-	-	-	-	0.03	-	0.03	-
20	Licence Fees	16.00	16.00	-	-	-	-	-	-	16.00	16.00
21	Contributions paid	-	-	-	-	-	-	1.05	3.53	1.05	3.53
22	Remuneration to Key Management Personnel	-	-	-	-	17.71	14.82	-	-	17.71	14.82
23	Post-employment benefits to Key Management Personnel	-	-	-	-	0.66	0.46	-	-	0.66	0.46
24	Other long-term benefit to Key Management Personnel	-	-	-	-	0.15	0.11	-	-	0.15	0.11
25	Director's Sitting Fees	-	-	-	-	0.55	0.42	-	-	0.55	0.42
26	Director's Commission	-	-	-	-	17.47	11.64	-	-	17.47	11.64
27	Loan repaid by Key Management Personnel	-	-	-	-	0.06	0.04	-	-	0.06	0.04
B. Closing Balances											
1	Receivables	52.70	79.61	-	-	0.02	0.08	-	-	52.72	79.69
2	Payables	1.02	0.03	-	-	-	-	-	-	1.02	0.03
3	Investments	456.83	197.80	-	-	-	-	-	-	456.83	197.80



Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(f) Terms and Conditions

All transactions were made on normal commercial terms and conditions.

All outstanding balances are unsecured and are repayable in cash.

NOTE 29: SEGMENT

Accounting Policy

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The chief operating decision maker is responsible for allocating resources and assessing performance of the operating segments and has been identified as the Managing Director of the Company.

(a) Description of segments and principal activities

Carbon Black: The Company is primarily engaged in production of Carbon Black through its four manufacturing units located at Durgapur, Kochi, Vadodara and Mundra.

Power: The Company is also engaged in generation of electricity for the purpose of captive consumptions as well as sale of surplus to outsiders.

The segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the standalone financial statement. Also the Company's borrowings (including finance costs and interest income), income taxes, investments are managed at head office and are not allocated to operating segments.

Inter-Segment transfers being power consumed for manufacture of Carbon Black are based on price paid for power purchased from external sources. Segment revenue is measured in the same way as in the Statement of Profit and Loss.

Segment assets and liabilities are measured in the same way as in the standalone financial statements. These assets are allocated based on the operations of the segment and the physical location of the assets.

All Non-current assets of the Company (excluding certain financial assets) are located in India and Belgium.

(b) Segment Revenue, Segment Earnings and other information as at / for the year ended:- Segment Revenue:

Particulars	Year ended 31 March, 2022			Year ended 31 March, 2021		
	Carbon Black	Power	Total	Carbon Black	Power	Total
Revenue from external customers	4,332.03	93.00	4,425.03	2,586.71	67.25	2,653.96
Other operating Revenues	21.39	-	21.39	5.56	-	5.56
Total revenue from operations	4,353.42	93.00	4,446.42	2,592.27	67.25	2,659.52
Inter-segment revenue	-	74.33	74.33	-	63.45	63.45
Total segment revenue	4,353.42	167.33	4,520.75	2,592.27	130.70	2,722.97

Revenue of ₹ 1930.16 Crores (31 March 2021 - ₹ 1261.13 Crores) is derived from customers in the Carbon Black segment, each of whom contribute to more than 10% of the total revenue.

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

The Company is domiciled in India. The amount of its revenue from external customers broken down by the location of the customers is shown in table below:

Revenue from external customers (excluding other operating revenues)	Year ended 31 March, 2022	Year ended 31 March, 2021
India	3,104.37	1,975.56
Other countries	1,320.66	678.40
Total	4,425.03	2,653.96

Segment Results:

Particulars	Year ended 31 March, 2022			Year ended 31 March, 2021		
	Carbon Black	Power	Total	Carbon Black	Power	Total
Segment profit before interest and tax	632.07	97.16	729.23	494.60	71.09	565.69
Reconciliation to Profit before tax						
Finance Cost	-	-	(29.09)	-	-	(33.88)
Interest Income	-	-	4.74	-	-	3.46
Unallocated expenses (Net)	-	-	(172.54)	-	-	(144.91)
Profit before tax	632.07	97.16	532.34	494.60	71.09	390.36

Depreciation/Amortisation and non cash expenses

Particulars	Year ended 31 March, 2022				Year ended 31 March, 2021			
	Carbon Black	Power	Unallocated	Total	Carbon Black	Power	Unallocated	Total
Depreciation/Amortisation	81.79	27.62	11.47	120.88	81.89	24.94	3.29	110.12
Non cash expense	4.12	-	-	4.12	1.33	-	-	1.33

Segment Assets:

Particulars	As at 31 March, 2022			As at 31 March, 2021		
	Carbon Black	Power	Total	Carbon Black	Power	Total
Segment Assets	3,218.19	460.23	3,678.42	2,706.54	348.51	3,055.05
Reconciliation to total assets						
Investments	-	-	783.04	-	-	220.28
Other unallocable assets	-	-	293.89	-	-	434.75
Total assets as per the balance sheet	3,218.19	460.23	4,755.35	2,706.54	348.51	3,710.08

Particulars	As at 31 March, 2022				As at 31 March, 2021			
	Carbon Black	Power	Unallocated	Total	Carbon Black	Power	Unallocated	Total
Addition to Non current assets other than financial instruments	68.05	95.69	1.20	164.94	127.42	16.03	0.96	144.41

The total of segments assets broken down by location of the assets, is shown below:

Assets by geographical location	As at 31 March, 2022	As at 31 March, 2021
India	3,360.90	2,889.79
other countries	317.52	165.26
Total	3,678.42	3,055.05

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Segment Liabilities:

Particulars	As at 31 March, 2022			As at 31 March, 2021		
	Carbon Black	Power	Total	Carbon Black	Power	Total
Total Segment liabilities	991.83	40.23	1,032.06	650.14	28.32	678.46
Reconciliation to total liabilities						
Borrowings	-	-	683.99	-	-	606.79
Current Tax Liabilities (Net)	-	-	0.77	-	-	-
Deferred Tax Liabilities	-	-	276.30	-	-	271.47
Other Unallocated liabilities	-	-	157.32	-	-	226.19
Total liabilities as per the balance sheet	991.83	40.23	2,150.44	650.14	28.32	1,782.91

NOTE 30: FAIR VALUE MEASUREMENT

(i) The carrying and fair value of financial instruments by category as at the end of the year are as follows:

	As at 31 March, 2022			As at 31 March, 2021		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Investments						
- Equity instruments	-	249.65	-	-	188.55	-
- Preference Shares	8.34	-	-	7.72	-	-
- Mutual Funds	300.04	-	-	-	-	-
Trade receivables	-	-	1,105.10	-	-	708.50
Loans	-	-	7.68	-	-	7.98
Cash and cash equivalents	-	-	103.97	-	-	114.04
Other bank balances	-	-	4.72	-	-	104.92
Other Financial Assets	-	-	42.11	-	-	70.79
Total financial assets	308.38	249.65	1,263.58	7.72	188.55	1,006.23
Financial liabilities						
Borrowings	-	-	595.31	-	-	561.66
Lease liabilities	-	-	101.83	-	-	117.06
Current maturities of long term debt	-	-	88.68	-	-	45.13
Derivative financial liabilities	1.39	-	-	0.98	-	-
Trade payables	-	-	910.97	-	-	591.50
Other financial liabilities	-	-	78.40	-	-	83.05
Total financial liabilities	1.39	-	1,775.19	0.98	-	1,398.40

Investment in subsidiaries amounting to ₹ 225.01 Crores (31 March, 2021 ₹ 24.01 Crores) is recognised at cost and not included in table above.

(ii) Fair Value

The fair values of financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent in all the years. The following methods and assumptions were used to estimate the fair values:

- In respect of investments in mutual funds, the fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors. Accordingly, such net asset values are analogous to fair market value

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

with respect to these investments, as transactions of these mutual funds are carried out at such prices between investors and the issuers of these units of mutual funds.

- (b) In respect of investments in listed equity instruments, the fair values represents available quoted market price at the Balance Sheet date.
- (c) The fair value of derivative contracts (foreign exchange forward contracts and Currency and Interest rate swaps) is determined using discounted cash flow analysis and swaps and options pricing models.
- (d) The management assessed that fair values, of trade receivables, cash and cash equivalents, other bank balances, loans, trade payables, current borrowings, other current liabilities and other financial liabilities (current), approximate to their carrying amounts largely due to the short-term maturities of these instruments. Further, management also assessed the carrying amount of certain non-current loans which are a reasonable approximation of their fair values and the difference between the carrying amounts and fair values is not expected to be significant.

(iii) Fair value of financial assets and liabilities measured at amortised cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amount would be significantly different from the values that would eventually be received or settled.

(iv) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measures at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. Explanation of each level follows underneath the table:

Financial assets and liabilities measured at fair value - recurring fair value measurements	As at 31 March, 2022				As at 31 March, 2021			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Financial assets at FVTPL								
Investments in mutual funds	300.04	-	-	300.04	-	-	-	-
Investments in preference shares	-	-	8.34	8.34	-	-	7.72	7.72
Financial assets at FVTOCI								
Investments in equity instruments	157.27	-	92.38	249.65	119.84	-	68.71	188.55
Total financial assets	457.31	-	100.72	558.03	119.84	-	76.43	196.27
Financial liabilities								
Financial liabilities at FVTPL								
Foreign-exchange forward contract	-	1.39	-	1.39	-	0.98	-	0.98
Total financial liabilities	-	1.39	-	1.39	-	0.98	-	0.98

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have net asset value as stated by the issuers in the published statements. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There are no transfers between level 1 and level 2 fair value measurements during the year ended 31 March, 2022 and 31 March, 2021.

Some of the Company's financial assets are carried at fair value for which Level 3 inputs have been used. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

Valuation inputs and relationship to fair value

Particulars	Fair Value at		Valuation Technique	Significant unobservable input	Sensitivity	
	31 March, 2022	31 March, 2021			31 March, 2022	31 March, 2021
Unquoted equity shares	92.38	68.71	Discounted cash flow/ Net Asset Value	Earning growth rate / Discounting rate	Increase in earning growth rate by 1% and lower discount rate by 1% would increase fair value by ₹ 0.76 Crores Decrease in earning growth rate by 1% and higher discount rate by 1% would decrease fair value by ₹ 0.63 Crores	Increase in earning growth rate by 1% and lower discount rate by 1% would increase fair value by ₹ 0.73 Crores Decrease in earning growth rate by 1% and higher discount rate by 1% would decrease fair value by ₹ 0.60 Crores
Unquoted Preference shares	8.34	7.72	Discounted Amortized cost	Discounting rate to determine PV	Decrease in discount rate by 1% will increase the fair value by ₹ 0.24 Crores Increase in discount rate by 1% will decrease fair value by ₹ 0.23 Crores	Decrease in discount rate by 1% will increase the fair value by ₹ 0.29 Crores Increase in discount rate by 1% will decrease fair value by ₹ 0.28 Crores
Investment Property-Land	7.41	5.39	Fair market price	Discount for limited market activity	Decrease in discount rate by 1% will increase the fair value by ₹ 0.07 Crores Increase in discount rate by 1% will decrease fair value by ₹ 0.07 Crores.	Decrease in discount rate by 1% will increase the fair value by ₹ 0.07 Crores Increase in discount rate by 1% will decrease fair value by ₹ 0.07 Crores.

Valuation process:

The main level 3 inputs for unquoted equity shares and unquoted preference shares used by the Company are derived and evaluated as follows:

Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 31: FINANCIAL RISK MANAGEMENT

The Company's principal financial liabilities comprises of borrowings, trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance and support the operations of the Company. The Company's principal financial assets include trade and other receivables, loans, investments and cash & cash equivalents that derive directly from its operations.

The Company's business activities are exposed to a variety of risks including liquidity risk, credit risk and market risk. The Company seeks to minimize potential adverse effects of these risks by managing them through a structured process of identification, assessment and prioritization of risks followed by coordinated efforts to monitor, minimize and mitigate the impact of such risks on its financial performance and capital. For this purpose, the Company has laid comprehensive risk assessment and minimization/mitigation procedures, which are reviewed by the Audit Committee and approved by the Board from time to time. These procedures are reviewed to ensure that executive management controls risks by way of properly defined framework. The Company does not enter into derivative financial instruments for speculative purposes.

(A) Credit risk

Credit risk refers to risk of financial loss to the Company if customers or counterparties fail to meet their contractual obligations. The Company is exposed to credit risk from its operating activities (mainly trade receivables) and from its investing activities (primarily deposit with banks and investment in mutual funds).

(i) Credit risk management

(a) Trade Receivables

Customer credit risk is managed by the Company through its established policies and procedures which involve setting up credit limits based on credit profiling of individual customers, credit approvals for enhancement of limits and regular monitoring of important developments viz. payment history, change in credit rating, regulatory changes, industry outlook etc. Outstanding receivables are regularly monitored and an impairment analysis is performed at each reporting date on an individual basis for each major customer. In addition, small customers are grouped into homogeneous groups and assessed for impairment collectively. The Company also has a policy to provide for all receivables which are overdue for a period over 365 days. In accordance with Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or reversal thereof.

Reconciliation of loss allowance provision - Trade receivable are as follows:

Particulars	Year Ended 31 March, 2022	Year Ended 31 March, 2021
Loss allowance at the beginning of the year	10.47	9.64
Change / (reversal) in allowance during the year (net)	(9.36)*	0.83
Loss allowance at the end of the year	1.11	10.47

* Represents ₹ 9.36 crore written off during the year.

(b) Deposits and financial assets (Other than trade receivables):

The Company maintains exposure in cash and cash equivalents, term deposits with banks and money market liquid mutual fund schemes. Investments of surplus are made within assigned credit limits with approved counterparties who meet the threshold requirements with respect to ratings, financial strength, credit spreads etc. Counterparty credit limits are set to minimize concentration risk and are reviewed periodically by the Board.

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 31: FINANCIAL RISK MANAGEMENT

(B) Liquidity Risk

Liquidity risk implies that the Company may not be able to meet its obligations associated with its financial liabilities. The Company manages its liquidity risk on the basis of the business plan that ensures that the funds required for financing the business operations and meeting financial liabilities are available in a timely manner and in the currency required at optimal costs. The Management regularly monitors rolling forecasts of the Company's liquidity position to ensure it has sufficient cash on an ongoing basis to meet operational fund requirements. The surplus cash generated, over and above the operational fund requirement is invested in bank deposits / marketable debt securities / debt mutual fund schemes of highly liquid nature to optimize cash returns while ensuring adequate liquidity for the Company.

Additionally, the Company has committed fund and non-fund based credit lines from banks which may be drawn anytime based on Company's fund requirements. The Company maintains a cautious liquidity strategy with positive cash balance and undrawn bank lines throughout the year.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments.

Contractual maturity of financial liabilities	Upto 1 year	1 Year to 3 year	3 year to 5 year	More than 5 years	Total
31 March, 2022					
Borrowings	463.65	132.14	88.20	-	683.99
Trade payable	910.97	-	-	-	910.97
Lease Liabilities	27.04	46.92	26.09	30.66	130.71
Other financial liabilities	71.78	4.65	3.36	-	79.79
	1,473.44	183.71	117.65	30.66	1,805.46
31 March, 2021					
Borrowings	302.05	173.00	111.75	19.99	606.79
Trade payable	591.50	-	-	-	591.50
Lease Liabilities	28.68	52.67	34.26	43.74	159.35
Other financial liabilities	75.07	5.80	3.16	-	84.03
	997.30	231.47	149.17	63.73	1,441.67

NOTE 31: FINANCIAL RISK MANAGEMENT

(C) Market Risk

Market risk is the risk that the fair value of future cash flow of financial instruments may fluctuate because of changes in market conditions. Market risk broadly comprises three types of risks namely currency risk, interest rate risk and price risk (for commodities or equity instruments). The above risks may affect the Company's income and expenses and / or value of its investments. The Company's exposure to and management of these risks are explained below

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company operates in international markets and therefore is exposed to foreign currency risk arising from foreign currency transactions. The exposure relates primarily to the Company's operating activities (when the revenue or expense is denominated in foreign currency), borrowings in foreign currencies and investment in overseas subsidiaries. Over ninety percent of Company's foreign currency transactions are in USD while the rest are in EURO, CNY, VND and GBP. The risk is measured through forecast of highly probable foreign currency cash flows.

The Company's risk management policy is hedging of net foreign currency exposure at all points in time through foreign exchange forward contracts, vanilla option contracts and cross currency interest rate swaps. The objective of the hedging is to eliminate the currency risk due to volatility in exchange rates.

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(a) Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

Particulars	31 March, 2022				31 March, 2021		
	INR equivalent of				INR equivalent of		
	USD	EUR	CNY	VND	USD	EUR	GBP
Financial assets							
Trade receivables	288.42	19.93	-	-	144.50	8.26	-
Advance to Suppliers	-	4.31	-	-	-	3.13	-
Balances with banks	-	-	-	-	66.64	-	-
Derivative assets							
Foreign exchange forward contracts							
Sell foreign currency	-	-	-	-	(66.64)	-	-
Net exposure to foreign currency risk (assets)	288.42	24.24	-	-	144.50	11.39	-
Financial liabilities							
Foreign currency loan	50.10	-	-	-	86.31	-	-
Trade payables	712.28	-	0.00	0.00	420.67	-	0.20
Derivative liabilities							
Foreign exchange forward contracts							
Buy foreign currency	(488.36)	-	-	-	(383.51)	-	-
Net exposure to foreign currency risk (liabilities)	274.02	-	0.00	0.00	123.47	-	0.20
Net exposure to foreign currency risk (Assets- Liabilities)	14.40	24.24	(0.00)*	(0.00)*	21.03	11.39	(0.20)

* Amount is below the rounding off norm adopted by the Company.

(b) Sensitivity

A fluctuation in the exchange rates of 1% with other conditions remaining unchanged would have the following effect on Company's profit or loss before taxes as at 31 March, 2022 and 31 March, 2021:

	Impact on profit before tax	
	Year Ended 31 March, 2022	Year Ended 31 March, 2021
USD sensitivity		
INR/USD- Increase by 1%*	0.14	0.21
INR/USD- Decrease by 1%*	(0.14)	(0.21)
EUR sensitivity		
INR/EUR- Increase by 1%*	0.24	0.11
INR/EUR- Decrease by 1%*	(0.24)	(0.11)
CNY sensitivity**		
INR/CNY- Increase by 1%*	(0.00)	-
INR/CNY- Decrease by 1%*	0.00	-
VND sensitivity**		
INR/VND- Increase by 1%*	(0.00)	-
INR/VND- Decrease by 1%*	0.00	-
GBP sensitivity		
INR/GBP- Increase by 1%*	-	0.01
INR/GBP- Decrease by 1%*	-	(0.01)

* Holding all other variable constant

** Amount is below the rounding off norm adopted by the Company.

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to risk of change in market interest rates relates primarily to its debt interest obligations. Its borrowings are at floating rates and its future cash flows will fluctuate because of changes in market interest rates.

(a) Interest Rate Risk Exposure

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

	31 March, 2022	31 March, 2021
Total borrowings (including current maturities)	683.99	606.79

(b) Sensitivity

Profit or loss is sensitive to higher / lower interest expense from borrowings as a result of changes in interest rates.

	Impact on profit before tax	
	Year Ended 31 March, 2022	Year Ended 31 March, 2021
Interest Rates - Increase by 50 basis points (50 bps) *	(3.42)	(3.03)
Interest Rates - Decrease by 50 basis points (50 bps) *	3.42	3.03

* Holding all other variable constant

(iii) Security Price risk

Securities price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded prices.

The Company invests its surplus funds in various debt instruments and equity instruments. These comprise of mainly liquid schemes of mutual funds, short term debt funds & income funds (duration investments), certain quoted equity instruments and bank fixed deposits. To manage its price risk arising from investments in mutual funds and equity instruments, the Company diversifies its portfolio. Mutual fund and equity investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments.

(a) Securities Price Risk Exposure

The Company's exposure to securities price risk arises from investments in mutual funds and equity instruments held by the Company and classified in the Balance Sheet as fair value through profit or loss/fair value through other comprehensive income is disclosed under Note 30.

(b) Sensitivity

The sensitivity of profit or loss to changes in Net Assets Values (NAVs) as at year end for investments in mutual funds.

	Impact on profit before tax	
	Year Ended 31 March, 2022	Year Ended 31 March, 2021
NAV of mutual funds/Market price of quoted equity instruments - Increase by 1%*	3.00	-
NAV of mutual funds/Market price of quoted equity instruments - Decrease by 1%*	(3.00)	-

* Holding all other variable constant

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(D) Commodity Price Risk

Commodity price risk results from changes in market prices for raw materials, mainly carbon black feedstock which forms the largest portion of Company's cost of sales.

The Company endeavours to reduce such risks by maintaining inventory at optimum level through a highly probable sales forecast on quarterly basis and also through worldwide purchasing activities. Raw materials are purchased exclusively to cover Company's own requirements. Further, a significant portion of Company's volume is sold based on formula-driven price adjustment mechanism which allows for recovery of the changed raw material cost from customers. The Company also endeavors to offset the effects of increases in raw material costs through price increases in its non-contract sales, productivity improvement and other cost reduction efforts. The Company has not entered into any derivative contracts to hedge exposure to fluctuations in commodity prices.

NOTE 32: CAPITAL MANAGEMENT

For the purposes of the Company's capital management, capital includes issued capital, all other equity reserves and long term borrowed capital less reported cash and cash equivalents.

The primary objective of the Company's capital management is to maintain an efficient capital structure to reduce the cost of capital, support the corporate strategy and to maximise shareholder's value.

The Company's policy is to borrow primarily through banks to maintain sufficient liquidity. The Company also maintains certain undrawn committed credit facilities to provide additional liquidity. These borrowings, together with cash generated from operations are utilised for operations of the Company.

The Company monitors capital on the basis of cost of capital. The Company is not subject to any externally imposed capital requirements.

The following table summaries the capital of the Company:

Particulars	As at 31 March, 2022	As at 31 March, 2021
Long Term Borrowings (including current maturities of long term debt)	309.02	349.87
Short Term Borrowings	374.97	256.92
Less: Cash and cash equivalents	103.97	114.04
Total Net Debt	580.02	492.75
Total equity	2,604.91	1,927.17
Total Capital (Equity+Net Debt)	3,184.93	2,419.92

No changes were made to the objectives, policies or processes for managing capital during the year ended 31 March, 2022 and 31 March, 2021.

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 33: OTHER STATUTORY INFORMATION

- The Company does not have any transactions with companies struck off.
- The Company does not have any charges or satisfaction which is yet to be registered with ROC (Registrar of Companies) beyond the statutory period.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

NOTE 34 : RATIO ANALYSIS AND IT ELEMENTS

Particulars	Numerator	Denominator	Year ended 31 March, 2022	Year ended 31 March, 2021	% Change	Reasons for Variance
1 Current Ratio	Current Assets	Current Liabilities	1.40	1.32	6.06	
2 Debt Equity Ratio	Total Debt = Non-current borrowings + Current Borrowings	Shareholder's Equity	0.26	0.31	(16.13)	
3 Debt Service Coverage Ratio	Earning Available for Debt Service	Debt Service	3.10	2.50	24	
	Earning Available for Debt Service : Net profit after Tax + Depreciation and amortisation expense + Finance cost excluding interest on lease liabilities + Net gain on foreign currency transaction + Gain/Loss on disposal of property, plant and equipment Debt Service : Interest + Principal Loan repayment					
4 Return on Equity (%)	Net Profits after taxes	Total Equity	16.40%	16.20%	0.20	
5 Inventory Turnover Ratio - Days	Sales	Inventory	39	59	(33.90)	During the quarter ended June 2020, the Company had shut down its operation due to COVID-19 related lock down, which has lead to high level of inventory days.
	Refer Note given below					
	The Company's turnover is highly sensitive to the changes in crude prices which may fluctuate widely between quarters. The Company, therefore, believes that the Inventory turnover days computed on the basis of simple average of the turnover days for each of the four quarters of the year will be more appropriate and reflective of company's operations. The turnover days for each quarter is derived by dividing the quarter-end outstanding inventory balance with sales for the respective quarter.					
	Inventories = Raw Materials + Finished Goods + Stores and spares parts (including packing material).					
	(Sales = Sales of Finished Goods without GST+Sale of Power)					

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

Particulars	Numerator	Denominator	Year ended 31 March, 2022	Year ended 31 March, 2021	% Change	Reasons for Variance
6 Debtors Turnover Ratio - Days	Sale	Trade Receivables	70	69	1.45	
	Refer Note given below					
	(Sales = Sales of Finished Goods including GST+Sale of Power)					
	The Company's turnover is highly sensitive to the changes in crude prices which may fluctuate widely between quarters. The Company, therefore, believes that the Debtors turnover days computed on the basis of simple average of the turnover days for each of the four quarters of the year will be more appropriate and reflective of company's operations. The turnover days for each quarter is derived by dividing the quarter-end outstanding debtors balance with sales for the respective quarter.					
7 Trade Payable Turnover Ratio	Consumption-Raw Material, Stores & Spares and Packing Material	Trade Payables (for Materials)	83	99	(16.16)	
	Refer Note given below					
	The Company's turnover is highly sensitive to the changes in crude prices which may fluctuate widely between quarters. The Company, therefore, believes that the Trade payable turnover days computed on the basis of simple average of the turnover days for each of the four quarters of the year will be more appropriate and reflective of company's operations. The turnover days for each quarter is derived by dividing the quarter-end outstanding trade payable (for material) balance with consumption - Raw material, Stores and Packing material for the respective quarter.					
8 Net Capital Turnover Ratio	Net Sales	Working Capital	7.13	7.57	(5.81)	
	(Net Sales = Sales of Finished Goods without GST+Sale of Power)					
	(Working Capital)=(Current Asset Less Current Liabilities)					

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

Particulars	Numerator	Denominator	Year ended 31 March, 2022	Year ended 31 March, 2021	% Change	Reasons for Variance
9 Net Profit Margin (%)	Net Profit (Profit after Tax)	Net Sales	9.65%	11.77%	(2.12)	
10 Return on Capital Employed	Earnings before interest and taxes	Capital Employed	14.85%	14.37%	0.48	
Capital Employed = Tangible Net Worth + Total Borrowings (Non-Current and Current) + Deferred Tax Liabilities						
11 Return on Investment	Gain on sale of investments carried at FVTPL	Monthly Average Mutual Fund	2.96%	3.82%	(0.86)	
Return on Investment-Mutual fund	Fair value notional Gain	Average Investment in Equity shares and Preference shares	6.79%	7.48%	(0.69)	
Return on Investment-Non-Current						

Notes to Standalone Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 35 : The Company has contributed ₹ 40 crores (previous year ₹ 20 crores) under section 182 of the Companies Act, 2013.

NOTE 36 : The operations of the Company for the year ended 31 March, 2021 were impacted by disruptions owing to nationwide lockdowns because of the Covid 19 pandemic and hence figures for corresponding previous year is not comparable with the figures for the year ended 31 March, 2022. During the current year ended 31 March, 2022 also, the operations of the Company were slightly impacted due to regional lock down because of the Covid 19 pandemic. The Company has made an assessment of the recoverability and carrying values of its assets comprising property, plant and equipment, inventories, receivables and other current / non-current assets as of 31 March, 2022 and on the basis of evaluation, has concluded that no material adjustments are required in the financial results. The Company is taking all the necessary steps and precautionary measures to ensure smooth functioning of its operations and to ensure the safety and well-being of all its employees. Given the criticalities associated with nature, condition and duration of COVID-19, the assessment on recoverability of the Company's assets will be continuously made and provided for as required.

NOTE 37 : Figures of the previous year has been regrouped/rearranged to confirm current year's presentation.

For **S. R Batliboi & Co. LLP**
ICAI Firm Registration Number 301003E/E300005
Chartered Accountants

Kamal Agarwal
Partner
Membership Number: 058652

Kolkata
Date: 19 April, 2022

For and on behalf of Board of Directors of PCBL Limited

Kaushik Roy
Managing Director
(DIN: 06513489)

Kaushik Mukherjee
Company Secretary

Rusha Mitra
Director
(DIN: 08402204)

Raj Kumar Gupta
Chief Financial Officer

Independent Auditor's Report

To the Members of PCBL Limited (formerly Phillips Carbon Black Limited)

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the accompanying consolidated financial statements of PCBL Limited (formerly Phillips Carbon Black Limited) (hereinafter referred to as "the Holding Company"), and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31, 2022, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2022, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are

further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group, in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.



Key audit matters

How our audit addressed the key audit matter

Provisions for claims & litigations and disclosure of contingent liabilities (as described in Note 11.1 and Note 24 of the consolidated financial statements)

The Holding Company is involved in litigations, both for and against the Holding Company, comprising of tax matters, legal compliances and other disputes.

The Holding Company assesses the need to make a provision or disclose a contingency on a case-to-case basis considering the underlying facts of each matter, in consultation with its advisors and lawyers. This involves a high level of management judgement and assumptions which impact the risk assessment and consequential provisioning and disclosure of contingencies in the financial statements. This area is significant to our audit, since the completeness and accuracy of accounting and disclosures for contingencies is dependent on such management judgement and assumptions.

Our audit procedures included the following:

- We evaluated and tested the Holding Company's processes and controls for monitoring of claims, litigations, disputes, compliances and assessment thereof for determining the likely outcome.
- We read the summary of the litigations prepared by the management and discussed the material cases to determine the Holding Company's assessment of the likelihood and magnitude of any liability that may arise.
- We obtained independent legal confirmations from the concerned lawyers, where applicable, to seek their opinion on the status of litigations and checked the management's judgements and assumptions.
- We discussed with the management, including the Holding Company's internal tax experts and head of legal matters to understand the basis of management's judgements and estimates.
- We obtained risk assessment of tax litigations from our tax specialists to assess management's judgements and assumptions on such matter.
- We read the minutes of the board meetings, and tested the Holding Company's legal expenses to determine the completeness of claims, disputes and litigations.
- We tested the adequacy of disclosures in the consolidated financial statements.
- We also obtained necessary representation from the management in regard to the provisioning and disclosures in respect of the Claims and Litigations.

Fair Valuation of investments in unquoted equity and preference shares (as described in Note 4(a) of the consolidated financial statements)

The Holding Company has fair valued its non-current investments in unquoted equity and preference shares as at the year end. Determining the fair value of such unquoted investments requires valuation techniques which has been performed by independent valuation experts, applying applicable valuation methodologies.

These investments, being material to these financial statements, was determined to be a key audit matter in our audit.

Our audit procedures included the following:

- We obtained the last audited financial statements for the year ended March 31, 2021, and the unaudited management certified trial balance for the year ended March 31, 2022, where relevant, of the investee companies and traced the composition of the net asset value of such investee companies used in fair valuation exercise, to the same.
- We read such financial information to determine any matters which should have been considered for the valuation exercise and discussed with the management for the year ended March 31, 2022 if there are any other significant developments since the last audited financial statements.
- We compared the fair valuation of such investments as on March 31, 2022 with the fair valuation as on March 31, 2021 and discussed with the concerned valuer and the management the reasons for changes to such fair valuation.
- Further, we obtained Independence confirmation from the concerned valuers and assessed their competence.
- We also obtained suitable management representation as regards the fair valuation of these investments.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial

statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2022 and are therefore the

key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTER

We did not audit the financial statements and other financial information, in respect of 3 subsidiaries whose financial statements include total assets of Rs 290.07 crores as at March 31, 2022, and total revenues of Rs Nil and net cash inflows of Rs 2.54 crores for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the report(s) of such other auditors.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of the subsidiary company, incorporated in India, as noted in the 'Other Matter' paragraph, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- (a) We and the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies incorporated in India, is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure" to this report;

- (g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Holding Company to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:
- The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements – Refer Note 11.1 and Note 24 to the consolidated financial statements;
 - Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiaries, incorporated in India during the year ended March 31, 2022.
 - The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, as disclosed in the note 33 to the consolidated financial statements, no funds

have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, as disclosed in the note 33 to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiaries from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other

persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- The dividend declared or paid during the year / subsequent to the year-end by the Holding company, is in compliance with section 123 of the Act.

For **S. R Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Per **Kamal Agarwal**
Partner
Membership Number: 058652
UDIN: 22058652AHIQFM1590

Place of Signature: Kolkata
Date: April 19, 2022

Annexure to the Independent Auditor's Report

of Even Date on the Consolidated Financial Statements Of Pcbi Limited (Formerly Phillips Carbon Black Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of PCBL Limited (formerly Phillips Carbon Black Limited) (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary Company (the Holding Company and its subsidiary together referred to as "the Group"), which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Group, which are companies incorporated in India, has, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2022, based on the internal

control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

OTHER MATTERS

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to one subsidiary Company, which is a Company, incorporated in India, is based on the corresponding reports of the auditors of such subsidiary.

For **S. R Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Per **Kamal Agarwal**
Partner
Membership Number: 058652
UDIN: 22058652AHIQFM1590

Place of Signature: Kolkata
Date: April 19, 2022

Consolidated Ind AS Balance Sheet

as at 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

	Notes	As at 31 March, 2022	As at 31 March, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	1,839.40	1,631.00
Capital work-in-progress	3(b)	175.25	266.76
Investment property	3(c)	4.48	4.48
Intangible assets	3(d)	0.75	0.65
Right of use assets	3(e)	89.46	106.29
Financial assets			
(i) Investments	4(a)	257.99	196.27
(ii) Loans	4(e)	1.03	1.23
(iii) Other financial assets	4(f)	26.05	27.43
Non current tax assets (Net)	7	-	5.16
Other non-current assets	5	119.55	17.40
Total Non-current assets		2,513.96	2,256.67
Current assets			
Inventories	6	603.91	444.84
Financial assets			
(i) Investments	4(a)	330.00	-
(ii) Trade receivables	4(b)	1,105.10	708.50
(iii) Cash and cash equivalents	4(c)	118.64	152.22
(iv) Other bank balances	4(d)	40.45	112.16
(v) Loans	4(e)	0.46	0.56
(vi) Other financial assets	4(f)	17.62	18.43
Other current assets	5	54.58	32.67
Total Current assets		2,270.76	1,469.38
TOTAL ASSETS		4,784.72	3,726.05
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	8	37.75	34.47
Other equity	9	2,576.24	1,900.99
Equity attributable to Equity Holders of the Parent		2,613.99	1,935.46
Non-Controlling Interests		8.24	7.53
TOTAL EQUITY		2,622.23	1,942.99
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
(i) Borrowings	10(a) (i)	220.34	304.74
(ii) Lease Liabilities	10(c)	82.86	98.62
(iii) Other financial liabilities	10(d)	8.01	8.96
Provisions	11	0.50	0.86
Deferred tax liabilities (Net)	12	276.27	271.42
Total Non-current liabilities		587.98	684.60
Current liabilities			
Financial Liabilities			
(i) Borrowings	10(a) (ii)	463.65	302.05
(ii) Lease Liabilities	10(c)	18.97	18.44
(iii) Trade payables	10(b)		
a) Total outstanding dues of micro enterprises and small enterprises		21.56	13.26
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		889.56	578.37
(iv) Other financial liabilities	10(d)	82.66	75.08
Provisions	11	79.33	84.39
Current tax liabilities (Net)	14	0.84	0.06
Other current liabilities	13	17.94	26.81
Total Current liabilities		1,574.51	1,098.46
TOTAL LIABILITIES		2,162.49	1,783.06
TOTAL EQUITY AND LIABILITIES		4,784.72	3,726.05
The accompanying notes form an integral part of these Consolidated Ind AS financial statements.			

This is the Consolidated Ind AS Balance Sheet referred to in our report of even date.

For **S. R Batliboi & Co. LLP**
ICAI Firm Registration Number 301003E/E300005
Chartered Accountants

Kamal Agarwal
Partner
Membership Number: 058652

Kolkata
Date: 19 April, 2022

For and on behalf of Board of Directors of PCBL Limited

Kaushik Roy
Managing Director
(DIN: 06513489)

Kaushik Mukherjee
Company Secretary

Rusha Mitra
Director
(DIN: 08402204)

Raj Kumar Gupta
Chief Financial Officer

Consolidated Ind AS Statement of Profit and Loss

as at 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

	Notes	Year ended 31 March, 2022	Year ended 31 March, 2021
Revenue from operations	15	4,446.42	2,659.52
Other income	16	28.59	18.00
Total Income		4,475.01	2,677.52
Expenses			
Cost of materials consumed	17(a)	3,169.12	1,582.74
Changes in inventories of finished goods	17(b)	(35.32)	26.19
Employee benefits expense	18	158.90	132.35
Finance costs	19	29.09	33.88
Depreciation and amortisation expense	20	120.89	110.12
Other expenses	21	500.76	400.20
Total Expenses		3,943.44	2,285.48
Profit before tax		531.57	392.04
Income-tax expense	22		
Current tax (Net of utilisation of minimum alternate tax credit)		110.47	69.36
Deferred tax	12	(5.24)	8.69
Total tax expense		105.23	78.05
Profit for the year		426.34	313.99
Other Comprehensive Income			
Items that will be reclassified to profit or loss, net of taxes			
Exchange differences on translation of foreign operations		2.30	(0.60)
Items that will not to be reclassified to profit or loss, net of taxes	22		
Re-measurement loss on post-employment defined benefit-plans (net of tax)		(1.81)	(0.24)
Net gain/(loss) on equity instruments [FVTOCI] (net of tax)		51.03	44.10
Other Comprehensive Income for the year, net of tax		51.52	43.26
Total Comprehensive Income for the year, net of tax		477.86	357.25
Profit for the year Attributable to: -			
Owners of the Equity		426.02	313.63
Non-Controlling Interest		0.32	0.36
Other Comprehensive Income for the year Attributable to: -			
Owners of the Equity		51.13	43.36
Non-Controlling Interest		0.39	(0.10)
Total Comprehensive Income For The Year Attributable To: -			
Owners of the Equity		477.15	356.99
Non-Controlling Interest		0.71	0.26
Earnings per equity share:	27		
Nominal Value per share [Refer Note 8(i)]			
Basic (₹)		11.81	9.10
Diluted (₹)		11.81	9.10
The accompanying notes form an integral part of these Consolidated Ind AS financial statements.			

This is the Consolidated Ind AS Statement of Profit and Loss referred to in our report of even date.

For **S. R Batliboi & Co. LLP**
ICAI Firm Registration Number 301003E/E300005
Chartered Accountants

Kamal Agarwal
Partner
Membership Number: 058652

Kolkata
Date: 19 April, 2022

For and on behalf of Board of Directors of PCBL Limited

Kaushik Roy
Managing Director
(DIN: 06513489)

Kaushik Mukherjee
Company Secretary

Rusha Mitra
Director
(DIN: 08402204)

Raj Kumar Gupta
Chief Financial Officer

Statement of Ind AS Consolidated Cash Flows

for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Notes	Year Ended 31 March, 2022	Year Ended 31 March, 2021
A. Cash Flow from Operating Activities			
Profit before Tax		531.57	392.04
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and amortisation expense	20	120.89	110.12
Finance costs	19	29.09	33.88
Allowance for doubtful debts / expected credit losses - trade receivables	21	-	0.83
Interest income from certain financial assets	16	(6.60)	(5.54)
Exchange differences on translation of foreign operations		2.30	(0.60)
Dividend income from equity instruments designated at FVTOCI	16	(7.59)	(7.59)
(Gain) / Loss on sale/fair valuation of investments carried at FVTPL	16/21	(9.47)	2.97
Provisions / Liabilities no longer required written back	16	-	(0.23)
(Profit)/Loss on disposal/discard of property, plant and equipment	21	0.39	(1.41)
Provisions for claims and litigations written back (net)	11.1	(2.27)	(4.85)
Unrealised Foreign exchange differences (net)		0.08	(6.26)
		126.82	121.32
Operating profit before changes in operating assets and liabilities		658.39	513.36
Working capital adjustments			
(Increase)/Decrease in inventories		(159.07)	(118.65)
(Increase)/Decrease in trade receivables		(394.16)	(123.46)
(Increase)/Decrease in other financial and non-financial assets		(21.58)	(9.26)
Increase/(Decrease) in trade payables		317.15	166.70
Increase/(Decrease) in other financial and non-financial liabilities		(6.74)	22.32
		(264.40)	(62.35)
Cash generated from operations		393.99	451.01
Income taxes paid (net of refunds)		(103.57)	(66.00)
NET CASH FLOWS GENERATED FROM OPERATING ACTIVITIES		290.42	385.01
B. Cash Flow from Investing Activities			
Purchase of property, plant and equipment		(306.20)	(115.49)
Proceeds from disposal of property, plant and equipment *		0.00	1.41
Purchase of non-current investments		-	(1.01)
Proceeds from sale / redemption of preference shares		-	7.04
Purchase of current investments		(3,700.81)	(1,976.93)
Proceeds from sale/redemption of current investments		3,380.29	1,979.83
Fixed deposits (placed) /matured with banks		71.51	(107.24)
Interest received		6.92	2.13
Dividend received from equity instruments designated at FVTOCI		7.59	7.59
NET CASH FLOWS USED IN INVESTING ACTIVITIES		(540.70)	(202.67)

Statement of Ind AS Consolidated Cash Flows

for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Notes	Year Ended 31 March, 2022	Year Ended 31 March, 2021
C. Cash Flow from Financing Activities			
Proceeds from Issue of Equity shares through Qualified Institutions Placement (net of expenses)	8/9	390.11	-
Proceeds from non-current borrowings		120.00	235.00
Repayment of non-current borrowings		(160.85)	(156.00)
Payment of lease liabilities, including interest thereon		(28.87)	(29.25)
Increase/(decrease) in cash credit facilities from banks		49.87	(99.75)
Proceeds from current borrowings		883.48	1,088.86
Repayment of current borrowings		(815.48)	(1,061.86)
Dividends paid		(188.73)	(120.64)
Finance cost paid		(32.83)	(35.90)
NET CASH FLOWS GENERATED FROM / (USED IN) FINANCING ACTIVITIES		216.70	(179.54)
Net (decrease) / increase in Cash and Cash Equivalents		(33.58)	2.80
Opening Cash and Cash Equivalents		152.22	149.42
Closing Cash and Cash Equivalents		118.64	152.22

*Amount is below the rounding off norm adopted by the Group.

Changes in liabilities arising from financing activities

Particulars	1 April, 2021	Cash Flows	Others	31 March, 2022
Current borrowings (excluding Current maturities of long term debt)	256.92	117.87	0.18	374.97
Lease Liabilities [Refer Note 10(c)]	117.06	(28.87)	13.64	101.83
Non-current borrowings (including Current Maturities)	349.87	(40.85)	-	309.02
Total liabilities from financing activities	723.85	48.15	13.82	785.82

Particulars	1 April, 2020	Cash Flows	Other	31 March, 2021
Current borrowings (excluding Current maturities of long term debt)	329.67	(72.75)	-	256.92
Lease Liabilities [Refer Note 10(c)]	132.94	(29.25)	13.37	117.06
Non-current borrowings (including Current Maturities)	287.30	79.00	(16.43)	349.87
Total liabilities from financing activities	749.91	(23.00)	(3.06)	723.85

Accounting Policy

For the purpose of presentation in the statement of cash flows, Cash and cash equivalents comprise cash at bank, cash in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

The accompanying notes form an integral part of these Consolidated Ind AS Statement of Cash Flows

This is the Consolidated Ind AS Statement of Cash Flows referred to in our report of even date.

For **S. R Batliboi & Co. LLP** For and on behalf of Board of Directors of PCBL Limited
ICAI Firm Registration Number 301003E/E300005
Chartered Accountants

Kamal Agarwal
Partner
Membership Number: 058652

Kolkata
Date: 19 April, 2022

Kaushik Roy
Managing Director
(DIN: 06513489)

Kaushik Mukherjee
Company Secretary

Rusha Mitra
Director
(DIN: 08402204)

Raj Kumar Gupta
Chief Financial Officer

Consolidated Ind AS Statement of Changes in Equity

for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	Notes	31 March, 2022		31 March, 2021	
		No of shares	Amount	No of shares	Amount
Equity shares of ₹ 2/- (31 March, 2021 ₹ 2/-) each issued, subscribed and paid up: Refer Note 8(i)					
Opening balance	8	17,23,37,860	34.47	17,23,37,860	34.47
Equity shares issued through Qualified Institutions Placement	8(ii)	1,63,93,442	3.28	-	-
Closing balance		18,87,31,302	37.75	17,23,37,860	34.47

B. OTHER EQUITY

Particulars	Notes	Reserves and Surplus					Other reserves		Non-Controlling Interests	Total other equity
		Capital reserve	Securities premium	General reserve	Statutory Reserve	Retained earnings	Equity Instruments through other Comprehensive income	Other Comprehensive Income - FCTR		
As at 1 April, 2021	9	1.53	224.12	73.38	0.60	1,478.65	120.59	2.12	7.53	1,908.52
Profit for the year	-	-	-	-	-	426.02	-	-	0.32	426.34
Other comprehensive income/ (loss) for the year (net of tax)	-	-	-	-	-	(1.81)	51.03	1.91	0.39	51.52
Dividend	26	-	-	-	-	(188.73)	-	-	-	(188.73)
Equity shares issued through Qualified Institutions Placement (net of expenses)	8(ii) & 9	-	386.83	-	-	-	-	-	-	386.83
As at 31 March, 2022		1.53	610.95	73.38	0.60	1,714.13	171.62	4.03	8.24	2,584.48

Particulars	Notes	Reserves and Surplus					Other reserves		Non-Controlling Interests	Total other equity
		Capital reserve	Securities premium	General reserve	Statutory Reserve	Retained earnings	Equity Instruments through other Comprehensive income	Other Comprehensive Income - FCTR		
As at 1 April, 2020	9	1.53	224.12	73.38	0.60	1,285.90	76.49	2.62	7.27	1,671.91
Profit for the year	-	-	-	-	-	313.63	-	-	0.36	313.99
Other comprehensive income/ (loss) for the year (net of tax)	-	-	-	-	-	(0.24)	44.10	(0.50)	(0.10)	43.26
Dividend	26	-	-	-	-	(120.64)	-	-	-	(120.64)
As at 31 March, 2021		1.53	224.12	73.38	0.60	1,478.65	120.59	2.12	7.53	1,908.52

The accompanying notes form an integral part of these Consolidated Ind AS financial statements

This is the Consolidated Ind AS Statement of Changes in Equity referred to in our report of even date.

For **S. R Batliboi & Co. LLP**ICAI Firm Registration Number 301003E/E300005
Chartered Accountants**Kamal Agarwal**

Partner

Membership Number: 058652

Kolkata

Date: 19 April, 2022

For and on behalf of Board of Directors of PCBL Limited

Kaushik Roy

Managing Director

(DIN: 06513489)

Kaushik Mukherjee

Company Secretary

Rusha Mitra

Director

(DIN: 08402204)

Raj Kumar Gupta

Chief Financial Officer



Notes to Consolidated Ind AS Financial Statements

for the year ended 31 March, 2022

CORPORATE INFORMATION

The consolidated financial statements comprise financial statements of PCBL Limited (Formerly "Phillips Carbon Black Limited") (the "Company" or "the Parent Company" or "the Parent") and its subsidiaries (collectively, the "Group") for the year ended 31 March, 2022. The Company is a public company limited by shares domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Group is primarily engaged in the business of manufacturing & sale of carbon black and sale of power as detailed under segment information in Note 29. Equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited.

The registered office of the Company is located at Duncan House, 31, Netaji Subhas Road, Kolkata 700001, West Bengal, India.

During the year ended 31 March, 2022, the Company has changed its name from 'Phillips Carbon Black Limited' to 'PCBL Limited' pursuant to issuance of fresh Certificate of Incorporation dated December 29, 2021 by Ministry of Corporate Affairs, Office of the Registrar of Companies, Kolkata - 700020.

These consolidated financial statements were approved and authorised for issue in accordance with resolution of the Board of Directors on April 19, 2022.

I. Basis of Preparation and Other Significant Accounting Policies

1.1.1. Compliance with Ind AS

These consolidated financial statements comply in all material respects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting Standards) Rules, 2015] (as amended from time to time) and other relevant provisions of the Act. These consolidated financial statements has also been prepared in compliance with presentation requirement of Division II of Schedule III of the Companies Act, 2013 (IND AS Compliant Schedule III) as applicable to the consolidated financial statements.

These standards and policies have been consistently applied to all the years presented, unless otherwise stated. The consolidated financial statements are presented in Indian

Rupee (₹), which is the Company's functional and the Group's presentation currency.

The Ministry of Corporate Affairs (MCA) through a notification, amended Schedule III of the Companies Act, 2013 and the amendments are effective from April 1, 2021. These amendments require certain regroupings in the Schedule III format of Balance Sheet. The Group has given effect of such regroupings in these consolidated financial statements including figures for the corresponding previous year wherein:

- Current maturities of long term debts has been regrouped from "Other financial liabilities" in the Consolidated Financial Statements for FY 2020 - 2021 to "Current Borrowings" in these Consolidated Financial Statements.
- Lease Liabilities are presented separately as "Lease Liabilities" in these Consolidated Financial Statements and not grouped under "Other financial liabilities" as presented in the Consolidated Financial Statements for FY 2020 - 2021.
- Security Deposits has been regrouped from "Loans" in the Consolidated Financial Statements for FY 2020 - 2021 to "Other financial assets" in these Consolidated Financial Statements.

1.1.2. Historical cost convention

These consolidated financial statements have been prepared on a historical cost basis, except the following, which are measured at fair values:-

- certain financial assets and liabilities (including derivative instruments).
- Plan assets of defined benefit employee benefit plans

1.1.3. Principles of Consolidation

- Subsidiaries are all entities (including structured entities) over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases.

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes

in equity and consolidated balance sheet respectively.

- The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in any subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

- The subsidiary companies considered in the financial statements are as follows:

Name	Country of Incorporation	% of ownership interest as on March 31, 2022	% of ownership interest as on March 31, 2021
Phillips Carbon Black Cyprus Holdings Limited	Cyprus	100	100
Phillips Carbon Black Vietnam Joint Stock Company	Vietnam	80	80 Refer Note (ii) below
PCBL (TN) Limited	India	100	100 Refer Note (i) below

Note liability for at least twelve months after the reporting period.

- PCBL (TN) Limited a wholly owned subsidiary of PCBL Limited, has been incorporated with effect from 29 September, 2020.
All other assets are classified as non-current.
A liability is classified as current when:
 - it is expected to be settled in the normal operating cycle,
 - it is held primarily for the purpose of trading,
 - it is due to be settled within twelve months after the reporting period, or
 - there is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.
- Phillips Carbon Black Vietnam Joint Stock Company is a step down Subsidiary of PCBL Limited, which is a Subsidiary of Phillips Carbon Black Cyprus Holdings Limited.

1.1.4. Current versus Non-current Classification

The Group presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

- expected to be realised or intended to be sold or consumed in the normal operating cycle,
- held primarily for the purpose of trading,
- expected to be realised within twelve months after the reporting period, or
- cash or cash equivalents unless restricted from being exchanged or used to settle a

All other liabilities are classified as non-current.
Deferred tax assets and liabilities are classified as non-current.
The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

1.2. Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

1.3. Other financial assets (other than Investments)

1.3.1. Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of cash flows.

For assets measured at fair value, gains and losses is either recorded in the statement of profit and loss or other comprehensive income.

1.3.2. Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit and loss.

(a) Debt instruments

Subsequent measurement of debts instruments depends on the Group's business model

for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Group classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective Interest Rate (EIR). The EIR amortisation is included in finance income in the statement profit or loss.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or Fair value through Other comprehensive income (FVTOCI) are measured at fair value through profit or loss.

1.3.3. Impairment of financial assets

The Group assesses on a forward looking basis, the expected credit losses associated with its assets carried at amortized cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 32 details how the Group determines whether there has been a significant increase in credit risk.

1.3.4. Derecognition of financial assets

A financial asset is derecognised only when

- The rights to receive cash flows from the asset have expired
- The Group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

The financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

1.3.5. Fair value of Financial Instruments

In determining the fair value of financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair values includes discounted cash flow analysis and available quoted market prices. All methods of assessing fair values result in general approximation of fair values and such value may never actually be realised.

1.4. Derivatives Instruments

The Group enters into certain derivative contracts to hedge risks, which are not designated as hedges. Derivatives are recognised at fair values on the date a derivative contract is entered into and subsequent fair value changes are recognised in the statement of profit and loss at the end of each reporting period.

1.5. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

1.6. Foreign currency transactions and translation

Foreign currency transactions are translated into the functional currency using the exchange rates at the date of the transactions. At the year end, monetary assets and liabilities denominated in foreign currencies are restated at the year-end exchange rates. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the statement of profit and loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income/ other expense.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

The results and financial position of foreign subsidiaries are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing exchange rate at the date of the balance sheet
- Income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to the statement of profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing exchange rate.

1.7. New and amended standards

Amendments and interpretations as outlined below apply for the year ended 31 March, 2022, but do not have an impact on the Consolidated Financial Statements.



Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

- Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116
- Ind AS 116: COVID-19 related rent concessions
- Ind AS 103: Business combinations
- Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

The Group has not early adopted any standards or amendments that have been issued but are not yet effective.

1.8. Rounding of amounts

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest Crores (with two places of decimal) as per the requirement of Schedule III, unless otherwise stated.

NOTE 2: CRITICAL ESTIMATES AND JUDGEMENT

The preparation of consolidated financial statements in conformity with the Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and reported amounts of assets, liabilities, income, expense and disclosure of contingent assets and liabilities at the date of these consolidated financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each Balance Sheet date. Revision to accounting estimates is recognised in the period in which the estimates are revised, and future periods are impacted.

The areas involving critical estimates and judgments are:

Employee Benefits (Estimation of defined benefit obligation)

Post-employment benefits represent obligation that will be settled in future and require assumptions to project benefit obligations. Post-employment benefits accounting is intended to reflect the

recognition of future benefits cost over the employee's approximate service period, based on the terms of plans and the investment and funding decisions made. The accounting requires the Group to make assumptions regarding variables such as discount rate, rate of compensation increase and future mortality rates. Changes in these key assumptions can have a significant impact on the defined benefit obligations, funding requirements and benefit costs incurred.

Estimation of expected useful lives and residual values of property, plant and equipment

Property, plant and equipment are depreciated at historical cost using straight-line method based on the estimated useful life, taking into account any residual value. The asset's residual value and useful life are based on the Group's best estimates and reviewed, and adjusted if required, at each Balance Sheet date.

Contingent Liabilities and Provisions for claims and litigations

Legal proceedings covering a range of matters are pending against the Group. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcomes. The cases and claims against the Group often raise difficult and complex factual and legal issues that are subject to many uncertainties and complexities, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law, in the normal course of business. The Group consults with legal counsel and certain other experts on matters related to litigations. The Group accrues a liability when it is determined that an adverse outcome is probable, and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible, or an estimate is not determinable, the matter is disclosed.

Fair Value Measurements

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques which involve various judgements and assumptions. Judgements include consideration of

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

inputs such as liquidity risk, credit risk and volatility. Changes in the assumption about these factors could affect the reported fair value of financial instruments. Refer Note 31 for further disclosures.

NOTE 3(A): PROPERTY, PLANT AND EQUIPMENT

Accounting Policy

All items of property, plant and equipment are stated either at historical cost i.e. cost of acquisition / construction or at deemed cost as on the date of transition to Ind AS less accumulated depreciation, impairment loss, if any. Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of the replaced component is derecognised when replaced. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

Depreciation

In case of certain property, plant and equipment, depreciation is provided on a pro-rata basis on the straight line method over the estimated useful lives of the assets which are different than the rates prescribed under the Schedule II to the Companies Act, 2013.

The Group, based on technical assessment made by technical expert and management estimate, depreciates certain items of Plant & Equipment and Electrical Installations over estimated useful life of 18 to 20 years which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on historical cost/deemed cost of other property, plant and equipment (except land) is provided on pro rata basis on straight line method based on useful lives specified in Schedule II to the Companies Act, 2013.

The useful lives, residual values and method of depreciation of property plant and equipment are reviewed and adjusted, if appropriate at the end of each reporting year.

An item of property, plant and equipment or its components recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The cost of property plant and equipment not ready to use are disclosed under capital work-in-progress.



Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 3 (A): PROPERTY, PLANT AND EQUIPMENT

	Freehold Land	Leasehold Land	Buildings (i)	Non-Factory Buildings and Flats	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Electrical Installations	Railway Sidings	Total
Year ended 31 March, 2022											
Gross carrying amount											
Opening balance as at 1 April, 2021	202.06	429.70	82.17	103.18	1,167.25	7.71	9.79	0.18	37.36	0.01	2,039.41
Additions during the year	-	-	17.27	8.50	263.99	0.46	2.59	-	15.98	-	308.79
Disposal during the year	-	-	-	-	(1.55)	(0.02)	(0.05)	-	(0.54)	-	(2.16)
Closing Gross carrying amount	202.06	429.70	99.44	111.68	1,429.69	8.15	12.33	0.18	52.80	0.01	2,346.04
Accumulated Depreciation											
Opening balance as at 1 April, 2021	-	-	20.03	9.73	357.83	2.52	6.86	0.18	11.25	0.01	408.41
Depreciation during the year	-	-	3.84	3.07	86.87	1.37	1.78	-	3.06	-	99.99
Adjustment of depreciation on disposal	-	-	-	-	(1.17)	(0.01)	(0.04)	-	(0.54)	-	(1.76)
Closing Accumulated Depreciation	-	-	23.87	12.80	443.53	3.88	8.60	0.18	13.77	0.01	506.64
Net carrying amount as at 31 March, 2022	202.06	429.70	75.57	98.88	986.16	4.27	3.73	-	39.03	-	1,839.40
Year ended 31 March, 2021											
Gross carrying amount											
Opening balance as at 1 April, 2020	202.06	429.20	77.18	91.47	990.87	7.05	7.36	0.18	24.02	0.01	1,829.40
Additions during the year	-	0.50	4.99	11.71	176.38	0.69	2.60	-	13.34	-	210.21
Disposal during the year	-	-	-	-	-	(0.03)	(0.17)	-	-	-	(0.20)
Closing Gross carrying amount	202.06	429.70	82.17	103.18	1,167.25	7.71	9.79	0.18	37.36	0.01	2,039.41
Accumulated Depreciation											
Opening balance as at 1 April, 2020	-	-	16.04	7.02	280.50	1.24	5.64	0.17	9.33	0.01	319.95
Depreciation during the year	-	-	3.99	2.71	77.33	1.30	1.39	0.01	1.92	-	88.65
Adjustment of depreciation on disposal	-	-	-	-	-	(0.02)	(0.17)	-	-	-	(0.19)
Closing Accumulated Depreciation	-	-	20.03	9.73	357.83	2.52	6.86	0.18	11.25	0.01	408.41
Net carrying amount as at 31 March, 2021	202.06	429.70	62.14	93.45	809.42	5.19	2.93	-	26.11	-	1,631.00

- (i) Gross Carrying amount and accumulated depreciation includes ₹ 51.23 Crores (31 March, 2021 - ₹ 47.86 Crores) and ₹ 13.03 Crores (31 March, 2021 - ₹ 11.21 Crores), respectively in respect of Buildings on Leasehold Land.
- (ii) The Group has borrowings from banks, which carry security charge over certain of the above property, plant and machinery. Refer note 10(a) for details.
- (iii) Gross carrying amount on leasehold land is against certain lease agreements where the Group has an option to renew the properties on expiry of the lease period. The Group based on terms and conditions of lease agreements has assessed these lease arrangements to be perpetual in nature, accordingly leasehold land is not amortised.
- (iv) Aggregate amount of depreciation has been included under depreciation and amortization expense in the Statement of Profit and Loss (Refer note 20).

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 3(B): CAPITAL WORK-IN-PROGRESS

CAPITAL WORK-IN-PROGRESS

Particulars	
Year ended 31 March, 2022	
Opening balance as at 1 April, 2021	266.76
Additions during the year	210.60*
Capitalization during the year	(302.11)
Closing Gross carrying amount	175.25
Year ended 31 March, 2021	
Opening balance as at 1 April, 2020	305.58
Additions during the year	164.82*
Capitalization during the year	(203.64)
Closing Gross carrying amount	266.76

1. During the year the Group has capitalised the following expenses to cost of Property, plant and equipment/ capital work-in-progress:

	31 March, 2022	31 March, 2021
Finance Cost	9.73	9.09
Salaries and wages	6.43	4.45
Other Overheads	7.93	0.47
	24.09	14.01
Add: Balance brought forward from previous year	12.93	18.42
Less: Capitalised during the year to Property, plant and equipment	20.31	19.50
Balance lying in capital work-in-progress	16.71	12.93

* Includes ₹ 1.10 Crores (31 March, 2021 ₹ 3.91 Crores) on account of duty saved on assets imported under the EPCG scheme.

Ageing of Capital Work-in-Progress (CWIP):

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March, 2022					
Projects in progress	155.56	17.87	1.82	-	175.25

Ageing of Capital Work-in-Progress (CWIP):

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March, 2021					
Projects in progress	105.42	73.83	81.99	5.52	266.76

NOTE 3(C): INVESTMENT PROPERTY

Accounting Policy

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably.

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

Particulars	Land
Year ended 31 March, 2022	
Opening gross carrying amount at 1 April, 2021	4.48
Closing gross carrying amount	4.48
Year ended 31 March, 2021	
Opening gross carrying amount at 1 April, 2020	4.48
Closing gross carrying amount	4.48

Estimation of fair value

The Group's investment property consists of freehold land in Angul, Odisha, India.

The fair value of the investment property is based on current prices for similar property. The main inputs used are quantum, area, location, demand, and trend of fair market value in the area.

The fair value is base on independent valuation done by registered valuer [as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017]. Fair valuation is based on market approach method and categorised as Level 2 fair value hierarchy. As at 31 March, 2022 and 31 March, 2021, the fair value of the property is ₹ 7.41 Crores and ₹ 5.39 Crores respectively.

The Group has no restrictions on the realisability of its investment property and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance and enhancements.

Fair value hierarchy disclosures for investment properties have been provided in Note 31 (iv).

NOTE 3(D): INTANGIBLE ASSETS

Accounting Policy

Intangible assets have a finite useful life and are stated at cost less accumulated amortisation, impairment loss, if any.

Computer Software for internal use, which is primarily acquired from third party vendors, is capitalised. Subsequent costs associated with maintaining such software are recognised as expense as incurred. Cost of software includes license fees and cost of implementation / system integration services, where applicable.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Amortisation method and period

Computer software is amortized on a straight line basis over estimated useful life of three years from the date of capitalisation.

Amortisation method and useful lives are reviewed periodically at each financial year end.

Particulars	Computer Software
Year ended 31 March, 2022	
Gross carrying amount	
Opening balance as at 1 April, 2021	2.25
Additions during the year	0.29
Closing Gross carrying amount	2.54
Accumulated amortisation	
Opening balance as at 1 April, 2021	1.60
Amortisation charge during the year	0.19
Closing accumulated amortisation	1.79
Net Carrying Amount as at 31 March, 2022	0.75
Year ended 31 March, 2021	
Gross carrying amount	
Opening balance as at 1 April, 2020	2.25
Additions during the year	-
Closing Gross carrying amount	2.25
Accumulated amortisation	
Opening balance as at 1 April, 2020	1.24
Amortisation charge during the year	0.36
Closing accumulated amortisation	1.60
Net Carrying Amount as at 31 March, 2021	0.65

- Amortisation has been included under depreciation and amortisation expense in the Statement of Profit and Loss (Refer Note 20).

NOTE 3(E): RIGHT OF USE ASSETS

Accounting Policy

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 1.2. Impairment of non-financial assets.

Particulars	Right of use assets*
Year ended 31 March, 2022	
Gross carrying amount	
Balance as of 1 April, 2021	143.82
Additions during the year	3.88
Closing Gross carrying amount	147.70
Accumulated depreciation	
Balance as of 1 April, 2021	37.53
Depreciation charge during the year	20.71
Closing accumulated depreciation	58.24
Net Carrying Amount as at 31 March, 2022	89.46

Particulars	Right of use assets*
Year ended 31 March, 2021	
Gross carrying amount	
Balance as of 1 April, 2020	141.40
Additions during the year	2.42
Closing Gross carrying amount	143.82
Accumulated depreciation	
Balance as of 1 April, 2020	16.42
Depreciation charge during the year	21.11
Closing accumulated depreciation	37.53
Net Carrying Amount as at 31 March, 2021	106.29

* Right of use assets mainly consists of Office Building & Godown, Storage Tanks for Raw Material and Vehicles taken under lease agreement.

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Closing Gross carrying amount	Net carrying amount	Closing Gross carrying amount	Net carrying amount
Office Building & Godown	74.36	54.43	73.52	61.22
Storage Tanks for Raw Material	66.86	33.76	63.82	42.31
Vehicles	6.48	1.27	6.48	2.76
Total	147.70	89.46	143.82	106.29

NOTE 4(A): INVESTMENTS

Accounting Policy

1 Investment

1.1. Classification

The Group classifies its investments as those to be measured subsequently at fair value (either through other comprehensive income or through profit and loss).

The classification depends on the Group's business model for managing the investments and the contractual terms of cash flows.

For investments measured at fair value, gains and losses are either recorded in the statement of profit and loss or other comprehensive income. For investments in debt instruments, this depends on the business model in which the investment is held. For investments in equity instruments, this depends on whether

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVTOCI). The Group reclassifies the debt investments when and only when the business model for managing those investment changes.

1.2. Measurement

At initial recognition, the Group measures an investment at its fair value plus, in the case of investment not at fair value through profit and loss, transaction costs that are directly attributable to the acquisition of the investment. Transaction costs of investments carried at fair value through profit and loss are expensed in the statement of profit and loss.

(a) Debt Instrument

Subsequent measurement of debt instruments depends on the Group's business model for managing the investment and the cash flow characteristics of the investment. The Group classifies its debt instruments as:

Fair value through profit and loss: Investments that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit and loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit and loss is recognised in statement of profit and loss and presented on net basis in the statement of profit and loss within other income/ other expense in the period in which it arises.

(b) Equity Instrument

The Group subsequently measures all equity investments at fair value through Other Comprehensive Income and there is no subsequent reclassification of fair value gains and losses to the statement of profit and loss. At the time of derecognition of such investments, the gain or loss is transferred to retained earnings.

	As at 31 March, 2022	As at 31 March, 2021
Non-Current		
Investments in Equity Instruments (fully paid-up) - Others [At FVTOCI] [Refer Note 2 below]		
Quoted		
Bank of Baroda	0.40	0.27
35,930 (31 March, 2021: 35,930) equity shares of ₹ 2/- each		
Indian Overseas Bank	0.02	0.02
11,400 (31 March, 2021: 11,400) equity shares of ₹ 10/- each		
Norplex Oak India Limited	-	-
380,000 (31 March, 2021: 380,000) equity shares of ₹ 10/- each ^		
Maple Circuits Limited	-	-
765,000 (31 March, 2021: 765,000) equity shares of ₹ 10/- each ^		
CESC Limited	127.90	100.08
##16,861,980 equity share of ₹ 1/- each (31 March, 2021: 16,86,198 equity shares of ₹ 10/- each)		
RPSG Ventures Limited	19.74	11.37
(Erstwhile: CESC Ventures Limited)		
337,239 (31 March, 2021: 337,239) equity shares of ₹ 10/- each		
Spencers Retail Limited	9.21	8.10
1,146,613 (31 March, 2021: 1,146,613) equity shares of ₹ 5/- each		
Total (A)	157.27	119.84
Unquoted		
Apeejay Charter Private Limited	0.04	0.04
1,600 (31 March, 2021: 1,600) equity shares of ₹ 10/- each		
RPSG Resources Private Limited	10.36	8.72



Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

	As at 31 March, 2022	As at 31 March, 2021
(Erstwhile: Accurate Commodore Pvt. Limited)		
390,000 (31 March, 2021: 390,000) equity shares of ₹ 10/- each		
Woodlands Multispeciality Hospital Limited	8.85	7.74
145,480 (31 March, 2021: 145,480) equity shares of ₹ 10/- each		
Ritushree Vanijya Private Limited	23.52	14.36
1,900 (31 March, 2021: 1,900) equity Shares of ₹ 10/- each		
Solty Commercial Private Limited	23.52	14.36
1,900 (31 March, 2021: 1,900) equity Shares of ₹ 10/- each		
Spotboy Tracom Private Limited	25.71	22.15
330,875 (31 March, 2021: 330,875) equity shares of ₹ 10/- each		
RPG Industries (P) Ltd.	0.38	1.34
402,000 (31 March, 2021: 402,000) equity shares of ₹ 10/- each		
Total (B)	92.38	68.71
Investments in Preference Shares (fully paid-up) - Others [At FVTPL]		
Unquoted		
Devise Properties Private Ltd.	8.34	7.72
1,050,000 (31 March, 2021: 1,050,000) 0% Convertible Preference shares of ₹ 100/- each at par		
Norplex Oak India Limited	-	-
50 (31 March, 2021: 50) Preference shares of ₹ 100/- each ^		
Maple Circuits Limited	-	-
50 (31 March, 2021: 50) Preference shares of ₹ 100/- each ^		
Total (C)	8.34	7.72
(D)=(A)+(B)+ (C)	257.99	196.27
Current		
Investments in Mutual Funds [At FVTPL]		
Quoted		
SBI Liquid Fund	50.01	-
1,50,038.47 Units (31 March, 2021: Nil) of face value ₹ 1,000/- each		
ICICI Prudential Overnight Fund Direct Plan - Growth	100.00	-
87,25,871.78 Units (31 March, 2021: Nil) of face value ₹ 100/- each		
LIC Liquid Fund	50.01	-
1,29,330.78 Units (31 March, 2021:Nil) of face value ₹ 1,000/- each		
HDFC Liquid Fund	100.02	-
2,39,012.35 Units (31 March, 2021:Nil) of face value ₹ 1,000/- each		
HDFC Liquid DP-Growth Fund	29.96	-
71,589.281 Units (31 March, 2021: Nil) of face value ₹ 1,000/- each		
	330.00	-
1 Additional Information		
(a) Aggregate amount - market value of quoted investments	487.27	119.84
(b) Aggregate amount of unquoted investments	100.72	76.43

1 Equity shares of ₹ 10/- each has been split into 10 Equity shares of Re1/- each.

^ The cost of quoted and unquoted investments in equity instruments (fully paid up) and preference shares (fully paid up) respectively have been written off in the past, though quantity thereof appears in the books.

2 These investments in equity instruments are not held for trading. Upon the application of Ind AS 109, the Group has chosen to designate these investments in equity instruments as at FVTOCI as the management believes that this provides a more meaningful presentation for long term investments, than reflecting

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

changes in fair values immediately in statement of profit and loss. Based on the aforesaid election, fair value changes are accumulated within Equity under "Fair Value Changes through Other Comprehensive Income - Equity Instruments". The Group transfers amounts from this reserve to retained earnings when relevant equity shares are derecognized.

- Refer note 31 for information about fair value measurements and note 32 for credit risk and market risk on investments.

NOTE 4(B): TRADE RECEIVABLES

Accounting Policy

Trade receivables are amounts receivable from customers for goods sold in the ordinary course of business. Trade receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

For trade receivables, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

	As at 31 March, 2022	As at 31 March, 2021
Secured		
Considered Good	1.94	1.17
Unsecured		
Considered Good	1,103.16	707.33
Receivables which have significant increase in credit risk	1.11	1.79
Receivables - credit impaired	-	8.68
Less: Allowance for significant increase in credit risk	(1.11)	(1.79)
Less: Allowance for credit impaired receivables	-	(8.68)
Total	1,105.10	708.50

- No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member
- Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days.

Ageing of Trade Receivables:

As at 31 March, 2022

	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	1,007.89	97.21	-	-	-	-	1,105.10
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	1.11	1.11
Less: Allowance for significant increase in credit risk	-	-	-	-	-	(1.11)	(1.11)
Total	1,007.89	97.21	-	-	-	-	1,105.10

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

As at 31 March, 2021

	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	676.17	32.33	-	-	-	-	708.50
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	1.79	1.79
Undisputed Trade receivables – credit impaired	-	-	-	-	-	8.68	8.68
Less: Allowance for significant increase in credit risk	-	-	-	-	-	(1.79)	(1.79)
Less: Allowance for credit impaired receivables	-	-	-	-	-	(8.68)	(8.68)
Total	676.17	32.33	-	-	-	-	708.50

NOTE 4(C): CASH AND CASH EQUIVALENTS

Accounting Policy

Cash and cash equivalents comprise cash at bank, cash in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

	As at 31 March, 2022	As at 31 March, 2021
Balances with banks	110.58	118.24
Deposits with original maturity of less than three months	7.71	33.76
Remittances in transit	0.27	0.17
Cash on Hand	0.08	0.05
Total	118.64	152.22

NOTE 4(D): OTHER BANK BALANCES

	As at 31 March, 2022	As at 31 March, 2021
Balances with Banks		
- Deposits with original maturity of more than three months but less than twelve months#	35.73	107.24
- In Unpaid Dividend Accounts *	4.72	4.92
Total	40.45	112.16

#These Deposits are callable deposit at any point of time at various rates of interest applicable as per actual period of withdrawal.

*Earmarked for payment of Unclaimed Dividends

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 4(E): LOANS

(Unsecured considered good)

	As at 31 March, 2022	As at 31 March, 2021
Non-current		
Other Loans		
Loan to Employees @	1.03	1.23
	1.03	1.23
@ Includes amount due from an officer of the Company	-	0.02
Current		
Other Loans		
Loan to Employees @	0.46	0.56
	0.46	0.56
@ Includes amount due from an officer of the Company	0.02	0.06
Amount of Loan or Advance in the nature of Loan Outstanding:		
Type of Borrower:		
Key Managerial Person (KMP)	0.02	0.08

NOTE 4(F): OTHER FINANCIAL ASSETS

(Unsecured considered good)

	As at 31 March, 2022	As at 31 March, 2021
Non-Current		
Security deposits	25.50	26.88
Margin Money Deposit against guarantees	0.55	0.55
	26.05	27.43
Current		
Interest Receivable	1.36	2.29
Security deposits	16.26	16.14
	17.62	18.43

NOTE 5: OTHER ASSETS

(Unsecured considered good, unless otherwise stated)

	As at 31 March, 2022	As at 31 March, 2021
Non-current		
Capital advances		
- Considered Good:	113.50	12.79
- Considered Doubtful:	0.78	0.46
Less: Allowance for doubtful advances	(0.78)	(0.46)
Deposits under Protest	3.73	3.75
Others		
Prepaid Expenses	2.32	0.86
	119.55	17.40
Current		
Advances other than capital advances		
Advances to Suppliers/ Service providers (other than capital)		
- Considered Good:	19.63	13.18
- Considered Doubtful:	0.88	0.16

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

	As at 31 March, 2022	As at 31 March, 2021
Less: Allowance for doubtful advances	(0.88)	(0.16)
Others		
Balances with Government Authorities *		
- Considered Good:	22.72	11.98
- Considered Doubtful:	2.16	2.16
Less: Allowance for doubtful advances	(2.16)	(2.16)
Advances to Employees	1.19	0.88
Prepaid Expenses	9.27	5.63
Export Benefit Receivables#	1.77	1.00
[Net of allowance for uncertainty of realisation ₹ Nil (31 March, 2021: ₹ 7.06 Crores)]		
	54.58	32.67

* Balances with Government Authorities primarily includes amounts realisable, if any, from the GST Authorities and customs authorities of India and the unutilised GST input credits on purchases to be utilised against future GST liabilities. These are generally realised within one year and hence these balances have been classified as current assets.

Export Benefit Receivables primarily consist of amounts receivable from government authorities of India towards incentives on export sales made by the Group.

NOTE 6: INVENTORIES

(At lower of cost and net realisable value)

Accounting Policy

Inventories are stated at lower of cost and net realisable value.

- Raw materials, Stores and Spares and Packing Material: cost is determined on moving weighted average method and includes cost of purchase and other incidental costs. However, material and other items held for use in production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.
- Finished goods: cost includes cost of direct materials, labour and a proportion of manufacturing overheads based on the normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated cost necessary to make the sale.

	As at 31 March, 2022	As at 31 March, 2021
Raw materials [including Goods in Transit ₹ Nil (Previous Year ₹ 192.40 Crores)]	464.32	349.22
Finished goods	88.46	53.14
Stores and spares parts [including packing material ₹ 6.05 Crores (Previous Year ₹ 6.46 Crores)]	51.13	42.48
	603.91	444.84

NOTE 7: NON CURRENT TAX ASSETS (NET)

	As at 31 March, 2022	As at 31 March, 2021
Advance payment of Taxes	-	5.16
(31 March, 2021: Net of Provisions for Tax: ₹ 485.20 Crores)		
	-	5.16

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 8: EQUITY SHARE CAPITAL

	As at 31 March, 2022	As at 31 March, 2021
Authorized share capital		
31,00,00,000 (31 March, 2021: 31,00,00,000) equity shares of ₹ 2/- each (Refer (i) below)	62.00	62.00
Issued, subscribed and paid-up		
18,87,31,302 (31 March, 2021: 17,23,37,860) equity shares of ₹ 2/- each fully paid up (Refer (i) below)	37.75	34.47
	37.75	34.47

Reconciliation of number of ordinary shares outstanding

Particulars	Year ended 31 March, 2022		Year ended 31 March, 2021	
	Number of Shares	Amount	Number of Shares	Amount
As at the beginning of the year	17,23,37,860	34.47	17,23,37,860	34.47
Add: Equity shares issued during the year [Refer Note (ii) below]	1,63,93,442	3.28	-	-
As at the end of the year	18,87,31,302	37.75	17,23,37,860	34.47

- (i) Pursuant to the Special Resolution passed by the Shareholders of the Company by way of Postal Ballot through electronic means on 17 March, 2022, the Company has sub-divided its equity share of face value ₹ 2/- (₹ Two only) each fully paid up, into 2(two) equity shares of face value Re 1/- (Rupee One) each fully paid-up, effective from 13 April, 2022. This has been considered for calculating weighted average number of equity shares for year ended 31 March, 2022 and 31 March, 2021 as per Ind AS 33-Earnings Per Share.
- (ii) During the year ended 31 March, 2022, the Company has allotted and issued 1,63,93,442 equity shares of ₹ 2 each at an issue price of ₹ 244 per equity share, aggregating to ₹ 399.99 Crores (including securities premium of ₹ 396.71 Crores) on 5 October, 2021. The issue was made through eligible Qualified Institutions Placement (QIP) in terms of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (SEBI Regulations) as amended, Section 42, Section 62 and other relevant provisions of the Companies Act, 2013.

Pursuant to the allotment of equity shares in the QIP, the paid up equity share capital of the Company has increased from ₹ 34.47 crore comprising of 17,23,37,860 equity shares to ₹ 37.75 Crores comprising of 18,87,31,302 equity shares.

The Company had incurred expenses amounting to ₹ 9.89 Crores towards issuance of equity shares which have been debited to securities premium account.

The Company has complied with applicable provisions of the Companies Act, 2013 and SEBI Regulations in respect of Qualified Institutions Placement of equity shares during the year. The amount raised, has been used by the Group for the purposes for which the funds were raised except for unutilised funds amounting to ₹ 226.06 Crores as at 31 March, 2022 which have been invested in liquid funds.

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

- (iii) No equity shares were allotted as fully paid up by way of bonus shares or pursuant to contract(s) without payment being received in cash during the last five years. Further, none of the shares were bought back by the Company during the last five years.

- (iv) Details of equity shares held by the shareholders holding more than 5% of the shares in the Company:-

	Number of Shares (Holding %)	Number of Shares (Holding %)
Rainbow Investments Limited (Refer Note 28)	8,65,15,370 (45.84%)	8,65,15,370 (50.20%)

- (v) Shareholding of Promoter

Sl. No.	Name	Year ended 31 March, 2022			Year ended 31 March, 2021		
		No. of Shares	% of total Shares	% Changes during the year	No. of Shares	% of total Shares	% Changes during the year
1	Rainbow Investments Limited*	8,65,15,370	45.84	-	8,65,15,370	50.20	-
2	Dotex Merchandise Private Limited*	53,40,000	2.83	-	53,40,000	3.10	-
3	Quest Capital Markets Limited (Erstwhile: BNK Capital Markets Limited)	36,69,000	1.94	100.00%	-	-	-
4	STEL Holdings Limited*	14,51,915	0.77	221.28%	4,51,915	0.26	-
5	Lebnitze Real Estates Private Limited	1,320	0.00**	100.00%	-	-	-
6	Saregama India Limited*	500	0.00**	-	500	0.00**	-
Total		9,69,78,105	51.38		9,23,07,785	53.56	

* Change in % of shareholding of promoters is due to allotment of equity shares to Qualified Institutional Buyers (QIBs) under Qualified Institutions Placement (QIP) during the year.

** Amount is below the rounding off norm adopted by the Group.

(vi) Terms/ Rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 2/- per share and each shareholder is entitled for one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

- (vii) Allotment of 1,823 equity shares is pending against rights issue made during 1993-94.

- (viii) 48 equity shares have not been issued to the concerned non-resident shareholders pending approval of the Reserve Bank of India.

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 9: OTHER EQUITY

	As at 31 March, 2022	As at 31 March, 2021
(i) Reserves and Surplus		
Capital Reserve (Refer a below)	1.53	1.53
Securities Premium (Refer b below)	610.95	224.12
Statutory reserve (U/s 45IC of Reserve Bank of India Act, 1934) (Refer c below)	0.60	0.60
General reserve (Refer d below)	73.38	73.38
Retained Earnings (Refer e below)	1,714.13	1,478.65
(ii) Other Reserves		
Equity Instruments through Other comprehensive income (Refer f below)	171.62	120.59
Foreign Currency Translation reserve (refer f(ii) below)	4.03	2.12
	2,576.24	1,900.99
(a) Capital reserve represents amount transferred from the transferor company pursuant to a Scheme of Amalgamation - Balance brought forward	1.53	1.53
(b) Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of Section 52 of the Companies Act, 2013		
Balance as at the beginning of the year	224.12	224.12
Premium on equity shares issued through Qualified Institutions Placement [Refer Note 8(ii)]	386.83 **	-
Balance as at the end of the year	610.95	224.12
** Net of expenses on shares issued through Qualified Institutions Placement.		
(c) Statutory Reserve represents amount transferred from transferor Company pursuant to a scheme of amalgamation - Balance brought forward	0.60	0.60
(d) General Reserve - balance brought forward	73.38	73.38
Under the erstwhile Indian Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn though the Company may transfer such percentage of its profits for the financial year as it may consider appropriate. Declaration of dividend out of such reserve shall not be made except in accordance with rules prescribed in this behalf under the Act.		
(e) Retained Earnings		
Balance as at the beginning of the year	1,478.65	1,285.90
i) Profit for the year	426.02	313.63
ii) Items of other comprehensive income recognised directly in Retained Earnings		
- Remeasurement of post-employment defined benefit obligation, net of tax	(1.81)	(0.24)
iii) Dividends paid (Refer note 26)	(188.73)	(120.64)
Balance as at the end of the year	1,714.13	1,478.65
Retained Earnings are the profits and gains that the Group has earned till date less any transfer to general reserve, dividends or other distributions paid to shareholders.		
(f) Other Comprehensive Income		
(i) Equity Instruments through Other Comprehensive Income		
Balance as at the beginning of the year	120.59	76.49
Changes in fair value of FVTOCI Equity Instruments, net of tax	51.03	44.10
Balance as at the end of the year	171.62	120.59

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

	As at 31 March, 2022	As at 31 March, 2021
(ii) Foreign Currency Translation Reserve (FCTR)		
Balance as at the beginning of the year	2.12	2.62
Add/(less): Other comprehensive income for the year	1.91	(0.50)
Balance as at the end of the year	4.03	2.12

The Group has elected to recognise changes in the fair value of certain investments in equity instruments in Other Comprehensive Income. These changes are accumulated within the FVTOCI equity investments reserve within equity. The Group transfers amounts from this reserve to Retained Earnings when the relevant equity shares are derecognised.

NOTE 10(A): BORROWINGS

Accounting Policy

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit and loss over the period of the borrowings using the effective interest rate method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the borrowings to the extent that it is probable that some or all of the facility will be utilised. In this case, the fee is deferred until the draw down occurs. Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current and non-current liabilities based on repayment schedule agreed with banks.

(i) Non-current borrowings

	As at 31 March, 2022	As at 31 March, 2021
SECURED LOANS		
Term loans from Banks	309.02	349.87
Less: Current maturities of long term debts [Refer (ii) below]	(88.68)	(45.13)
	220.34	304.74
Out of the Term Loans in (i) above, loans amounting to:		
a) ₹ 309.02 Crores (31 March, 2021 - ₹ 295.48 Crores) are secured with a first charge by way of a hypothecation over all moveable properties of the Company both present and future, ranking pari passu with charge created in favour of other term lenders.		
b) ₹ Nil (31 March, 2021 - ₹ 54.39 Crores) is secured with a first charge by way of a hypothecation on the entire fixed assets of the company both present and future ranking pari passu with charge created in favour of other term lenders.		
Maturity Profile of Long Term Borrowings		
Loan with residual maturity of upto 1 and 3 years	36.67	66.00
Loan with residual maturity of upto 3 and 5 years	272.35	54.39
Loan with residual maturity of upto 5 and 10 years	-	229.48
	309.02	349.87
Interest rate on Rupee loans from Banks are based on spread over respective Lenders benchmark rate and that of Foreign Currency Loans are based on spread over SOFR/ LIBOR. All of the above are repayable in periodic instalments over the maturity period of the respective loans.		

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(ii) Current Borrowings

	As at 31 March, 2022	As at 31 March, 2021
SECURED LOANS FROM BANKS		
Loans repayable on demand	49.87	-
Other loans	200.10	31.92
a) Nature of Security		
Secured by first charge by way of hypothecation of all the Company's current assets, namely all the stock of raw materials, stock in process, semi finished goods and finished goods, consumable stores and spares not relating to plant and machinery (consumable and spares) both present and future, bills receivable, bills whether documentary or clean, outstanding monies, receivables, book debts and all other current assets of the Company both present and future, ranking pari passu without any preference or priority of one over the others.		
Current maturities of long term debts [Refer Note(i) above]	88.68	45.13
UNSECURED LOANS		
Loans repayable on demand		
- From Banks	125.00	225.00
	463.65	302.05

Refer notes 3(a), 4(b) and 6 for details of assets pledged as security as set out in the above note. Refer note 32 for information about liquidity risk and market risk on borrowings.

NOTE 10(B): TRADE PAYABLES

Accounting Policy

Trade payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest rate method.

	As at 31 March, 2022	As at 31 March, 2021
Current		
Total outstanding dues of Micro Enterprises and Small Enterprises	21.56	13.26
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	889.56	578.37
	911.12	591.63
Information relating to Micro, Small and Medium Enterprises (MSMEs):		
(i) The Principal amount and interest due there on remaining unpaid to suppliers under Micro, Small and Medium Enterprises Development Act, 2006		
Principal	20.02	11.76
Interest	0.00*	0.16



Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

	As at 31 March, 2022	As at 31 March, 2021
(ii) The amount of interest paid by the buyer under Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of payment made to suppliers beyond the appointed day during the year		
Principal	-	-
Interest	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006		
Principal	175.92	84.02
Interest	0.04	0.46
(iv) The amount of interest accrued and remaining unpaid at the end of the year	1.54	1.50
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as deductible expenditure under Section 23	0.04	0.62

* Amount is below the rounding off norm adopted by the Group.

Ageing of Trade Payables:

As at 31 March, 2022

Particulars	Not due	Outstanding for following periods from due date of posting				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	17.51	3.89 ^{\$}	0.16 ^{\$}	-	-	21.56
(ii) Others	868.22	16.55	2.61	1.59	0.59	889.56
Total	885.73	20.44	2.77	1.59	0.59	911.12

\$ Represents retention amount of suppliers

As at 31 March, 2021

Particulars	Not due	Outstanding for following periods from due date of posting				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	10.43	2.80 ^{\$}	0.03 ^{\$}			13.26
(ii) Others	544.45	24.96	1.44	2.07	5.45	578.37
Total	554.88	27.76	1.47	2.07	5.45	591.63

^{\$}Represents retention amount of suppliers

NOTE 10(C): LEASE LIABILITIES

Accounting Policy

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) and does not include non-lease components (maintenance charges etc.). In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

	As at 31 March, 2022	As at 31 March, 2021
At the beginning of the year	117.06	132.94
Addition to lease liability during the year	3.88	2.42
Accretion of interest	9.76	10.95
Payment/adjustments of lease liabilities	(28.87)	(29.25)
At the end of the year	101.83	117.06
Lease Liabilities: Non Current	82.86	98.62
Lease Liabilities: Current	18.97	18.44

The table below provides details regarding the contractual maturities of lease liabilities as at year end on an undiscounted basis :

Particulars	As at 31 March, 2022	As at 31 March, 2021
Less than one year	27.04	28.68
One to five years	73.01	86.93
More than five years	30.66	43.74
Total	130.71	159.35

Particulars	Year Ended 31 March, 2022	Year Ended 31 March, 2021
The table below provides details of amount recognised in Statement of profit and loss :		
Depreciation on Right-of-use assets (Refer note 20)	20.71	21.11
Interest expenses on lease liabilities (Refer note 19)	9.76	10.95
Rental expenses (excluding taxes) recorded for short term leases (refer note 21)	8.10	5.88
Total	38.57	37.94

NOTE 10(D): OTHER FINANCIAL LIABILITIES

Accounting Policy

Short Term Employee Benefits

Liabilities for short term employee benefits that are expected to be settled wholly within 12 months after the end of the period are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefits payable in the balance sheet.

	As at 31 March, 2022	As at 31 March, 2021
Non-current		
Capital creditors	8.01	8.96
	8.01	8.96
Current		
Interest accrued but not due	1.08	4.85
Unpaid Dividends [Refer Note (i) below]	4.72	4.92
Others:		
Security Deposits received	1.94	1.17
Employee benefits payable	21.98	24.60
Capital creditors	33.62	26.47
Directors' fees & commission payable	17.15	11.40
Derivative instrument not designated as hedges - foreign-exchange forward contracts	1.39	0.98
Others	0.78	0.69
	82.66	75.08



Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

- (i) There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.

NOTE 11: PROVISIONS

Accounting Policy

(I) Provisions

Provisions are recognised when the Provisions has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimates of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

	As at 31 March, 2022	As at 31 March, 2021
Non-current		
Provision for Employee Benefits		
Provision for gratuity (Refer Note18.1)	0.02	0.42
Provision for compensated absences	0.02	-
Provision for Other liabilities	0.46	0.44
	0.50	0.86
Current		
Provision for Employee Benefits		
Provision for gratuity (Refer Note18.1)	6.68	9.31
Provision for compensated absences	11.99	10.88
Provision for Other liabilities	0.04	1.31
Provisions for claims and litigations (Refer Note 11.1)	60.62	62.89
	79.33	84.39

11.1 Provisions for claims and litigations

The Group has estimated the provisions for pending claims and litigation based on the assessment of probability for these demands crystallising against the Group in due course. The table below gives information about movement in claims and litigations, and provisions

	As at 31 March, 2022	As at 31 March, 2021
At the beginning of the year	62.89	67.74
Add: Incurred during the year	3.08	0.50
Less: Reversed during the year	5.35	5.35
At the end of the year	60.62	62.89

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 12: DEFERRED TAX LIABILITIES (NET)

	Balance as at 1 April, 2021	Recognized to Statement of Profit and Loss for the year	Recognized to/ Reclassified from OCI	Balance as at 31 March, 2022
	Total	Total	Total	Total
Deferred Tax Liabilities:				
Property, plant and equipments, Intangible Assets	290.62	(1.59)	-	289.03
Financial Assets at Fair value through Other Comprehensive Income	24.48	-	10.09	34.57
Others	0.33	(0.33)	-	-
	315.43	(1.92)	10.09	323.60
Deferred Tax Assets:				
Items allowable for tax purpose on payments/ adjustments	27.68	1.56	-	29.24
Allowance for doubtful debts - trade receivables	3.95	(3.27)	-	0.68
Lease under Ind AS 116	4.03	0.57	-	4.60
Long-Term Capital Loss	8.30	4.48	-	12.78
Others	0.05	(0.02)	-	0.03
	44.01	3.32	-	47.33
Net Deferred Tax Liabilities:	271.42	(5.24)	10.09	276.27

	Balance as at 1 April, 2020	Recognized to Statement of Profit and Loss for the year	Recognized to/ Reclassified from OCI	Balance as at 31 March, 2021
	Total	Total	Total	Total
Deferred Tax Liabilities:				
Property, plant and equipments, Intangible Assets	280.05	10.57	-	290.62
Financial Assets at Fair value through Other Comprehensive Income	16.62	-	7.86	24.48
Others	0.33	-	-	0.33
	297.00	10.57	7.86	315.43
Deferred Tax Assets:				
Items allowable for tax purpose on payments/ adjustments	29.24	(1.56)	-	27.68
Allowance for doubtful debts - trade receivables	3.66	0.29	-	3.95
Lease under Ind AS 116	2.84	1.19	-	4.03
Fair value changes on financial assets	6.39	(6.39)	-	-
Long-Term Capital Loss	-	8.30	-	8.30
Others	-	0.05	-	0.05
	42.13	1.88	-	44.01
Net Deferred Tax Liabilities:	254.87	8.69	7.86	271.42

Note:

- Section 115BAA of the Income Tax Act, 1961 gives the corporate assessee an option to apply lower tax rate with effect from April 1, 2019 subject to certain condition specified therein. The Company has not opted for the same due to ongoing volatility and uncertainty in business environment create by the pandemic and geo political issues. Accordingly, no effect in this regard has been considered in measurement of tax expenses for the purpose of these financial statements. Management, however, will continue to review its profitability forecast at regular intervals and make necessary adjustments to tax expenses when there is reasonable certainty to avail the lower rate of tax.

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 13: OTHER CURRENT LIABILITIES

Accounting Policy

Government grants and subsidies are recognised when there is reasonable assurance that the Group will comply with the conditions attached to them and the grants / subsidy will be received. If the grant received is to compensate the import cost of assets, and is subject to an export obligation as prescribed in the EPCG scheme, then the recognition of the grant would be linked to fulfilment of the associated export obligations. At the year end, the portion of grant for which the export obligation has not been met is retained in deferred revenue under other current liabilities. Revenue grant is recognised as an income in the period in which related obligation is met.

	As at 31 March, 2022	As at 31 March, 2021
Advance from Customers	4.10	3.31
Dues payable to Government Authorities	5.88	16.09
Liability for Export Obligations / Government grants	7.96	7.41
	17.94	26.81

NOTE 14: CURRENT TAX LIABILITIES (NET)

	As at 31 March, 2022	As at 31 March, 2021
Provision for Income Tax	0.84	0.06
[Net of Advance Tax ₹ 593.93 Crores (31 March, 2021: ₹ Nil)]		
	0.84	0.06

NOTE 15: REVENUE FROM OPERATIONS

Accounting Policy

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade and other discounts, rebates and amounts collected on behalf of third parties.

Where the Group is the principal in the transaction, the sales are recorded at their gross values. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Group considers the effects of variable consideration, the existence of significant financing component, non-cash considerations and consideration payable to the customer (if any). Any amounts received for which the Group does not provide any distinct goods or services are considered as a reduction of purchase cost.

However, Goods and Service Tax (GST) is not received by the Group on its own account. Rather, it is collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group regardless of when the payment is being made and specific criteria have been met for each of the Group's activities as described below.

Sale of carbon black

Revenue from sale of carbon black is recognised when the control of the goods has passed to the buyer as per the terms of contract. In case of domestic sales, the performance obligation is satisfied upon delivery of the finished goods at customer's location. In case of export sales, the performance obligation is satisfied once the goods are shipped and the bill of lading has been obtained.

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Sale of power

Revenue from the sale of power is recognised upon transmission of units to the buyer net of Unscheduled Interchange gains/losses as per the terms of contract with the customer.

Other Operating revenues

Exports entitlements (arising out of duty draw back, Merchandise exports from India Schemes) are recognised when the right to receive credit as per the terms of the schemes is established in respect of the exports made by the Group and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

	Year ended 31 March, 2022	Year ended 31 March, 2021
Sales of Finished Goods		
Carbon black	4,332.03	2,586.71
Sale of Power	93.00	67.25
Other Operating Revenues		
Scrap sales	10.51	5.56
Exports Incentive	10.88	-
Total revenue from operations	4,446.42	2,659.52
India	3,104.37	1,975.56
Outside India	1,320.66	678.40
Total revenue (excluding scrap sales and exports incentive)	4,425.03	2,653.96

NOTE 16: OTHER INCOME

Accounting Policy

a. Interest Income

Interest Income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

b. Dividends

Dividends are recognised in the statement of profit and loss only when the right to receive payment is established and the amount of the dividend can be measured reliably which is generally when shareholders approve the dividend.

	Year ended 31 March, 2022	Year ended 31 March, 2021
Interest income from certain financial assets	6.60	5.54
Dividend income from equity instruments designated at FVTOCI	7.59	7.59
Gain on sale of investments carried at FVTPL	9.47	2.90
Provisions/Liabilities no longer required written back	-	0.23
Miscellaneous income	4.93	1.74
Provisions / Liabilities	28.59	18.00

NOTE 17(A): COST OF MATERIALS CONSUMED

	Year ended 31 March, 2022	Year ended 31 March, 2021
Opening Stock	349.22	198.93
Add: Purchases	3,284.22	1,733.03
Less: Closing Stock	(464.32)	(349.22)
Cost of material consumed	3,169.12	1,582.74

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 17(B): CHANGES IN INVENTORIES OF FINISHED GOODS

	Year ended 31 March, 2022	Year ended 31 March, 2021
Opening Stock (Carbon black)	53.14	79.33
Closing Stock (Carbon black)	88.46	53.14
	(35.32)	26.19

NOTE 18: EMPLOYEE BENEFITS EXPENSE

Accounting Policy

(I) Post-employment benefits

Defined benefit plans

- The liability or asset recognised in the balance sheet in respect of Defined benefit plans is the present value of the Defined benefits obligation at the end of the reporting period less the fair value of plan assets. The Defined benefit obligation is calculated annually by actuaries using the Projected Unit Credit Method at the year end.
- The present value of the Defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations.
- The net interest cost is calculated by applying the discount rate to the net balance of the Defined benefit obligation and the fair value of plan assets. This cost is included in Employees Benefits Expense in the statement of profit and loss.
- Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the statement of changes in equity.
- Changes in the present value of the Defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the profit or loss as past service cost.

(II) Defined contribution plans

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenses for the period in which the employee has rendered the service.

(III) Other short-term employee benefit obligations

Liabilities for short term employee benefits that are expected to be settled wholly within 12 months after the end of the period are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefits payable in the balance sheet.

The Group provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on the number of days of unutilised leave at each balance sheet date on the basis of year-end actuarial valuation using projected unit credit method. The scheme is unfunded.

	Year ended 31 March, 2022	Year ended 31 March, 2021
Salaries, wages and bonus	128.41	106.68
Contribution to provident and other funds (Refer note 18.1)	17.67	15.47
Staff welfare expense (Refer note 18.1)	12.82	10.20
	158.90	132.35

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

18.1 Employee Benefits:

(I) Post employment obligations

(A) Gratuity

The Gratuity scheme is a defined benefit plan that provides for a lump sum payment on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of last drawn salary and the period of service and paid as lump sum at exit. Gratuity payable is not restricted to the maximum limit prescribed under the Payment of Gratuity Act, 1972. The liability in respect thereof is determined by actuarial valuation at the year end based on the Projected Unit Credit Method and is recognized as a charge on accrual basis. Trustees administer the contributions made to the Gratuity fund. Amounts contributed to the Gratuity fund are invested solely with the Life Insurance Corporation of India.

The following table sets forth the particulars in respect of the defined benefit plans of the Group for the year ended 31st March, 2022:

Particulars	Group		
	Gratuity Fund (Funded)		
	Present Value of Obligation	Fair value of plan assets	Net Amount
(i) 1 April 2021	34.23	(24.50)	9.73
Current Service Cost	2.70	-	2.70
Past Service Cost	-	-	-
Interest expense/(Income)	2.07	(1.74)	0.33
Total Amount recognised in profit or loss	4.77	(1.74)	3.03
<u>Remeasurements (gain)/loss</u>			
(Gain)/loss from change in financial assumptions	(0.68)	0.24	(0.44)
(Gain)/loss arising from experience adjustments	3.20	-	3.20
Total amount recognised in other comprehensive income	2.52	0.24	2.76
Employer's contributions	-	(8.00)	(8.00)
Benefit payments	(1.71)	0.89	(0.82)
31 March 2022	39.81^{##}	(33.11)	6.70
(ii) 1 April 2020	31.96	(25.55)	6.41
Current Service Cost	2.53	-	2.53
Past Service Cost	-	-	-
Interest expense/(Income)	1.94	(1.53)	0.41
Total Amount recognised in profit or loss	4.47	(1.53)	2.94
<u>Remeasurements (gain)/loss</u>			
(Gain)/loss from change in financial assumptions	0.21	0.20	0.41
(Gain)/loss arising from experience adjustments	(0.03)	-	(0.03)
Total amount recognised in other comprehensive income	0.18	0.20	0.38
Employer's contributions	-	-	-
Benefit payments	(2.38)	2.38	-
31 March 2021	34.23^{##}	(24.50)	9.73

^{##}Includes ₹ 4.94 Crores (31 March, 2021: ₹ 3.68 Crores) related to present value obligation of gratuity payable for contractual workers and subsidiary. This is an unfunded plan.

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

The expected return on plan assets is determined after taking into consideration composition of plan assets held, assessed risks of asset management, historical results of return on plan assets, Group's policies for plan asset management and other relevant factors.

The expenses for the above mentioned Gratuity benefit is included and disclosed under the head "Contribution to provident and other funds" under Note 18

	2021-22	2020-21
(iii) Actual Return on Plan Asset	1.74	1.53

(iv) The net liability disclosed above relating to funded are as follows

	As at 31 March, 2022	As at 31 March, 2021
Present value of funded obligations	39.81	34.23
Fair value of plan assets	(33.11)	(24.50)
Deficit of funded plan	6.70	9.73

(v) Principal : Actuarial assumptions

	As at 31 March, 2022	As at 31 March, 2021
(i) Discount rate	6.50%	6.20%
(ii) Salary escalation rate #	7.00%	7.00%
(iii) Mortality Table (In service)	Indian Assured Lives Mortality (2006-08) (Modified) Ult.	Indian Assured Lives Mortality (2006-08) (Modified) Ult.

The estimate of future salary increase considered in actuarial valuation takes into account factors like inflation, seniority, promotion and other relevant factors, such as demand and supply in the employment market.

In case of funded plan, the Group ensures that the investment positions are managed within an Asset - Liability Matching (ALM) framework that has been developed to achieve investment that are in line with the obligation under the gratuity scheme. Within this framework the Group's ALM objective is to match asset with gratuity obligation. The Group actively monitors how the duration and the expected yield of instruments are matching the expected cash outflows arising from the gratuity obligations. The Group has not changed the process used to manage its risk from previous periods. The Group does not use derivatives to manage its risk. The gratuity scheme is funded with LIC which has good track record of managing fund except Contractor worker and Subsidiary.

(vi) Sensitivity Analysis

Parent

		Increase/ (Decrease) in DBO			Increase/ (Decrease) in DBO	
		As at 31 March, 2022	As at 31 March, 2021		As at 31 March, 2022	As at 31 March, 2021
Discount Rate - Gratuity	Decrease by 1%	2.42	2.27	Increase by 1%	(2.08)	(1.94)
Salary escalation Rate	Decrease by 1%	(2.10)	(1.95)	Increase by 1%	2.40	2.24

Method used for sensitivity analysis:

The sensitivity results above determine their individual impact on the plan's end of year Defined Benefit Obligation. In reality, the plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar opposite directions, while the plan's sensitivity to such changes can vary over time.

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(vii) Risk Exposure

Through its defined benefit plans, the Group is exposed to some risks, the most significant of which are detailed below:

- Interest rate risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase
- Salary Inflation risk: Higher than expected increases in salary will increase the defined benefit obligation
- Demographic risk: This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

(II) Defined Contribution Plans

The Group has certain Defined Contribution Plans viz. Provident Fund and Superannuation Fund. Contributions are made to provident fund for employees at the rate of 12% of basic salary as per regulations. The Group has a defined contribution Superannuation plan for which contribution is made at a rate not exceeding 4.87% of Basic and Dearness Allowance of the member with Superannuation. The contributions are made to registered provident fund administered by the government. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹13.76 Crores (31 March, 2021- ₹ 2.42 Crores)

Certain employees of the Group used to receive provident fund benefit which were administered by the exempted provident fund trust set up by the Group (Defined Benefit Contribution). During the year such exempted provident fund trust has been surrendered with Employee Provident Fund Organisation (EPFO). Hence, provident contribution of these employees have reckoned as defined benefit contribution plan during the year.

(III) Defined Benefit Liability and Employer Contributions

Expected contribution to Post-employment benefit plans for the year ending 31 March, 2022 basis the actuarial report is ₹ 2.50 Crores (31 March, 2021: ₹ 6.05 Crores)

The weighted average duration of the defined benefit obligation is 5 years (31 March, 2021 - 6 years) for employees and 8 years (31 March, 2021 - 10 years) for contractual employees. The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	Less than a year	Between 1 -2 years	Between 2 -3 years	Between 3 -4 years	Between 4 -5 years	Between 5 -10 years	Total
31 March, 2022							
Defined benefit obligation							
Gratuity	13.48	3.79	2.46	5.52	2.80	16.71	44.76
Total	13.48	3.79	2.46	5.52	2.80	16.71	44.76
31 March, 2021							
Defined benefit obligation							
Gratuity	12.25	1.80	3.28	2.15	4.32	14.24	38.04
Total	12.25	1.80	3.28	2.15	4.32	14.24	38.04

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 19: FINANCE COSTS

Accounting Policy

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

	Year ended 31 March, 2022	Year ended 31 March, 2021
Interest expense on debts and borrowings	18.80	21.55
Interest on lease liabilities	9.76	10.95
Other Borrowings Costs	0.53	1.38
	29.09	33.88

NOTE 20: DEPRECIATION AND AMORTISATION EXPENSE

	Year ended 31 March, 2022	Year ended 31 March, 2021
Depreciation of property, plant and equipment (Refer Note 3(a))	99.99	88.65
Amortization of intangible assets (Refer Note 3(d))	0.19	0.36
Depreciation on Right of Use Assets (Refer Note 3(e))	20.71	21.11
	120.89	110.12

NOTE 21: OTHER EXPENSES

	Year ended 31 March, 2022	Year ended 31 March, 2021
Consumption of stores and spares	54.67	41.44
Consumption of packing materials	73.62	54.79
Power and fuel	19.79	24.25
Water charges	5.73	3.86
Rent	8.10	5.88
Rates and taxes	3.74	2.80
Repairs and maintenance:		
- Buildings	1.95	2.42
- Plant and Machinery	24.73	15.66
- Others	6.14	4.46
Insurance	7.12	5.73
Travelling and conveyance	6.57	4.46
Subscriptions and donations	48.32	27.37
Freight outward (net of recovery)	119.61	97.29
Commission to selling agents	36.00	27.40
Directors sitting fees & Commission	18.02	12.06
Research and development expenses (refer note 23)	9.38	9.02
Net gain on foreign currency transactions	(22.22)	(10.24)
Loss/ (Profit) on disposal of property, plant and equipment	0.39	(1.41)
Bad Debt Written off during the year:	9.36	
Less: Adjusted with Allowance for significant increase in credit risk/ credit impaired receivables	(9.36)	-
Fair Value loss on financial assets (investments) at FVTPL	-	5.87
Allowance for doubtful debts / expected credit loss - trade receivable (net)	-	0.83
Corporate Social Responsibility Expenditure [refer note (a) below]	8.66	3.07
Miscellaneous expenses	70.44	63.19
	500.76	400.20

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(a) Details of CSR expenditure:

	Year ended 31 March, 2022	Year ended 31 March, 2021
(i) Gross amount required to be spent by the Group during the year	8.63	7.93
(ii) Excess CSR expenditure of the previous year is offset against the current year's CSR obligation	0.19	5.05
(iii) Amount spent / to be spent for the year as per the provisions of the Companies Act, 2013	8.66 *	3.07 *
(iv) Excess CSR expenditure to be offset against the next year's CSR obligation	0.22	0.19
A) Amount spent during the year		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	8.66	3.07
B) Details related to spent / unspent obligations:		
i) Contribution to Trust for Ongoing Project	6.85	1.50
ii) Amount spent in relation to other than Ongoing Project	1.81	1.57

* Includes ₹ 6.85 Crores (31 March, 2021- ₹ 1.50 Crores) payable to a registered trust in respect of an ongoing projects for carrying out CSR activities

C) Details of ongoing project and other than ongoing project

Particulars	31 March, 2022			31 March, 2021		
	Ongoing Project (In Separate CSR unspent account)	Other than Ongoing Project	Total	Ongoing Project (In Separate CSR unspent account)	Other than Ongoing Project	Total
i) Opening balance [shortfall / (Excess)]	1.50	(0.19)	1.31	-	(5.05)	(5.05)
ii) Amount required to be Spent during the year	6.85	1.78	8.63	1.50	6.43	7.93
iii) Amount Spent during the year	1.50	1.81	3.31	-	1.57	1.57
iv) Closing balance	6.85	(0.22)	6.63	1.50	(0.19)	1.31

(b) The Group has incurred following Research and Development expenditure for Innovation Centre in Belgium

	Year ended 31 March, 2022	Year ended 31 March, 2021
Revenue Expenses	12.48	8.77
Capital Expenses	-	6.52
	12.48	15.29

For Research and Development expenditure in India-Refer Note 23

NOTE 22: TAX EXPENSE

Accounting Policy

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect of situation in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Consolidated financial statements.

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction that at the time of the transaction affects neither accounting profit/ loss nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period.

Current and deferred tax is recognised in statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, if any. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax assets. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period. Unrecognised MAT are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the MAT to be recovered.

In the situations where the Company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of temporary differences which reverse during the tax holiday period, to the extent the Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognized in the year in which the temporary differences originate. However, the Company restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

	Year ended 31 March, 2022	Year ended 31 March, 2021
a. Income-tax expense recognised in the statement of Profit and Loss		
Current tax		
Current tax (Net of utilisation of minimum alternate tax credit) on profits for the year	110.47	69.36
Deferred Tax		
Origination and reversal of temporary differences	(5.24)	8.69
Income-tax expense	105.23	78.05
b. Income-tax expense on other comprehensive income		
Total current tax impact on Other Comprehensive Income - Remeasurement of post employment defined benefit obligation	(0.97)	(0.13)
Deferred tax - Fair value through other comprehensive income - equity instruments	10.09	7.86
Income-tax expense recognised in Other Comprehensive Income	9.12	7.73
c. Reconciliation of statutory rate of tax and the effective rate of tax		
Profit before income tax	531.57	392.04
Enacted Income tax rate in India applicable to the Company	34.95%	34.95%
Tax on Profit before tax at the enacted Income tax rate in India	185.78	137.02

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

	Year ended 31 March, 2022	Year ended 31 March, 2021
Adjustments:		
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Items not deductible / Income exempt from tax	1.53	(0.71)
Incentives / additional benefits allowable under Income-tax	(71.70)	(27.09)
Tax Credits	(9.88)	(32.00)
Other items	(0.50)	0.83
Total Income tax expense	105.23	78.05
Effective tax rate	19.80%	19.91%

NOTE 23: RESEARCH AND DEVELOPMENT EXPENSES

Accounting Policy

The Group's business research and development concentrates on the development of improved finished goods and better operational efficiency. Research costs are expensed as incurred. Expenditure on development that does not meet the specified criteria under Ind AS 38 'Intangible Assets' is recognised as expense as incurred.

Revenue Expenses incurred in India

	Year ended 31 March, 2022					Year ended 31 March, 2021				
	Total	Durgapur	Kochi	Palej	Mundra	Total	Durgapur	Kochi	Palej	Mundra
Raw Materials & Stores Consumed	2.78	0.54	-	2.24	-	3.23	1.31	-	1.79	0.13
Salaries, Wages and Bonus	4.22	0.23	0.20	3.55	0.24	3.86	0.59	0.53	2.12	0.62
Contribution to Provident and Other Funds	0.47	0.06	0.05	0.29	0.07	0.30	0.05	0.03	0.17	0.05
Staff Welfare Expense	0.23	-	-	0.23	-	0.11	-	-	0.11	-
Miscellaneous Expenses	1.68	-	-	1.68	-	1.52	-	-	1.52	-
Total	9.38	0.83	0.25	7.99	0.31	9.02	1.95	0.56	5.71	0.80

Also Refer Note 21 (b) for Research and development expenditure incurred for Innovation centre in Belgium.

NOTE 24: CONTINGENT LIABILITIES

Accounting Policy

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.



Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

	As at 31 March, 2022	As at 31 March, 2021
Contingent Liabilities for:		
(a) (i) Claims against the Group not acknowledged as debts:		
Income-tax matters under dispute	19.27	-
Excise duty matters under dispute	4.04	4.04
Sales tax matter under dispute	0.14	0.30
Service tax matters under dispute	6.26	6.26
Value added tax matters under dispute	1.09	1.09
(ii) Other money for which the Group is contingently liable		
Excise duty matters under dispute	1.57	1.57
(b) Guarantees or counter guarantees or counter indemnity given by the Group		
On behalf of bodies corporate and others		
- Limit	-	0.09
- Outstanding	-	0.09

It is not practicable for the Group to estimate the timings of the cash outflows, if any, in respect of the above contingent liabilities pending resolution of the respective proceedings.

NOTE 25: COMMITMENTS

Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for

	2021-22	2020-21
Property, plant and equipment (net of capital advances)	366.24	26.08

NOTE 26: DIVIDEND ON EQUITY SHARE

	Year ended 31 March, 2022	Year ended 31 March, 2021
Interim Dividend for the year ended 31 March, 2022 of ₹ 10/- per share on face value of ₹ 2/- per share	188.73	120.64
(31 March, 2021 ₹ 7/- per share on face value of ₹ 2/- per share)		
	188.73	120.64

NOTE 27: EARNING PER EQUITY SHARE

Accounting Policy

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the equity by the weighted average number of equity shares outstanding during the year.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

	Year ended 31 March, 2022	Year ended 31 March, 2021
Basic and Diluted		
(i) Number of Equity Shares at the beginning of the year [Refer Note 8(i)]	34,46,75,720	34,46,75,720
(ii) Number of Equity Shares at the end of the year [Refer Note 8(i)]	37,74,62,604	34,46,75,720
(iii) Weighted average number of equity shares outstanding during the year [Refer Note 8(i)]	36,06,64,940	34,46,75,720
(iv) Face value of each Equity Share (Re) [Refer Note 8(i)]	1.00	1.00
(v) Profit after Tax available for Equity Shareholders (₹ in Crores)	426.02	313.63
(vi) Basic and Diluted earnings per Share (₹) [(iii)/(i)]	11.81	9.10

The Company does not have any dilutive potential equity shares.

The impact of Share Split has been considered for calculating weighted average number of equity shares for all periods presented, as per Ind AS 33-Earnings Per Share.

NOTE 28: RELATED PARTY TRANSACTIONS

(a) Parent- under de facto control

Name	Type	Place of Incorporation	As at 31 March, 2022	As at 31 March, 2021
Rainbow Investments Limited	Parent- under de facto control as defined in Ind AS -110 ("Parent")	India	45.84%	50.20%

(b) Key management personnel of the Company and the Parent- under de facto control with whom transactions have taken place during the year.

Name	Relationship
i) Sanjiv Goenka	Chairman and Non Executive Director
ii) Shashwat Goenka	Non Executive Director
iii) Preeti Goenka	Non Executive Director
iv) Kaushik Roy	Managing Director
v) O P Malhotra (Refer Note below)	Non Executive Independent Director
vi) K S B Sanyal (Refer Note below)	Non Executive Independent Director
vii) Paras K Chowdhary	Non Executive Independent Director
viii) Pradip Roy	Non Executive Independent Director
ix) Kusum Dadoo (Resigned with effect from 4 February, 2021)	Non Executive Independent Director
x) Rusha Mitra (Appointed with effect from 8 April, 2021)	Non Executive Independent Director
xi) Ram Krishna Agarwal (Appointed with effect from 26 July, 2021)	Non Executive Independent Director
xii) T.C.Suseel Kumar (Appointed with effect from 27 October, 2021)	Non Executive Independent Director
xiii) K Jairaj (Appointed with effect from 8 March, 2022)	Non Executive Independent Director
xiv) Raj Kumar Gupta	Chief Financial Officer and holding Directorship in subsidiary Company (w.e.f. 29 September, 2020)
xv) Kaushik Mukherjee	Company Secretary and holding Directorship in subsidiary Company (w.e.f. 29 September, 2020)
xvi) Sunil Bhandari	Employee holding Directorship in "Parent"

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Name	Relationship
xvii) Subhranghsu Chakraborty (Resigned with effect from 3 January, 2022)	Person holding Directorship in "Parent"
xviii) Yugesh Kanoria	Person holding Directorship in "Parent"

Note:

O P Malhotra and K S B Sanyal have retired as Non Executive Independent Directors with effect from 29 July, 2021 upon completion of their term.

(c) Others with whom transactions have taken place during the year

Name	Relationship
RPG Power Trading Company Limited	Company under common control
Trade Apartment Private Limited	Company under common control
Dynamic Success Projects Private Limited	Company under common control
CESC Limited	Company under common control
RPSG Ventures Limited (Erstwhile: CESC Ventures Limited)	Company under common control
Spencer's Retail Limited	Company under common control
Guilfree Industries Limited	Company under common control
RPSG Resources Private Limited (Erstwhile: Accurate Commodeal Pvt. Limited)	Company under common control
Crescent Power Limited	Company under common control
Alipore Towers Pvt Ltd	Company under common control
Quest Capital Markets Limited (Erstwhile: BNK Capital Markets Limited)	Company under common control
Off-Shore India Ltd	Company under common control
Brabourne Investments Ltd	Company under common control
Eastern Aviation & Industries Pvt Ltd	Company under common control
Lebnitze Real Estates Private Limited	Company under common control
Woodlands Multispeciality Hospital Limited	Company under common control
Duncan Brothers & Co. Ltd	Associate of "Parent"
Harrison Malayalam Limited	Company under common control
STEL Holdings Limited	Company under common control
Duncan Agency Senior Staff Superannuation Fund No. 3 (Superannuation Fund)	Post Employment Benefit Plan of the Company (Other related parties)
Phillips Carbon Black Limited Employees' Gratuity Fund (Gratuity Fund)	Post Employment Benefit Plan of the Company (Other related parties)

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(d) Details of transaction between the Group and related parties and outstanding balances

(All amounts in ₹ Crores, unless otherwise stated)

Sl. No.	Nature of Transactions	Parent- under de facto control as defined in Ind AS-110 and Company under Common Control		Associates of Parent- under de facto control as defined in Ind AS-110.		Key Management Personnel of the Company, Parent- under de facto control as defined in Ind AS-110		Other Related Parties		Total	
		Year ended 31 March, 2022	Year ended 31 March, 2021	Year ended 31 March, 2022	Year ended 31 March, 2021	Year ended 31 March, 2022	Year ended 31 March, 2021	Year ended 31 March, 2022	Year ended 31 March, 2021	Year ended 31 March, 2022	Year ended 31 March, 2021
A. Transactions											
1	Dividend paid on Equity Shares	91.64	60.88	-	-	-	-	-	-	91.64	60.88
2	Dividend received on Equity Shares	7.59	7.59	-	-	-	-	-	-	7.59	7.59
3	Investment in Equity Shares	-	1.01	-	-	-	-	-	-	-	1.01
4	Security Deposit paid	0.36	30.00	-	-	-	-	-	-	0.36	30.00
5	Security Deposit Refund	2.00	-	-	-	-	-	-	-	2.00	-
6	Accommodation Charges paid	0.02	-	0.02	0.03	-	-	-	-	0.04	0.03
7	Accommodation Charges recovered	0.04	0.08	-	-	-	-	-	-	0.04	0.08
8	Reimbursement of expenses paid	3.28	0.76	-	-	-	-	-	-	3.28	0.76
9	Reimbursement of expenses received	10.31	8.14	-	-	-	-	-	-	10.31	8.14
10	Electricity charges paid	0.03	0.03	-	-	-	-	-	-	0.03	0.03
11	Rent & Flat Maintenance Paid	1.08	0.40	-	-	-	-	-	-	1.08	0.40
12	Purchases of vaccines	0.51	-	-	-	-	-	-	-	0.51	-
13	Power Selling expenses paid	1.73	1.37	-	-	-	-	-	-	1.73	1.37
14	Sale of Power	77.65	53.03	-	-	-	-	-	-	77.65	53.03
15	Advances given	-	0.50	-	-	-	-	0.03	-	0.03	0.50
16	Advances recovered	-	-	-	-	-	-	0.03	-	0.03	-
17	Licence Fees	16.00	16.00	-	-	-	-	-	-	16.00	16.00
18	Contributions paid	-	-	-	-	-	-	1.05	3.53	1.05	3.53
19	Remuneration to Key Management Personnel	-	-	-	-	17.71	14.82	-	-	17.71	14.82
20	Post-employment benefits to Key Management Personnel	-	-	-	-	0.66	0.46	-	-	0.66	0.46
21	Other long-term benefit to Key Management Personnel	-	-	-	-	0.15	0.11	-	-	0.15	0.11
22	Director's Sitting Fees	-	-	-	-	0.55	0.42	-	-	0.55	0.42
23	Director's Commission	-	-	-	-	17.47	11.64	-	-	17.47	11.64
24	Loan repaid by Key Management Personnel	-	-	-	-	0.06	0.04	-	-	0.06	0.04
B. Closing Balances											
1	Receivables	46.37	79.61	-	-	0.02	0.08	-	-	46.39	79.69
2	Payables	1.02	0.03	-	-	-	-	-	-	1.02	0.03
3	Investments	231.82	173.79	-	-	-	-	-	-	231.82	173.79



Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(e) Terms and Conditions

All transactions were made on normal commercial terms and conditions.

All outstanding balances are unsecured and are repayable in cash.

NOTE 29: SEGMENT

Accounting Policy

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The chief operating decision maker is responsible for allocating resources and assessing performance of the operating segments and has been identified as the Managing Director of the Group.

(a) Description of segments and principal activities

Carbon Black: The Group is primarily engaged in production of Carbon Black through its four manufacturing units located at Durgapur, Kochi, Vadodara and Mundra.

Power: The Group is also engaged in generation of electricity for the purpose of captive consumptions as well as sale of surplus to outsiders.

The segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the standalone financial statement. Also the Group's borrowings (including finance costs and interest income), income taxes, investments are managed at head office and are not allocated to operating segments.

Inter-Segment transfers being power consumed for manufacture of Carbon Black are based on price paid for power purchased from external sources. Segment revenue is measured in the same way as in the Statement of Profit and Loss.

Segment assets and liabilities are measured in the same way as in the consolidated financial statements. These assets are allocated based on the operations of the segment and the physical location of the assets.

Non-current assets of the Group (excluding certain financial assets) are located in India and Belgium.

(b) Segment Revenue, Segment Earnings and other information as at / for the year ended:-
Segment Revenue:

Particulars	Year ended 31 March, 2022			Year ended 31 March, 2021		
	Carbon Black	Power	Total	Carbon Black	Power	Total
Revenue from external customers	4,332.03	93.00	4,425.03	2,586.71	67.25	2,653.96
Other operating Revenues	21.39	-	21.39	5.56	-	5.56
Total revenue from operations	4,353.42	93.00	4,446.42	2,592.27	67.25	2,659.52
Inter-segment revenue	-	74.33	74.33	-	63.45	63.45
Total segment revenue	4,353.42	167.33	4,520.75	2,592.27	130.70	2,722.97

Revenue of ₹ 1930.16 Crores (31 March 2021 - ₹ 1261.13 Crores) is derived from customers in the Carbon Black segment, each of whom contribute to more than 10% of the total revenue.

The Group is domiciled in India. The amount of its revenue from external customers broken down by the location of the customers is shown in table below:

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Revenue from external customers (excluding other operating revenues)	Year ended 31 March, 2022	Year ended 31 March, 2021
India	3,104.37	1,975.56
Other countries	1,320.66	678.40
Total	4,425.03	2,653.96

Segment Results:

Particulars	Year ended 31 March, 2022			Year ended 31 March, 2021		
	Carbon Black	Power	Total	Carbon Black	Power	Total
Segment profit before interest and tax	632.07	97.16	729.23	494.60	71.09	565.69
Reconciliation to Profit before tax						
Finance Cost	-	-	(29.09)	-	-	(33.88)
Interest Income	-	-	6.60	-	-	5.54
Unallocated expenses (Net)	-	-	(175.17)	-	-	(145.31)
Profit before tax	632.07	97.16	531.57	494.60	71.09	392.04

Depreciation/Amortisation and non cash expenses

Particulars	Year ended 31 March, 2022				Year ended 31 March, 2021			
	Carbon Black	Power	Unallocated	Total	Carbon Black	Power	Unallocated	Total
Depreciation/Amortisation	81.80	27.62	11.47	120.89	81.89	24.94	3.29	110.12
Non cash expense	4.12	-	-	4.12	1.33	-	-	1.33

Segment Assets:

Particulars	As at 31 March, 2022			As at 31 March, 2021		
	Carbon Black	Power	Total	Carbon Black	Power	Total
Segment Assets	3,379.65	471.59	3,851.24	2,732.22	348.51	3,080.73
Reconciliation to total assets						
Investments	-	-	587.99	-	-	196.27
Other unallocable assets	-	-	345.49	-	-	449.05
Total assets as per the balance sheet	3,379.65	471.59	4,784.72	2,732.22	348.51	3,726.05

Particulars	As at 31 March, 2022				As at 31 March, 2021			
	Carbon Black	Power	Unallocated	Total	Carbon Black	Power	Unallocated	Total
Addition to Non current assets other than financial instruments	203.82	107.06	1.20	312.08	127.42	16.03	0.96	144.41

The total of segments assets broken down by location of the assets, is shown below:

Assets by geographical location	As at 31 March, 2022	As at 31 March, 2021
India	3,531.77	2,915.47
Other countries	319.47	165.26
Total	3,851.24	3,080.73

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Segment Liabilities:

Particulars	As at 31 March, 2022			As at 31 March, 2021		
	Carbon Black	Power	Total	Carbon Black	Power	Total
Total Segment liabilities	1,002.86	40.23	1,043.09	650.14	28.32	678.46
Reconciliation to total liabilities						
Borrowings	-	-	683.99	-	-	606.79
Current Tax Liabilities (Net)	-	-	0.84	-	-	0.06
Deferred Tax Liabilities (Net)	-	-	276.27	-	-	271.42
Other Unallocated liabilities	-	-	158.30	-	-	226.33
Total liabilities as per the balance sheet	1,002.86	40.23	2,162.49	650.14	28.32	1,783.06

NOTE 30: STATEMENT PURSUING TO REQUIREMENT OF SCHEDULE III TO THE COMPANIES ACT, 2013 RELATING TO COMPANY'S INTEREST IN SUBSIDIARIES AND STEP DOWN SUBSIDIARY

Name of the entity in the group	Net Assets i.e., total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
PCBL Limited								
31 March, 2022	99.34%	2,604.91	100.19%	427.14	95.52%	49.22	99.69%	476.36
31 March, 2021	99.19%	1,927.17	99.45%	312.27	101.38%	43.86	99.69%	356.13
Subsidiaries								
Indian								
PCBL (TN) Ltd								
31 March, 2022	0.26%	6.72	-0.57%	(2.41)	0.00%	-	-0.50%	(2.41)
31 March, 2021	0.11%	2.14	-0.07%	(0.22)	0.00%	-	-0.06%	(0.22)
Subsidiaries								
Foreign								
Phillips Carbon Black Cyprus Holdings Ltd								
31 March, 2022	0.82%	21.50	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
31 March, 2021	1.13%	22.00	0.04%	0.12	0.00%	-	0.03%	0.12
Phillips Carbon Black Vietnam Joint Stock Company (Stepdown Subsidiary)								
31 March, 2022	1.83%	47.88	0.38%	1.61	0.00%	-	0.34%	1.61
31 March, 2021	2.26%	43.97	0.58%	1.83	0.00%	-	0.51%	1.83
Non-Controlling Interest								
31 March, 2022	0.31%	8.24	0.08%	0.32	0.77%	0.39	0.15%	0.71
31 March, 2021	0.39%	7.53	0.11%	0.36	-0.23%	(0.10)	0.07%	0.26
Adjustments								
31 March, 2022	-2.56%	(67.02)	-0.08%	(0.31)	3.71%	1.91	0.32%	1.60
31 March, 2021	-3.08%	(59.82)	-0.11%	(0.37)	-1.15%	(0.50)	-0.24%	(0.87)
TOTAL								
31 March, 2022	100.00%	2,622.23	100.00%	426.34	100.00%	51.52	100.00%	477.86
31 March, 2021	100.00%	1,942.99	100.00%	313.99	100.00%	43.26	100.00%	357.25

Note: PCBL (TN) Limited a wholly owned subsidiary of PCBL Limited (formerly Phillips Carbon Black Limited) was incorporated with effect from 29 September, 2020 under the provisions of the Companies Act, 2013 of India.

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 31: FAIR VALUE MEASUREMENT

(i) The carrying and fair value of financial instruments by category as at the end of the year are as follows:

	As at 31 March, 2022			As at 31 March, 2021		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Investments						
- Equity instruments	-	249.65	-	-	188.55	-
- Preference Shares	8.34	-	-	7.72	-	-
- Mutual Funds	330.00	-	-	-	-	-
Trade receivables	-	-	1,105.10	-	-	708.50
Loans	-	-	1.49	-	-	1.79
Cash and cash equivalents	-	-	118.64	-	-	152.22
Other bank balances	-	-	40.45	-	-	112.16
Other Financial Assets	-	-	43.67	-	-	45.86
Total financial assets	338.34	249.65	1,309.35	7.72	188.55	1,020.53
Financial liabilities						
Borrowings	-	-	595.31	-	-	561.66
Lease liabilities	-	-	101.83	-	-	117.06
Current maturities of long term debt	-	-	88.68	-	-	45.13
Derivative financial liabilities	1.39	-	-	0.98	-	-
Trade payables	-	-	911.12	-	-	591.63
Other financial liabilities	-	-	89.28	-	-	83.06
Total financial liabilities	1.39	-	1,786.22	0.98	-	1,398.54

(ii) Fair Value

The fair values of financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent in all the years. The following methods and assumptions were used to estimate the fair values:

- In respect of investments in mutual funds, the fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors. Accordingly, such net asset values are analogous to fair market value with respect to these investments, as transactions of these mutual funds are carried out at such prices between investors and the issuers of these units of mutual funds.
- In respect of investments in listed equity instruments, the fair values represents available quoted market price at the Balance Sheet date.
- The fair value of derivative contracts (foreign exchange forward contracts and Currency and Interest rate swaps) is determined using discounted cash flow analysis and swaps and options pricing models.
- The management assessed that fair values, of trade receivables, cash and cash equivalents, other bank balances, loans, trade payables, current borrowings, other current liabilities and other financial liabilities (current), approximate to their carrying amounts largely due to the short-term maturities of these instruments. Further, management also assessed the carrying amount of certain non-current loans which are a reasonable approximation of their fair values and the difference between the carrying amounts and fair values is not expected to be significant.

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(iii) Fair value of financial assets and liabilities measured at amortised cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amount would be significantly different from the values that would eventually be received or settled.

(iv) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measures at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. Explanation of each level follows underneath the table:

Financial assets and liabilities measured at fair value - recurring fair value measurements	As at 31 March, 2022				As at 31 March, 2021			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Financial assets at FVTPL								
Investments in mutual funds	330.00	-	-	330.00	-	-	-	-
Investments in preference shares	-	-	8.34	8.34	-	-	7.72	7.72
Financial assets at FVTOCI								
Investments in equity instruments	157.27	-	92.38	249.65	119.84	-	68.71	188.55
Total financial assets	487.27	-	100.72	587.99	119.84	-	76.43	196.27
Financial liabilities								
Financial liabilities at FVTPL								
Foreign-exchange forward contract	-	1.39	-	1.39	-	0.98	-	0.98
Total financial liabilities	-	1.39	-	1.39	-	0.98	-	0.98

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have net asset value as stated by the issuers in the published statements. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There are no transfers between level 1 and level 2 fair value measurements during the year ended 31 March, 2022 and 31 March, 2021.

Some of the Group's financial assets are carried at fair value for which Level 3 inputs have been used. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Valuation inputs and relationship to fair value

Particulars	Fair Value at		Valuation Technique	Significant unobservable input	Sensitivity	
	31 March, 2022	31 March, 2021			31 March, 2022	31 March, 2021
Unquoted equity shares	92.38	68.71	Discounted cash flow/ Net Asset Value	Earning growth rate / Discounting rate	Increase in earning growth rate by 1% and lower discount rate by 1% would increase fair value by ₹ 0.76 Crores Decrease in earning growth rate by 1% and higher discount rate by 1% would decrease fair value by ₹ 0.63 Crores	Increase in earning growth rate by 1% and lower discount rate by 1% would increase fair value by ₹ 0.73 Crores Decrease in earning growth rate by 1% and higher discount rate by 1% would decrease fair value by ₹ 0.60 Crores
Unquoted Preference shares	8.34	7.72	Discounted Amortized cost	Discounting rate to determine PV	Decrease in discount rate by 1% will increase the fair value by ₹ 0.24 Crores Increase in discount rate by 1% will decrease fair value by ₹ 0.23 Crores	Decrease in discount rate by 1% will increase the fair value by ₹ 0.29 Crores Increase in discount rate by 1% will decrease fair value by ₹ 0.28 Crores
Investment Property-Land	7.41	5.39	Fair market price	Discount for limited market activity	Decrease in discount rate by 1% will increase the fair value by ₹ 0.07 Crores Increase in discount rate by 1% will decrease fair value by ₹ 0.07 Crores.	Decrease in discount rate by 1% will increase the fair value by ₹ 0.07 Crores Increase in discount rate by 1% will decrease fair value by ₹ 0.07 Crores.

Valuation process:

The main level 3 inputs for unquoted equity shares and unquoted preference share used by the Group are derived and evaluated as follows:

Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.

NOTE 32: FINANCIAL RISK MANAGEMENT

The Group's principal financial liabilities comprises of borrowings, trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance and support the operations of the Group. The Group's principal financial assets include trade and other receivables, loans, investments and cash & cash equivalents that derive directly from its operations.

The Group's business activities are exposed to a variety of risks including liquidity risk, credit risk and market risk. The Group seeks to minimize potential adverse effects of these risks by managing them through a structured process of identification, assessment and prioritization of risks followed by coordinated efforts to monitor, minimize and mitigate the impact of such risks on its financial performance and capital. For this purpose, the Group has laid comprehensive risk assessment and minimization/mitigation procedures, which are reviewed by the Audit Committee and approved by the Board from time to time. These procedures are reviewed to ensure that executive management controls risks by way of properly defined framework. The Group does not enter into derivative financial instruments for speculative purposes.

(A) Credit risk

Credit risk refers to risk of financial loss to the Group if customers or counterparties fail to meet their contractual obligations. The Group is exposed to credit risk from its operating activities (mainly trade receivables) and from its investing activities (primarily deposit with banks and investment in mutual funds).

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(i) Credit risk management

(a) Trade Receivables

Customer credit risk is managed by the Group through its established policies and procedures which involve setting up credit limits based on credit profiling of individual customers, credit approvals for enhancement of limits and regular monitoring of important developments viz. payment history, change in credit rating, regulatory changes, industry outlook etc. Outstanding receivables are regularly monitored and an impairment analysis is performed at each reporting date on an individual basis for each major customer. In addition, small customers are grouped into homogeneous groups and assessed for impairment collectively. The Group also has a policy to provide for all receivables which are overdue for a period over 365 days. In accordance with Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or reversal thereof.

Reconciliation of loss allowance provision - Trade receivable are as follows:

Particulars	Year Ended 31 March, 2022	Year Ended 31 March, 2021
Loss allowance at the beginning of the year	10.47	9.64
Change / (reversal) in allowance during the year (net)	(9.36)*	0.83
Loss allowance at the end of the year	1.11	10.47

* Represents ₹ 9.36 crore written off during the year.

(b) Deposits and financial assets (Other than trade receivables):

The Group maintains exposure in cash and cash equivalents, term deposits with banks and money market liquid mutual fund schemes. Investments of surplus are made within assigned credit limits with approved counterparties who meet the threshold requirements with respect to ratings, financial strength, credit spreads etc. Counterparty credit limits are set to minimize concentration risk and are reviewed periodically by the Board.

(B) Liquidity Risk

Liquidity risk implies that the Group may not be able to meet its obligations associated with its financial liabilities. The Group manages its liquidity risk on the basis of the business plan that ensures that the funds required for financing the business operations and meeting financial liabilities are available in a timely manner and in the currency required at optimal costs. The Management regularly monitors rolling forecasts of the Group's liquidity position to ensure it has sufficient cash on an ongoing basis to meet operational fund requirements. The surplus cash generated, over and above the operational fund requirement is invested in bank deposits / marketable debt securities / debt mutual fund schemes of highly liquid nature to optimize cash returns while ensuring adequate liquidity for the Group.

Additionally, the Group has committed fund and non-fund based credit lines from banks which may be drawn anytime based on Group's fund requirements. The Group maintains a cautious liquidity strategy with positive cash balance and undrawn bank lines throughout the year.

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments.

Contractual maturity of financial liabilities	Upto 1 year	1 Year to 3 year	3 year to 5 year	More than 5 years	Total
31 March, 2022					
Borrowings	463.65	132.14	88.20	-	683.99
Trade payable	911.12	-	-	-	911.12
Lease liabilities	27.04	46.92	26.09	30.66	130.71
Other financial liabilities	82.66	4.65	3.36	-	90.67
	1484.47	183.71	117.65	30.66	1816.49
31 March, 2021					
Borrowings	302.05	173.00	111.75	19.99	606.79
Trade payable	591.63	-	-	-	591.63
Lease liabilities	28.68	52.67	34.26	43.74	159.35
Other financial liabilities	75.08	5.80	3.16	-	84.04
	997.44	231.47	149.17	63.73	1441.81

(C) Market Risk

Market risk is the risk that the fair value of future cash flow of financial instruments may fluctuate because of changes in market conditions. Market risk broadly comprises three types of risks namely currency risk, interest rate risk and price risk (for commodities or equity instruments). The above risks may affect the Group's income and expenses and / or value of its investments. The Group's exposure to and management of these risks are explained below

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group operates in international markets and therefore is exposed to foreign currency risk arising from foreign currency transactions. The exposure relates primarily to the Group's operating activities (when the revenue or expense is denominated in foreign currency), borrowings in foreign currencies and investment in overseas subsidiaries. Over ninety percent of Group's foreign currency transactions are in USD while the rest are in EURO, JPY, CNY, VND and GBP. The risk is measured through forecast of highly probable foreign currency cash flows.

The Group's risk management policy is hedging of net foreign currency exposure at all points in time through foreign exchange forward contracts, vanilla option contracts and cross currency interest rate swaps. The objective of the hedging is to eliminate the currency risk due to volatility in exchange rates.

(a) Foreign currency risk exposure

The Group's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:



Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	31 March, 2022				31 March, 2021		
	INR equivalent of				INR equivalent of		
	USD	EUR	CNY	VND	USD	EUR	GBP
Financial assets							
Trade receivables	288.42	19.93	-	-	144.50	8.26	-
Advance to Suppliers	1.95	4.31	-	-	-	3.13	-
Balances with banks	-	-	-	-	66.64	-	-
Derivative assets							
Foreign exchange forward contracts							
Sell foreign currency	-	-	-	-	(66.64)	-	-
Net exposure to foreign currency risk (assets)	290.37	24.24	-	-	144.50	11.39	-
Financial liabilities							
Foreign currency loan	50.10	-	-	-	86.31	-	-
Trade payables	712.28	-	0.00	0.00	420.67	-	0.20
Derivative liabilities							
Foreign exchange forward contracts							
Buy foreign currency	(488.36)	-	-	-	(383.51)	-	-
Net exposure to foreign currency risk (liabilities)	274.02	-	0.00	0.00	123.47	-	0.20
Net exposure to foreign currency risk (Assets- Liabilities)	16.35	24.24	(0.00)*	(0.00)*	21.03	11.39	(0.20)

* Amount is below the rounding off norm adopted by the Group.

(b) Sensitivity

A fluctuation in the exchange rates of 1% with other conditions remaining unchanged would have the following effect on Group's profit or loss before taxes as at 31 March, 2022 and 31 March, 2021:

	Impact on profit before tax	
	Year Ended 31 March, 2022	Year Ended 31 March, 2021
USD sensitivity		
INR/USD- Increase by 1%*	0.16	0.21
INR/USD- Decrease by 1%*	(0.16)	(0.21)
EUR sensitivity		
INR/EUR- Increase by 1%*	0.24	0.11
INR/EUR- Decrease by 1%*	(0.24)	(0.11)
CNY sensitivity**		
INR/CNY- Increase by 1%*	(0.00)	-
INR/CNY- Decrease by 1%*	0.00	-
VND sensitivity**		
INR/VND- Increase by 1%*	(0.00)	-
INR/VND- Decrease by 1%*	0.00	-
GBP sensitivity		
INR/GBP- Increase by 1%*	-	0.01
INR/GBP- Decrease by 1%*	-	(0.01)

* Holding all other variable constant

** Amount is below the rounding off norm adopted by the Group.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to risk of change in market interest rates relates primarily to its debt interest obligations. Its borrowings are at floating rates and its future cash flows will fluctuate because of changes in market interest rates.

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

(a) Interest Rate Risk Exposure

The exposure of the Group's borrowings to interest rate changes at the end of the reporting period are as follows:

	31 March, 2022	31 March, 2021
Total borrowings (including current maturities)	683.99	606.79

(b) Sensitivity

Profit or loss is sensitive to higher / lower interest expense from borrowings as a result of changes in interest rates.

	Impact on profit before tax	
	Year Ended 31 March, 2022	Year Ended 31 March, 2021
Interest Rates - Increase by 50 basis points (50 bps) *	(3.42)	(3.03)
Interest Rates - Decrease by 50 basis points (50 bps) *	3.42	3.03

* Holding all other variable constant

(iii) Security Price risk

Securities price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded prices.

The Group invests its surplus funds in various debt instruments and equity instruments. These comprise of mainly liquid schemes of mutual funds, short term debt funds & income funds (duration investments), certain quoted equity instruments and bank fixed deposits. To manage its price risk arising from investments in mutual funds and equity instruments, the Group diversifies its portfolio. Mutual fund and equity investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments.

(a) Securities Price Risk Exposure

The Group's exposure to securities price risk arises from investments in mutual funds and equity instruments held by the Group and classified in the Balance Sheet as fair value through profit or loss/fair value through other comprehensive income is disclosed under Note 31.

(b) Sensitivity

The sensitivity of profit or loss to changes in Net Assets Values (NAVs) as at year end for investments in mutual funds.

	Impact on profit before tax	
	Year Ended 31 March, 2022	Year Ended 31 March, 2021
NAV of mutual funds/Market price of quoted equity instruments - Increase by 1%*	3.30	-
NAV of mutual funds/Market price of quoted equity instruments - Decrease by 1%*	(3.30)	-

* Holding all other variable constant

(D) Commodity Price Risk

Commodity price risk results from changes in market prices for raw materials, mainly carbon black feedstock which forms the largest portion of Group's cost of sales.

The Group endeavours to reduce such risks by maintaining inventory at optimum level through a highly probable sales forecast on quarterly basis and also through worldwide purchasing activities. Raw materials are purchased exclusively to cover Group's own requirements. Further, a significant portion of Group's volume is sold based on formula-driven price adjustment mechanism which allows for recovery of the changed raw material cost from customers. The Group also endeavors to offset the effects of increases in raw material costs through price increases in its non-contract sales, productivity improvement and other cost reduction efforts. The Group has not entered into any derivative contracts to hedge exposure to fluctuations in commodity prices.

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 33: CAPITAL MANAGEMENT

For the purposes of the Group's capital management, capital includes issued capital, all other equity reserves and long term borrowed capital less reported cash and cash equivalents.

The primary objective of the Group's capital management is to maintain an efficient capital structure to reduce the cost of capital, support the corporate strategy and to maximise shareholder's value.

The Group's policy is to borrow primarily through banks to maintain sufficient liquidity. The Group also maintains certain undrawn committed credit facilities to provide additional liquidity. These borrowings, together with cash generated from operations are utilised for operations of the Group.

The Group monitors capital on the basis of cost of capital. The Group is not subject to any externally imposed capital requirements.

The following table summaries the capital of the Group:

Particulars	As at 31 March, 2022	As at 31 March, 2021
Long Term Borrowings (including current maturities of long term debt)	309.02	349.87
Short Term Borrowings	374.97	256.92
Less: Cash and cash equivalents	118.64	152.22
Total Net Debt	565.35	454.57
Total equity	2,622.23	1,942.99
Total Capital (Equity+Net Debt)	3,187.58	2,397.56

No changes were made to the objectives, policies or processes for managing capital during the year ended 31 March, 2022 and 31 March, 2021.

NOTE 34: OTHER STATUTORY INFORMATION

- The Group does not have any transactions with companies struck off.
- The Group does not have any charges or satisfaction which is yet to be registered with ROC (Registrar of Companies) beyond the statutory period.
- The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- The Group has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- There are no proceedings initiated or are pending against the Group for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

NOTE 35: RATIO ANALYSIS AND IT ELEMENTS

Particulars		Numerator	Denominator	Year ended 31 March, 2022	Year ended 31 March, 2021	% Change	Reasons for Variance
1	Current Ratio	Current Assets	Current Liabilities	1.44	1.34	7.46	
2	Debt Equity Ratio	Total Debt = Non-current borrowings + Current Borrowings	Total Equity	0.26	0.31	(16.13)	
3	Debt Service Coverage Ratio	Earning Available for Debt Service	Debt Service	3.09	2.51	23.11	
Earning Available for Debt Service : Net profit after Tax + Depreciation and amortisation expense + Finance cost excluding interest on lease liabilities + Net gain on foreign currency transaction + Gain/Loss on disposal of property, plant and equipment Debt Service: Interest + Principal Loan repayment							
4	Return on Equity (%)	Net Profits after taxes	Total Equity	16.26%	16.16%	0.10	
5	Inventory Turnover Ratio - Days	Sales	Inventory	39	59	(33.90)	During the Quarter ended June' 2020, the Group had shut down its operation due to COVID-19 related lock down, which has lead to high level of inventory days.
Refer Note given below							
The Company's turnover is highly sensitive to the changes in crude prices which may fluctuate widely between quarters. The Company, therefore, believes that the Inventory turnover days computed on the basis of simple average of the turnover days for each of the four quarters of the year will be more appropriate and reflective of company's operations. The turnover days for each quarter is derived by dividing the quarter-end outstanding inventory balance with sales for the respective quarter.							
Inventories = Raw Materials + Finished Goods + Stores and spares parts (including packing material).							
(Sales = Sales of Finished Goods without GST+Sale of Power)							



Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

Particulars	Numerator	Denominator	Year ended 31 March, 2022	Year ended 31 March, 2021	% Change	Reasons for Variance
6 Debtors Turnover Ratio - Days	Sale	Trade Receivables	70	69	1.45	
Refer Note given below (Sales = Sales of Finished Goods including GST+Sale of Power) The Company's turnover is highly sensitive to the changes in crude prices which may fluctuate widely between quarters. The Company, therefore, believes that the Debtors turnover days computed on the basis of simple average of the turnover days for each of the four quarters of the year will be more appropriate and reflective of company's operations. The turnover days for each quarter is derived by dividing the quarter-end outstanding debtors balance with sales for the respective quarter.						
7 Trade Payable Turnover Ratio	Consumption-Raw Material, Stores & Spares and Packing Material	Trade Payables(for Materials)	83	99	(16.16)	
Refer Note given below The Company's turnover is highly sensitive to the changes in crude prices which may fluctuate widely between quarters. The Company, therefore, believes that the Trade payable turnover days computed on the basis of simple average of the turnover days for each of the four quarters of the year will be more appropriate and reflective of company's operations. The turnover days for each quarter is derived by dividing the quarter-end outstanding Trade Payable (for material) balance with consumption -Raw material, Stores and Packing material for the respective quarter.						
8 Net Capital Turnover Ratio	Net Sales	Working Capital	6.36	7.16	(11.17)	
(Net Sales = Sales of Finished Goods without GST+Sale of Power) (Working Capital=Current Asset Less Current Liabilities)						

Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022



Notes to Consolidated Ind AS Financial Statements

as at and for the year ended 31 March, 2022

(All amounts in ₹ Crores, unless otherwise stated)

NOTE 36: The Company has contributed ₹ 40 crores (previous year ₹ 20 crores) under section 182 of the Companies Act, 2013.

NOTE 37: The operations of the Group for the year ended 31 March, 2021 were impacted by disruptions owing to nationwide lockdowns because of the Covid 19 pandemic and hence figures for corresponding previous year is not comparable with the figures for the year ended 31 March, 2022. During the current year ended 31 March, 2022 also, the operations of the Group were slightly impacted due to regional lock down because of the Covid 19 pandemic. The Group has made an assessment of the recoverability and carrying values of its assets comprising property, plant and equipment, inventories, receivables and other current / non-current assets as of 31 March, 2022 and on the basis of evaluation, has concluded that no material adjustments are required in the financial results. The Group is taking all the necessary steps and precautionary measures to ensure smooth functioning of its operations and to ensure the safety and well-being of all its employees. Given the criticalities associated with nature, condition and duration of COVID-19, the assessment on recoverability of the Group's assets will be continuously made and provided for as required.

NOTE 38: Figures of the previous year has been regrouped/rearranged to confirm current year's presentation.

For **S. R Batliboi & Co. LLP**
ICAI Firm Registration Number 301003E/E300005
Chartered Accountants

Kamal Agarwal
Partner
Membership Number: 058652

Kolkata
Date: 19 April, 2022

For and on behalf of Board of Directors of PCBL Limited

Kaushik Roy
Managing Director
(DIN: 06513489)

Kaushik Mukherjee
Company Secretary

Rusha Mitra
Director
(DIN: 08402204)

Raj Kumar Gupta
Chief Financial Officer

Form AOC-I

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

PART "A": SUBSIDIARIES

(Information in respect of each subsidiary to be presented with amounts in ₹ in Crores)

Sl. No.	Name of the subsidiary	2021-22		
		1	2	3
		Phillips Carbon Black Cyprus Holdings Ltd	PCBL (TN) Limited	Phillips Carbon Black Vietnam Joint Stock Company
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as Holding Company	Same as Holding Company	Same as Holding Company
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Euro 83.89	INR NA	VND 0.003308
3	Share capital	0.15	9.36	39.75
4	Reserves & surplus	21.35	(2.64)	4.37
5	Total assets	29.35	212.72	48.00
6	Total Liabilities	7.85	206.00	3.88
7	Investments	25.45	-	-
8	Turnover	-	-	-
9	Profit / (Loss) before taxation	-	(2.40)	1.61
10	Provision for taxation	0.01	0.02	-
11	Profit / (Loss) after taxation	(0.01)	(2.41)	1.61
12	Proposed Dividend			
13	% of shareholding	100%	100%	80%

Notes: The following information shall be furnished at the end of the Statement:

- Names of subsidiaries which are yet to commence operations
Phillips Carbon Black Cyprus Holdings Ltd
PCBL (TN) Ltd
Phillips Carbon Black Vietnam Joint Stock Company (Stepdown Subsidiary)
- Names of subsidiaries which have been liquidated or sold during the year
None
- Names of subsidiaries which have been incorporated during the year
None

PART "B": ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and joint Ventures

Name of Associates / Joint Ventures	NA
1 Latest audited Balance Sheet Date	-
2 Shares of Associates / Joint Ventures held by the company on the year end No.	-
Amount of Investment in Association / Joint Venture	-
Extent of Holding %	-
3 Description of how there is significant influence	-
4 Reason why the associate/Joint venture is not consolidated	-
5 Networth attribute to Shareholding as per latest audited Balance Sheet	-
6 Profit / Loss for the year	-
i. Considered in Consolidation	-
ii. Not Considered in Consolidation	-
1. Names of associates or joint ventures which are yet to commence operations.	NA
2. Names of associates or joint ventures which have been liquidated or sold during the year.	NA

Awards & accolades FY21-22

1

Gold award at the CCQC Durgapur Chapter - 2021.

2

Par Excellence Award at the NCQC 2021.

3

Received 4.75-star rating out of 5-star from CII in the Energy Conservation Awards (ENCON-2021).

4

Winner under QIP category in CEAT's QBM Excellence League for Supplier Partners.

5

2nd Runner-Up in JK Tyres supplier sustainability competition 2021.

6

Certificate of recognition at the JK Tyres Kaizen competition 2021.

7

1st Runner-Up (second position) at the CII 34th National QC Competition - 2022.

8

Certificate of Appreciation at the 34th West Bengal QC Awards by CII.

9

Certificate of Appreciation at the ICC Environmental Excellence Awards - 2021.





REGISTERED OFFICE:

PCBL Limited

(Formerly known as
Phillips Carbon Black Limited)

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Kolkata - 700 001
West Bengal, India
Phone: +91 33 6625 1443
Fax: +91 33 2230 6844/2243 6681

CORPORATE OFFICE:

PCBL Limited

(Formerly known as
Phillips Carbon Black Limited)

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