

13th April, 2018

The Manager,
Listing Department,
National Stock Exchange of India Ltd,
Exchange Plaza,
Plot No. – C – 1, G Block,
Bandra – Kurla Complex,
Bandra (East),
Mumbai – 400051

The General Manager,
Listing Department,
BSE Ltd.,
1st Floor, New Trading Ring,
Rotunda Building,
P.J. Towers,
Dalal Street, Fort,
Mumbai – 400001

The Secretary,
The Calcutta Stock Exchange Ltd,
7, Lyons Range,
Kolkata – 700001

Dear Sir,

Sub:- Intimation of Schedule of Investors' Conference

This is to inform you that the Company intends to attend the following investors' conference:

Date of Conference	Particulars	Place
16 th April, 2018 – 18 th April, 2018	NDR Organized by IIFL	London

With regard to the same, we are attaching herewith the Investors' Presentation for the month of April, 2018 to be circulated by the Company in upcoming Investors' Meets.

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

K. Mukherjee
Company Secretary and Chief Legal Officer

Phillips Carbon Black Limited



We Touch Lives Every Moment

***Investor Presentation
February- 2018***

Part of a Dynamic Conglomerate....

GROWING LEGACIES IS OUR CULTURE.

The RP - Sanjiv Goenka Group has always focused on growth. In a short span of six years, the Group's assets have grown to ₹40,355 crore and so has our EBITDA to ₹4,231 crore. Our most precious asset, our employees, have grown to over 45,000 today.

This is a fitting testimony to our commitment to augment stakeholders' value towards a brighter future.



www.rp-sg.in

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Carbon Black Industry

Global Overview

- Global CB demand is approx. 13 mn tonnes
- Largest 10 players held 63% of total global sales
- 93% of CB demand linked with tyre and rubber industry

Company Overview

- Largest in India and 7th largest globally by volume
- Well spread product mix:
 - Rubber Carbon Black
 - Non Rubber incl Specialty Carbon Black
- Co-generation power plants at each locations
- Over 58 years of rich experience in the industry
- Comprehensive global reach to customers in more than 30 countries
- Seamless capability to switch over various feedstocks

What is Carbon Black ?



- Pure elemental carbon in the form of black powder
- Produced by thermal decomposition of gaseous or liquid hydrocarbons under controlled conditions
- Largest application - reinforcing agent in tyres
- Its unique properties make it useful for pigmentation, UV stabilization and also as a conductive agent
- Performance is related to properties of specific surface area, particle size and structure, conductivity and colour

Carbon Black Business Segmentation

Rubber Carbon Black



Tyre Carcass



Tyre Tread



- End market demand remains strong
- Large volumes, sold directly to global tyre producers
- In rubber applications, CB provides reinforcement and improves resilience
- Non tyre rubber constitutes 20% of global CB demand

Non Rubber Carbon Black



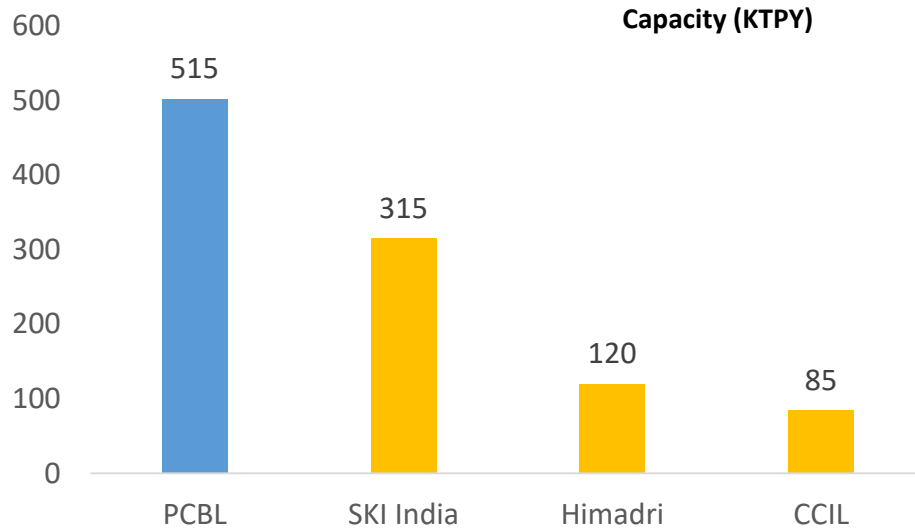
Pure Specialty



- Advanced technology driven specialty carbon black manufacturing
- High margins relative to Rubber
- Non rubber CB functions as a pigment
- Non Rubber constitutes 7% of global CB demand

Enhancing focus on High Performance Rubber black and Specialty Carbon Black

Manufacturing



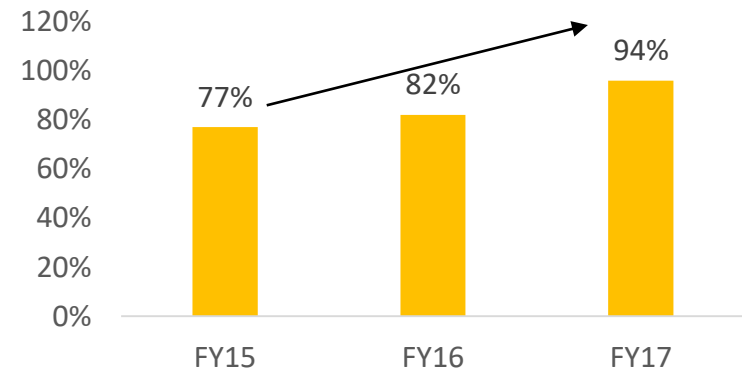
Market Share of PCBL:

- Over one-third of domestic consumption
- Largest exporter of Carbon Black from India
- 10% of Asian market excl China

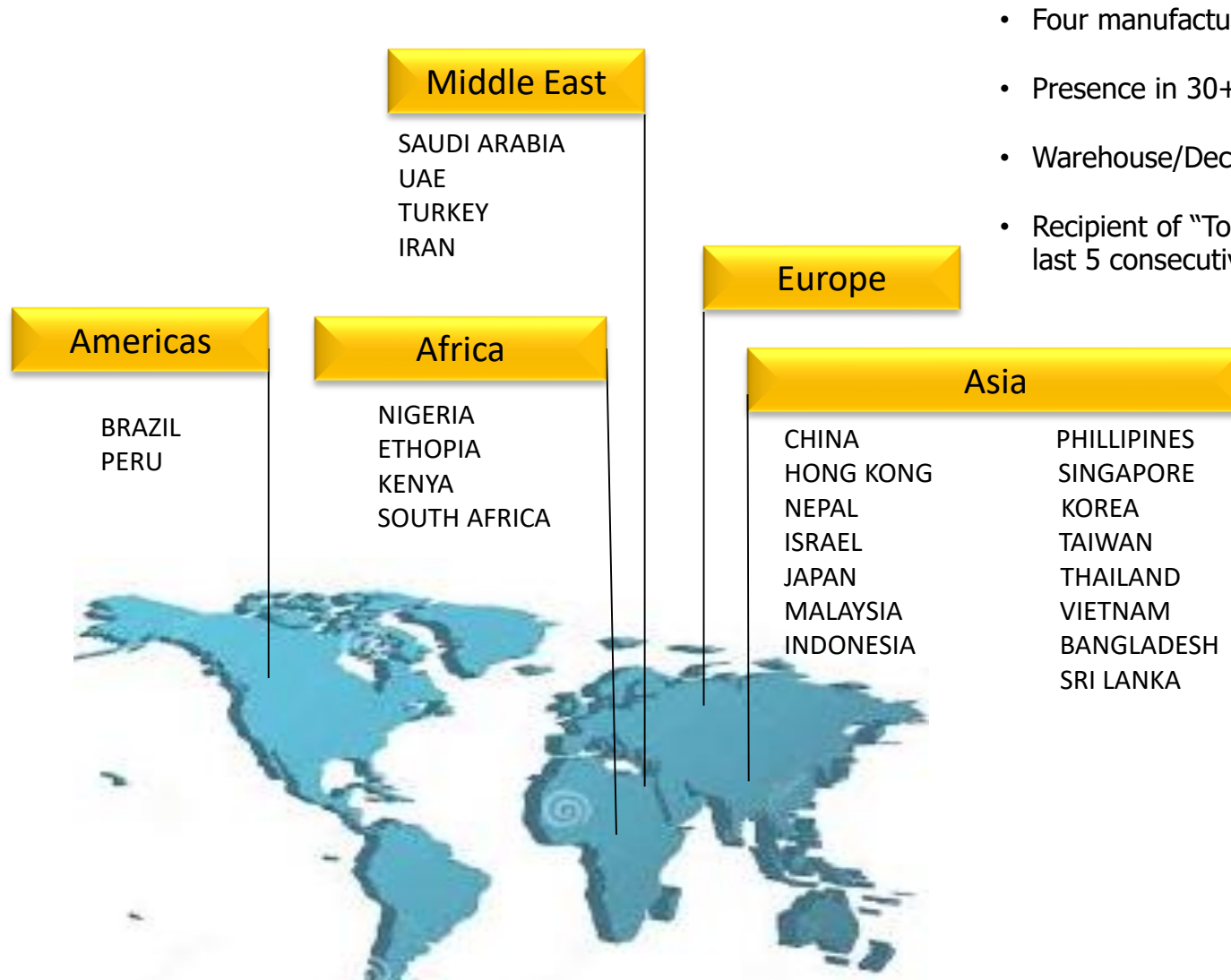
Current Capacity

Location	CB (MT)	CPP (MW)
Durgapur, W.Bengal	1,57,000	30
Mundra, Gujarat	1,53,000	24
Palej, Gujarat	1,05,000	12
Kochi, Kerala	1,00,000	10
Total	5,15,000	76

Capacity Utilisation



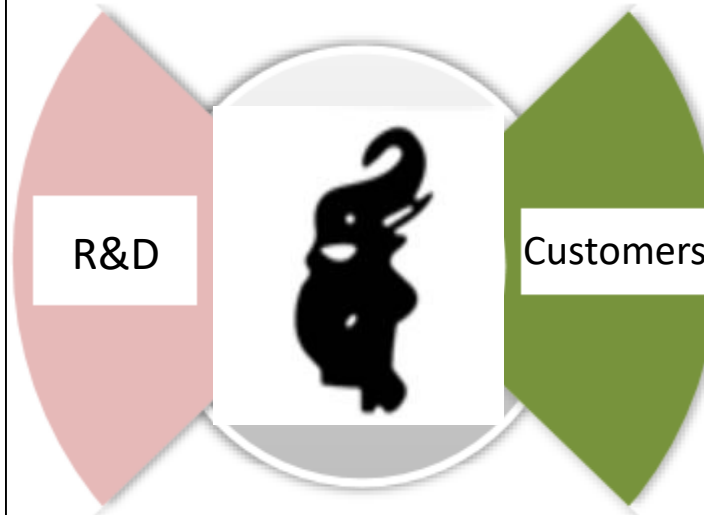
Global Reach with Regional Expertise....



- Four manufacturing facilities located near port
- Presence in 30+ countries
- Warehouse/Decanting Stations near customers
- Recipient of "Top Exports" award from AIRIA for last 5 consecutive years

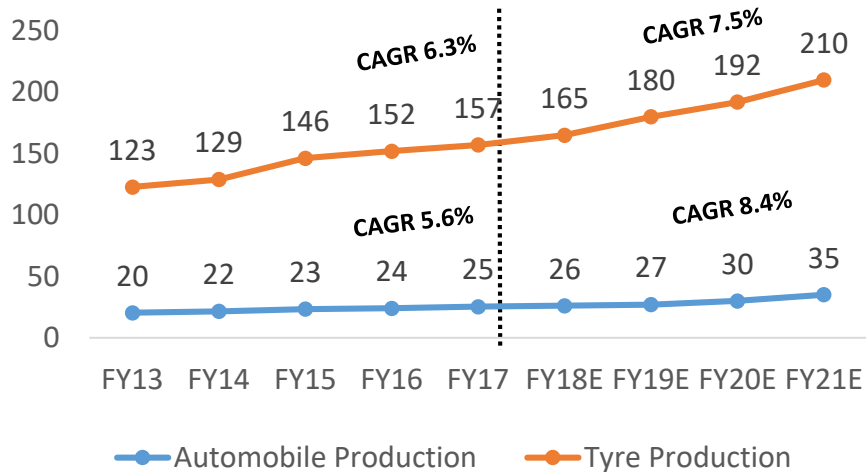
....With Strong Brand Recall

- Over 50 grades across rubber and non rubber black
- Driving innovation with customers
- Focus on high performance rubber and specialty carbon black
- Seamless capability for multiple feedstock
- Diversified sourcing of feedstock



Tyre Demand in India Growing Rapidly

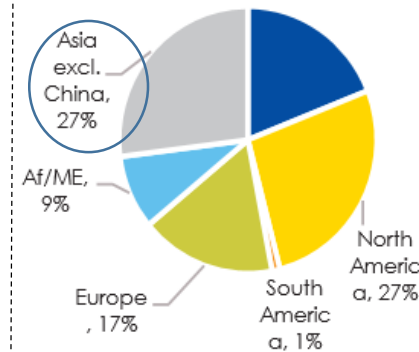
Automobile Production Vs Tyre Production (Mn Units)



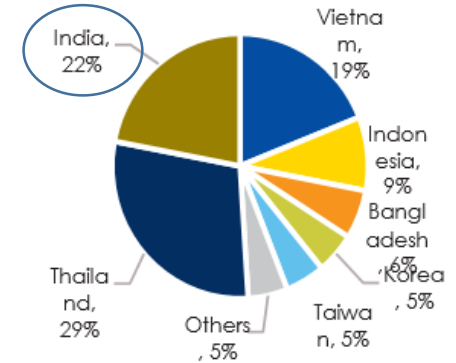
- Tyre Industry in the last 5 years has outperformed the growth of automobile production on back of higher demand from replacement market
- In FY16 registered vehicle stood at 200 mn against 24 mn annual vehicle sales

Tyre Industry - key growth driver for Carbon Black

\$22 Billion in Total Investments in Tyre Industry between 2016-21



\$5.9 Billion to be invested in Asia Pacific excl. China

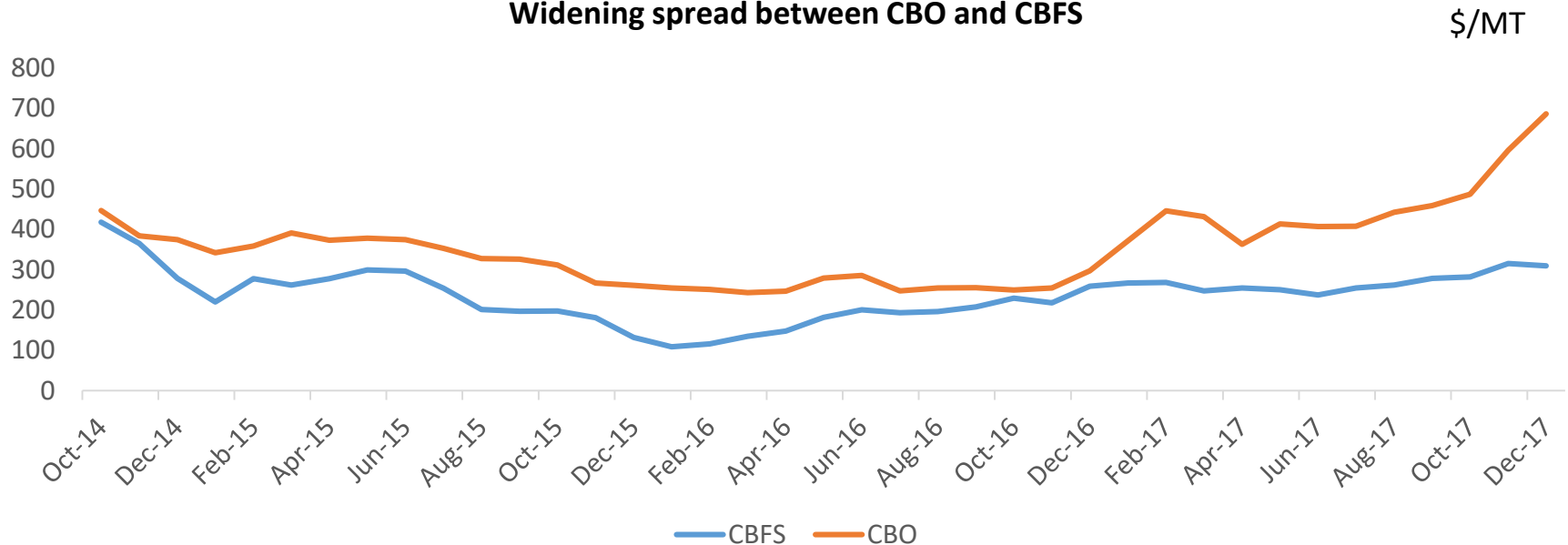


Source: Edelweiss Research

- India and Thailand witnessing highest investments in the tyre segment within the Asia-Pacific region excl. China
- Utilisation levels will go up as demand outstrips supply addition

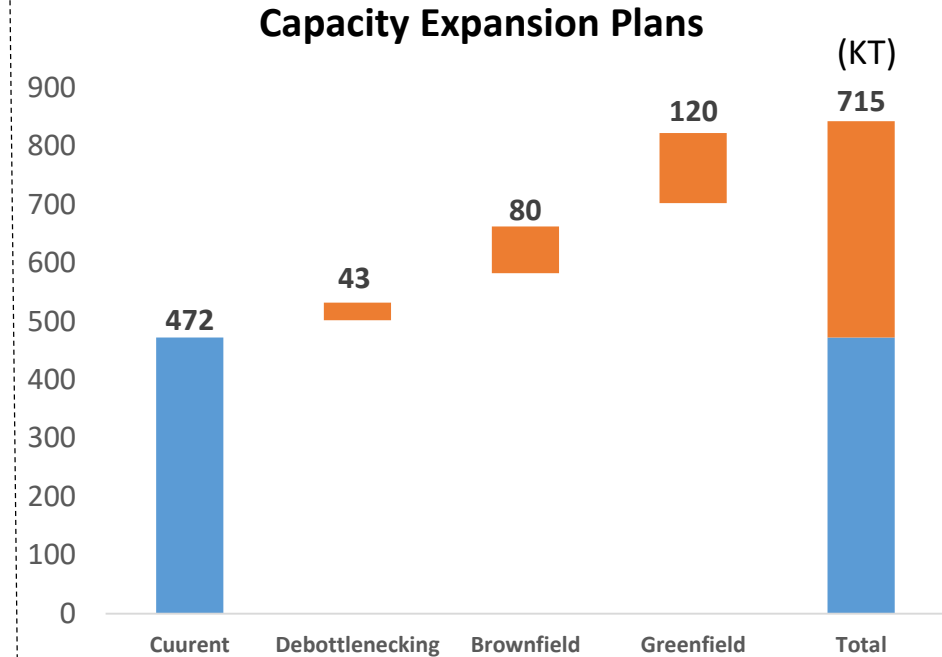
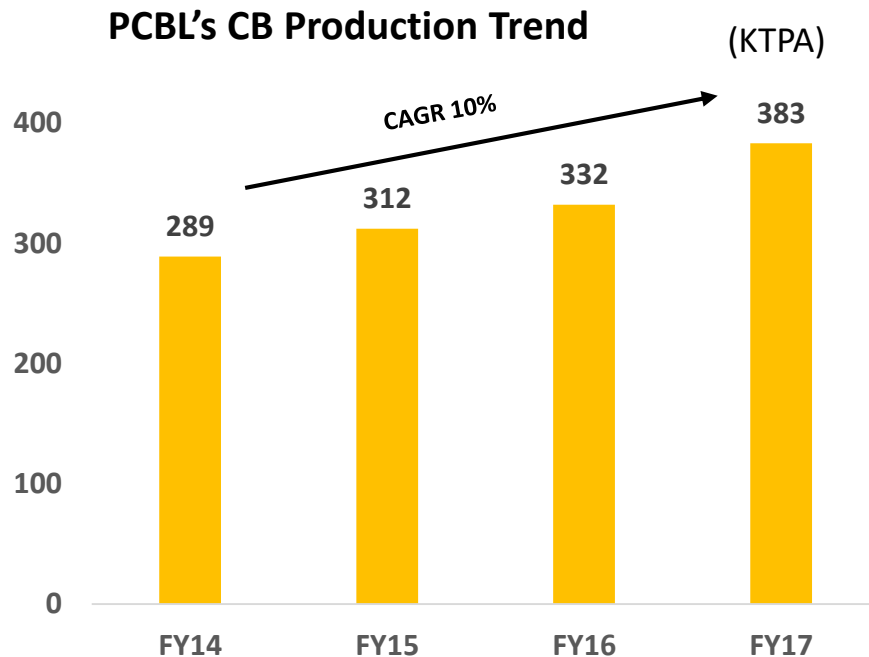
Competitive Raw Material Prices

Widening spread between CBO and CBFS



- Chinese carbon black manufacturers predominantly use CBO as a raw material which is a by product of steel manufacturing process
- CBO prices rallied in 2017, almost tripling since the levels in November 2016
- Electric arc furnace technology steel production to increase while blast furnace technology production to decrease
- Supply of Coal tar is likely to go further down

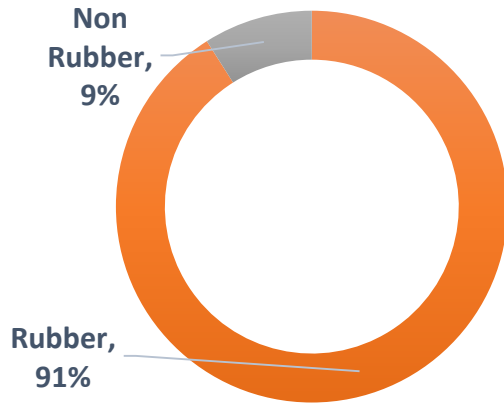
Volume Growth..



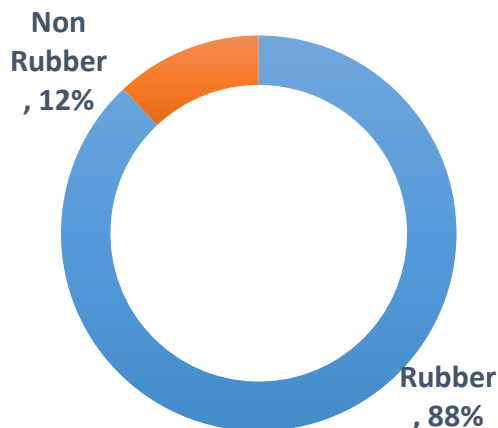
- Additional capacity 30,000 tonnes through debottlenecking in FY18
- Brownfield expansion of 80,000 tonnes with an investment of Rs 300 crs by FY19
- Greenfield expansion of regular carbon black in South India

Increasing focus on Non Rubber application

Sales Volume



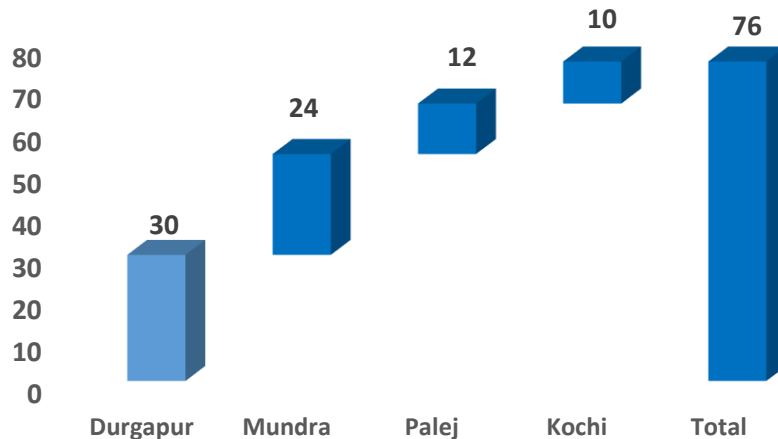
Revenue



- Non Rubber carbon Blacks are higher margin products
- PCBL is India's leading manufacturer of Specialty blacks
- Focus on increasing penetration in Non rubber segment
- Ramping up specialty portfolio to reduce India's dependence on imports
- Moving up value chain to cover more than 90 % of product basket in plastic application (largest market segment)
- Inhouse R&D to develop new grades for ink and paint applications

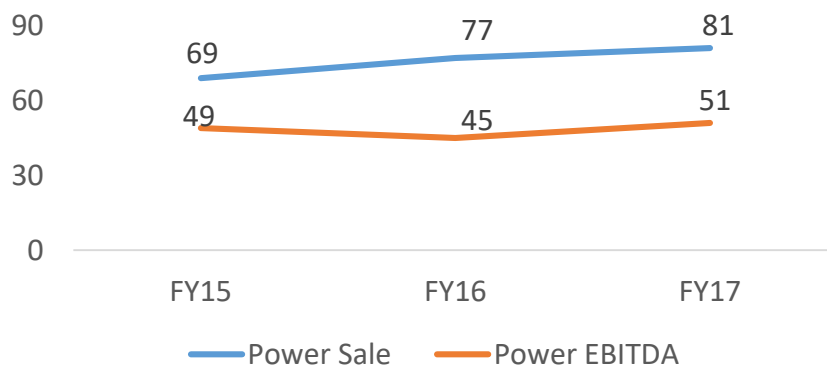
Accelerating Contribution by Power Segment

Power Capacity Across Plants (MW)



	FY15	FY16	FY17
CB Production (MT Lakhs)	3.12	3.32	3.83
Power Generation (MU)	342	372	484
Power Export (MU)	199	225	304

Power Segment Performance (Rs Crs)

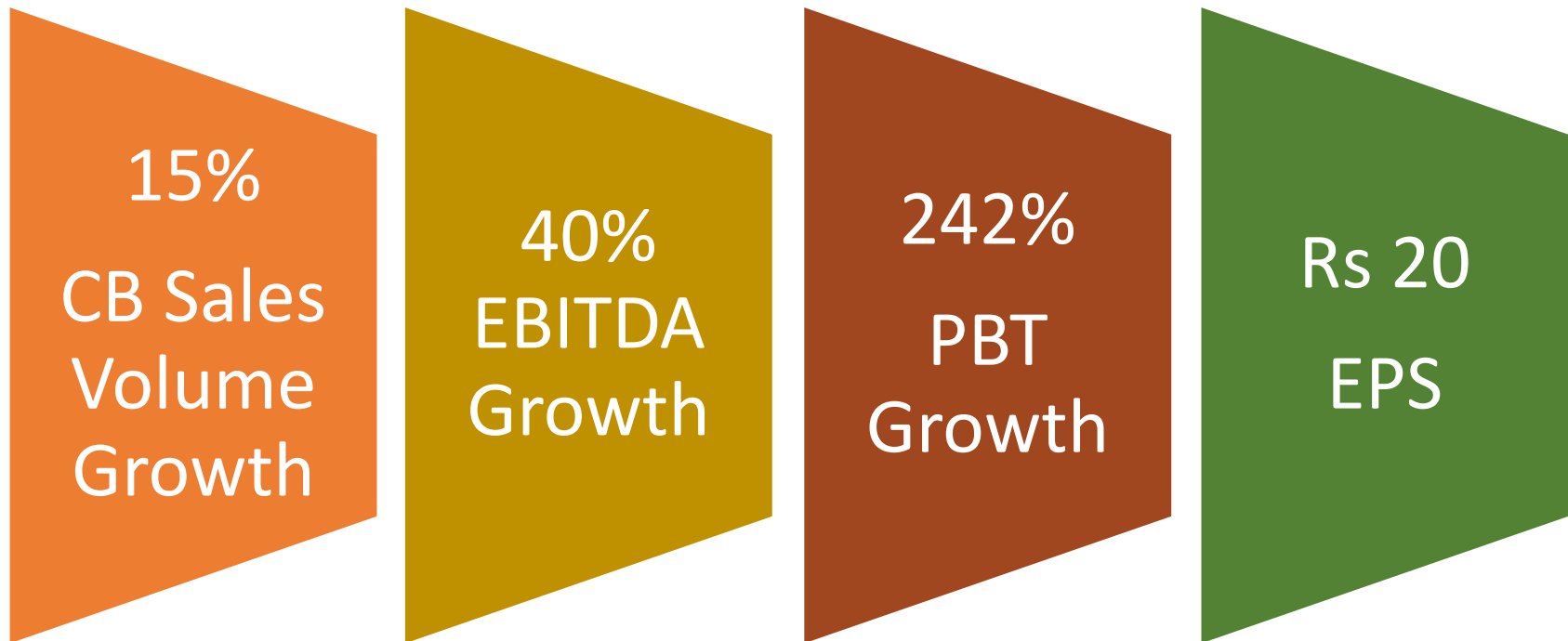


Approximately 35% of power generated is used to meet captive requirement, balance 65% is exported to grid

Increasing efficiency and CB production volume has been driving growth of power revenue

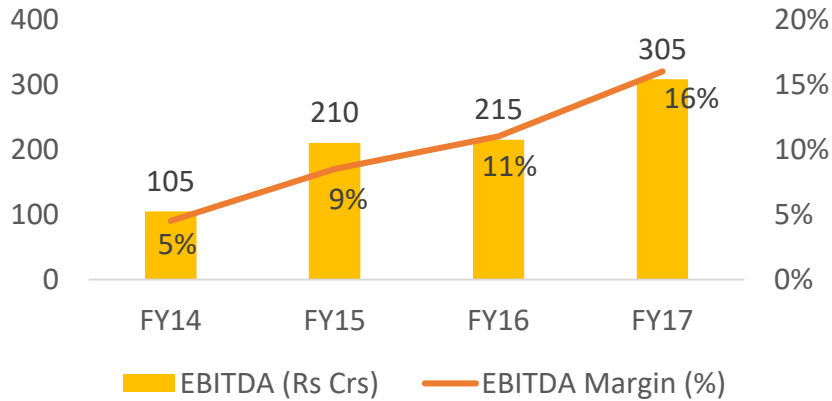
Growth Driven by Sustained Performance....

As per FY17

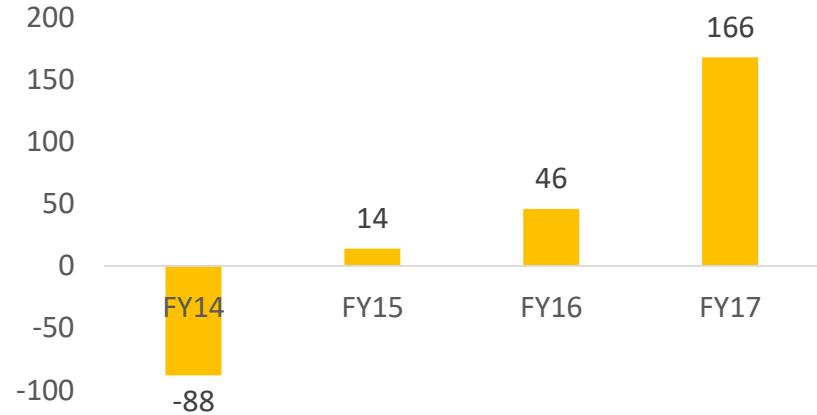


... Resulting from Strong Business Metrics

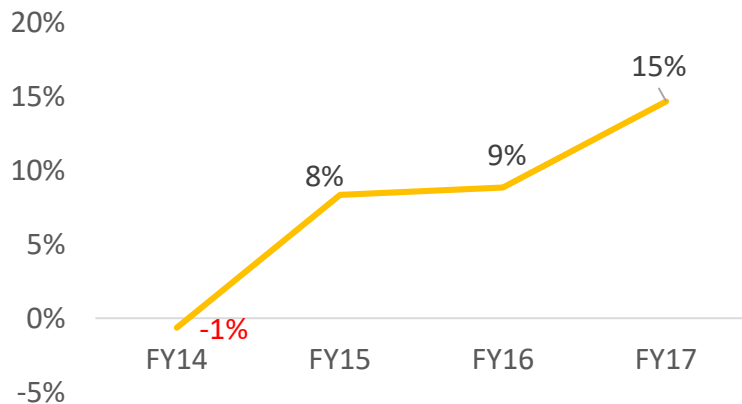
EBITDA and EBITDA margins



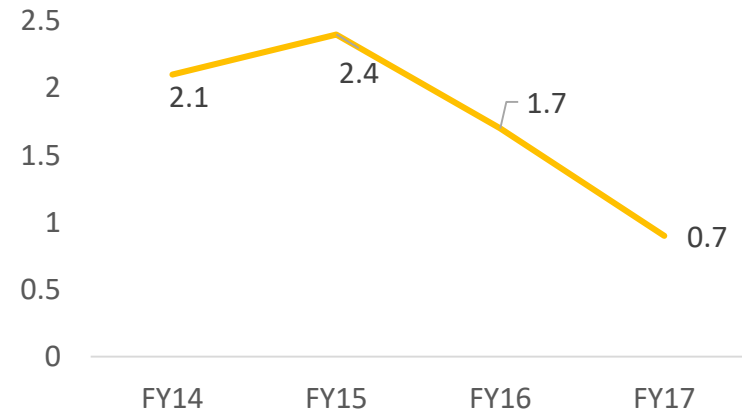
PBT



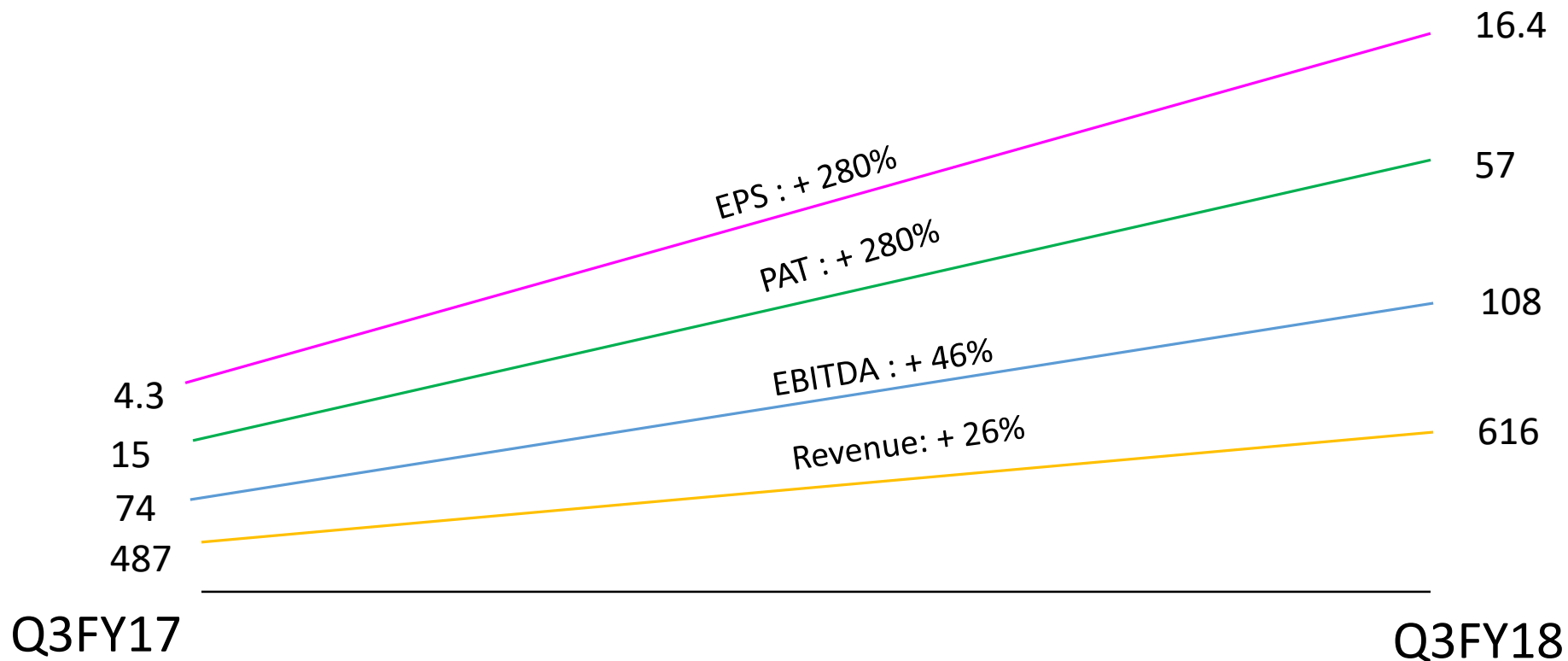
Return on Capital Employed



Net Debt /Equity

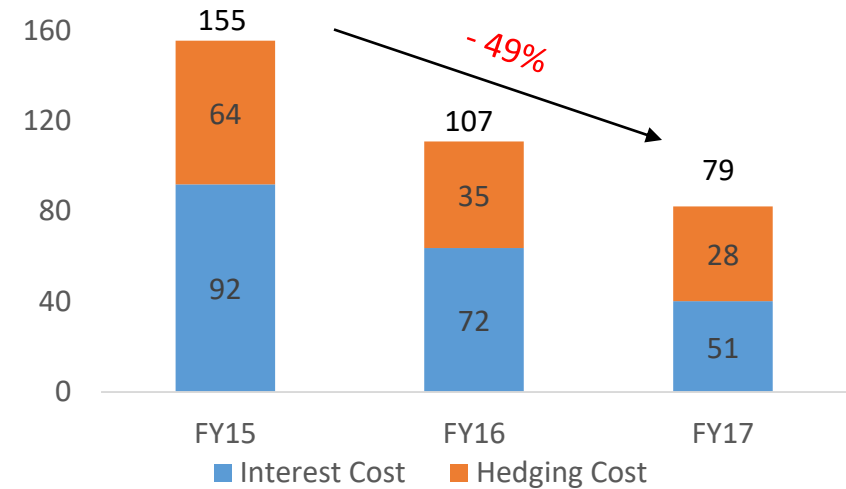
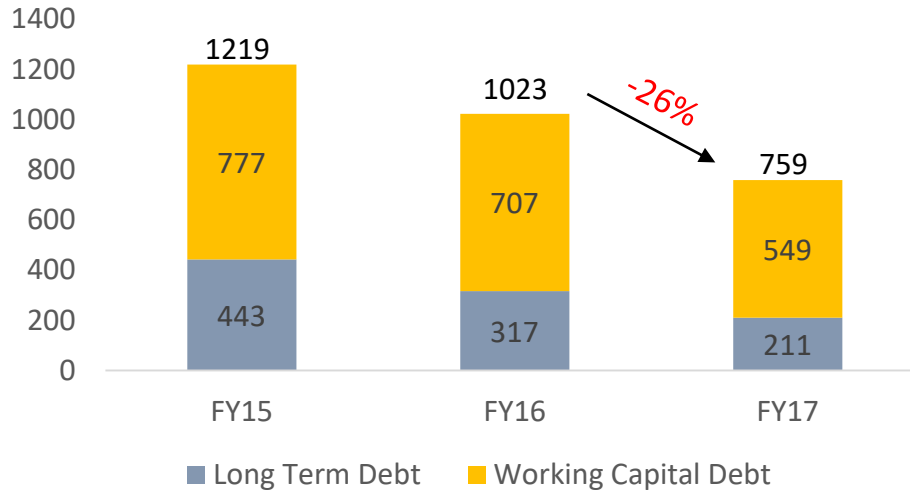


Growth is a Process....



.... We Reinforce it with Endeavour

Borrowing Position



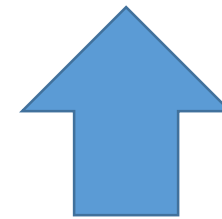
- Reduced leverage with increase in cash flow and improved working capital management

Strong Financial Performance

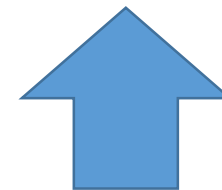
Rs Crs

	FY16	FY17	9MFY18	9MFY17
Total Income	2,132	2,150	1803	1383
Raw material cost	1,291	1,221	1159	886
Other Expenses	624	624	333	287
EBITDA	217	305	311	210
Finance Cost (incl hedging cost)	107	79	50	67
Depreciation	62	60	45	45
PBT	48	166	216	98
Tax Expenses	31	96	61	61
PAT	17	70	155	37

YTD YoY Change

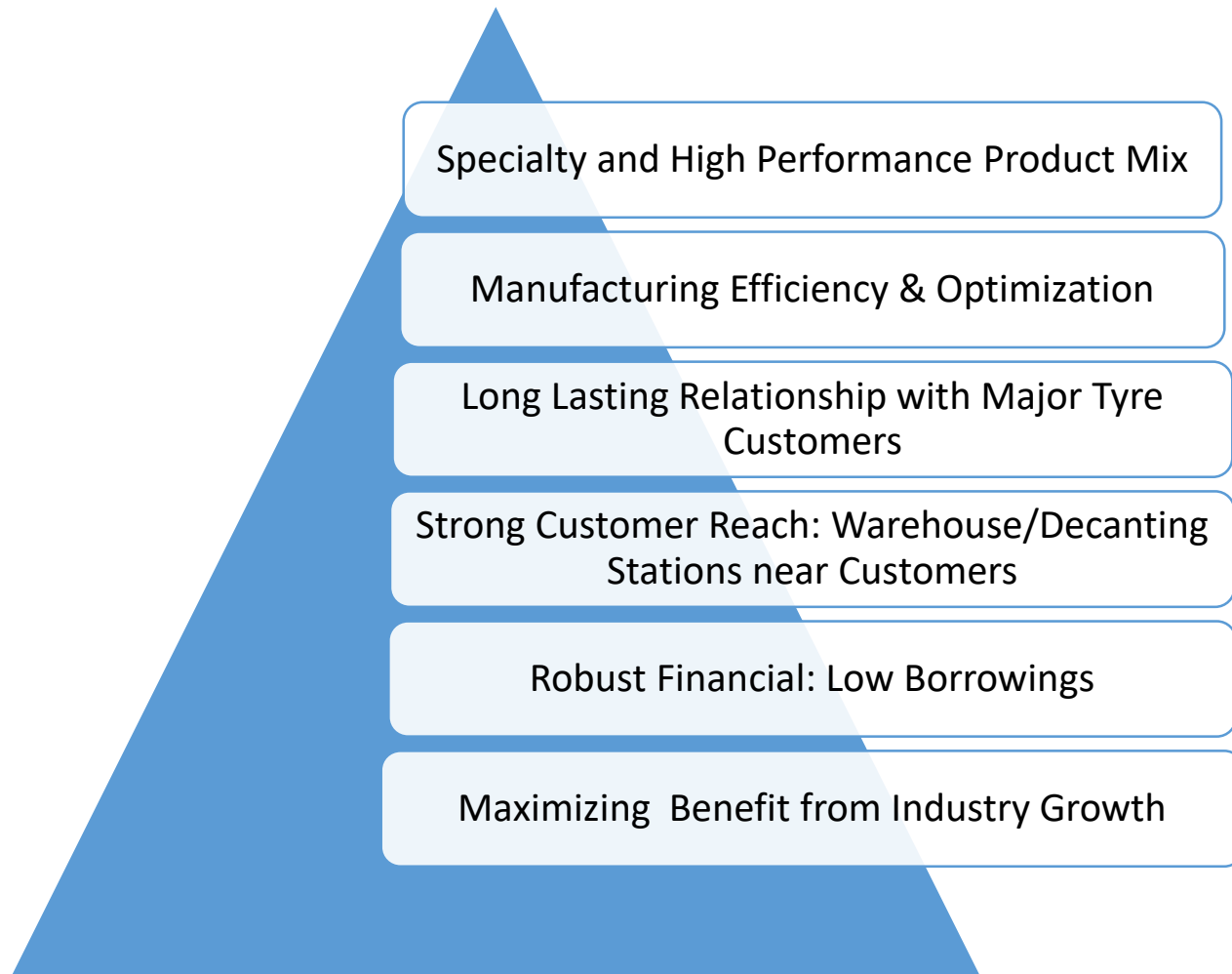


48%
EBITDA Growth



319%
PAT Growth

To Summarise: Factors Building Our Future



Thank You