

25th May, 2017

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

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

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

Dear Sir,

Sub:- Outcome of Board Meeting in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)

Pursuant to Regulation 30 and 33 of the SEBI Listing Regulations, we wish to inform you that the Board of Directors of the Company, at its meeting held today, i.e. 25th May, 2017, has inter alia, approved the following :-

1. Audited Financial Results (Standalone and Consolidated) for the Quarter / Financial Year ended 31st March, 2017 along with the Statement of Assets and Liabilities as at 31st March, 2017 (enclosed herewith marked as “**Annexure – A**”).
2. Auditors’ Report for the Audited Financial Results (Standalone and Consolidated) for the Financial Year ended 31st March, 2017 (enclosed herewith marked as “**Annexure – B**”).
3. Declaration of Unmodified Audit Report pursuant to Regulation 33(3)(d) of the SEBI Listing Regulations (enclosed herewith marked as “**Annexure – C**”).
4. In accordance with the requirements of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 on Auditors’ rotation and Part A of Part A of Schedule III of Regulation 30 of the SEBI Listing Regulations, the current Statutory Auditors, M/S Price Waterhouse (Firm Regn. No. 301112E) shall hold office up to the conclusion of the forthcoming 56th AGM of the Company to be held



in the year 2017. Accordingly, the Board of Directors of the Company on the recommendation of the Audit Committee has appointed M/S S.R Batliboi & Co. LLP (Firm Regn. No. - 301003E/E30005), as the Statutory Auditors for an initial term of 5 years from the conclusion of the forthcoming 56th AGM till the conclusion of the 61st AGM of the Company, subject to the approval of the Members of the Company at the forthcoming AGM.

5. Pursuant to Regulation 30 of the SEBI Listing Regulations, we inform you that the Board of Directors of the Company, on the recommendation of the Audit Committee, at its meeting held on 5th October, 2016, had already intimated to the Stock Exchanges regarding the Scheme of Amalgamation between Phillips Carbon Black Limited ("Transferee Company") and Goodluck Dealcom Private Limited, wholly owned subsidiary of Phillips Carbon Black Limited ("Transferor Company"), subject to satisfaction of various conditions, including obtaining necessary approvals from the shareholders and regulatory authorities and sanction of scheme by the concerned High Courts and / or any other appropriate authority as may be necessary. Accordingly, in addition to the same, the Board of Directors of the Company, vide SEBI Circular No. – CIR/CFD/CMD/16/2015 dated 30th November, 2015, have considered and approved the Postal Ballot formalities to be carried out in accordance with the afore mentioned SEBI Circular.

With regard to the same, the Postal Ballot Notice shall be dispatched shortly and it shall provide for voting by the public shareholders of the Company through postal Ballot and e-voting, in order to take the approval of the shareholders for the said scheme of amalgamation.

The meeting of the Board of Directors commenced at 2:30 P.M. and concluded at 4:45 P.M. Besides, all the afore-mentioned information have also been duly hosted on the Company's website at www.pcblltd.com.

Kindly take the information in records and oblige.

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



K. Mukherjee
Company Secretary and Chief Legal Officer

Enclo: As above

Phillips Carbon Black Limited

Registered Office : 31, Netaji Subhas Road, Kolkata - 700 001. CIN : L23109WB1960PLC024602
Statement of Standalone / Consolidated Financial Results for the Quarter and Year ended 31st March, 2017

(₹ in Crores)

Particulars	Standalone					Consolidated	
	Quarter ended			Year ended		Year ended	
	31.03.2017	31.12.2016	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016
	Unaudited	Unaudited	Unaudited	Audited	Audited	Audited	Audited
Revenue from Operations	605.31	538.60	505.10	2,131.27	2,115.47	2,131.27	2,115.47
Other Operating Income	8.02	4.26	5.50	20.15	14.35	18.64	16.49
Total Income	613.33	542.86	510.60	2,151.42	2,129.82	2,149.91	2,131.96
Expenses							
Cost of materials consumed	347.57	316.39	280.30	1,221.26	1,291.46	1,221.26	1,291.46
Purchases of Stock-in-trade (carbon black feed stock)	-	-	17.48	-	17.48	-	17.48
Changes in inventories of finished goods	3.49	(7.50)	14.29	15.28	35.61	15.28	35.61
Excise duty	55.33	53.13	50.44	204.32	221.38	204.32	221.38
Employee benefits expense	14.22	20.38	13.73	81.64	72.61	81.97	72.79
Finance costs	13.98	11.61	12.48	51.38	71.83	51.45	72.10
Hedging cost and Foreign Exchange Fluctuation (Net)	(0.04)	7.32	11.01	27.43	34.66	27.11	34.54
Depreciation and amortisation expense	15.00	15.26	15.52	60.62	62.15	60.62	62.15
Other expenses	100.44	84.09	79.90	321.14	276.39	323.21	277.05
Total Expenses	549.99	500.68	495.15	1,983.07	2,083.57	1,985.22	2,084.56
Profit before Tax	63.34	42.18	15.45	168.35	46.25	164.69	47.40
Tax expense							
Current Tax	13.62	9.13	4.92	37.11	13.05	37.12	13.18
Deferred Tax	21.58	15.58	7.80	58.43	18.29	59.89	18.31
Total tax expenses	35.20	24.71	12.72	95.54	31.34	97.01	31.49
Profit after tax	28.14	17.47	2.73	72.81	14.91	67.68	15.91
Other Comprehensive Income (OCI)							
Items that will be reclassified to profit or loss (Net of tax) :							
Exchange difference on translation of foreign operations	-	-	-	-	-	(1.70)	1.05
Items that will not be reclassified to profit or loss (Net of tax) :							
Remeasurements of defined benefit plans (net of tax)	(0.99)	(0.19)	0.22	(1.55)	(0.33)	(1.55)	(0.33)
Changes in fair value of Equity Instruments through OCI	0.07	(0.03)	(0.03)	0.09	(0.07)	54.86	(21.98)
Total Other Comprehensive Income (Net of tax)	(0.92)	(0.22)	0.19	(1.46)	(0.40)	51.61	(21.26)
Total Comprehensive Income	27.22	17.25	2.92	71.35	14.51	119.29	(5.35)
Profit attributable to :							
Owner of the equity	-	-	-	-	-	68.28	16.33
Non-controlling interest	-	-	-	-	-	(0.60)	(0.42)
Other Comprehensive Income attributable to :							
Owner of the equity	-	-	-	-	-	51.86	(21.45)
Non-controlling interest	-	-	-	-	-	(0.25)	0.19
Total Comprehensive Income attributable to :							
Owner of the equity	-	-	-	-	-	120.14	(5.13)
Non-controlling interest	-	-	-	-	-	(0.85)	(0.22)
Paid-up Equity Share Capital (Equity Shares of Rs. 10/- each)	34.47	34.47	34.47	34.47	34.47	34.47	34.47
Earning per share (EPS) (Rs.)							
Basic & Diluted (Not annualised)	8.16	5.07	0.80	21.12	4.33	19.64	4.62

Segment Information

Particulars	Standalone					Consolidated	
	Quarter ended			Year ended		Year ended	
	31.03.2017	31.12.2016	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016
	Unaudited	Unaudited	Unaudited	Audited	Audited	Audited	Audited
1. Segment Revenue :							
(a) Carbon Black	581.71	518.70	483.55	2,046.18	2,039.65	2,046.18	2,039.65
(b) Power	38.73	32.54	41.35	141.61	129.19	141.61	129.19
Total	620.44	551.24	524.90	2,187.79	2,168.84	2,187.79	2,168.84
Less : Inter Segment Revenue	15.13	12.64	19.80	56.52	53.37	56.52	53.37
Net Sales / Income from Operations	605.31	538.60	505.10	2,131.27	2,115.47	2,131.27	2,115.47
2. Segment Profit Before Interest and Tax :							
(a) Carbon Black	79.34	46.35	15.29	197.22	96.21	196.82	95.61
(b) Power	26.72	22.24	31.25	96.28	89.44	96.28	89.44
Total	106.06	68.59	46.54	293.50	185.65	293.10	185.05
Less : (i) Interest	13.98	11.61	12.48	51.38	71.83	51.45	72.10
(ii) Other Un-allocable Expenditure net off	28.74	14.80	18.61	73.77	67.57	76.96	65.55
Total Profit Before Tax	63.34	42.18	15.45	168.35	46.25	164.69	47.40
Segment Assets							
Carbon Black	1,874.77	1,819.16	1,910.37	1,874.77	1,910.37	1,909.25	1,948.96
Power	314.76	308.66	328.34	314.76	328.34	314.76	328.34
Unallocated	214.13	434.03	247.13	214.13	247.13	351.00	313.51
Segment Liabilities							
Carbon Black	445.09	389.54	310.50	445.09	310.50	447.03	312.45
Power	6.11	0.76	0.39	6.11	0.39	6.11	0.39
Unallocated	924.01	1,135.03	1,182.59	924.01	1,182.59	986.34	1,226.48



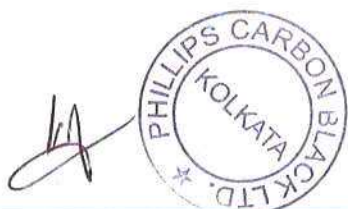
Notes to the Financial Statement

1. Statement of Assets and Liabilities as at 31st March, 2017

(₹ In Crores)

Particulars	Standalone		Consolidated	
	As at	As at	As at	As at
	31.03.2017 (Audited)	31.03.2016 (Audited)	31.03.2017 (Audited)	31.03.2016 (Audited)
ASSETS				
Non-current assets				
Property, Plant and Equipment	1,383.06	1,415.71	1,383.06	1,415.71
Investment Properties	4.48	-	4.48	-
Goodwill	-	-	0.04	0.04
Capital work-in-progress	73.75	73.35	79.58	79.71
Intangible assets	-	0.13	-	0.13
Financial Assets				
(i) Investments	60.80	63.07	195.79	130.05
(ii) Loans	17.91	17.37	13.26	13.14
(iii) Other Financial Assets	-	-	-	-
Deferred tax assets (net)	-	-	0.51	0.58
Other non-current assets	4.45	5.02	32.23	34.78
Total Non-current assets	1,544.45	1,574.65	1,708.95	1,674.14
Current assets				
Inventories	243.52	244.22	243.52	244.22
Financial Assets				
(i) Other Investments	95.03	98.08	95.03	98.08
(ii) Trade receivables	465.65	438.15	465.66	438.15
(iii) Cash and cash equivalents	17.79	48.59	23.23	49.84
(iv) Other bank balances	2.69	2.02	2.69	2.02
(v) Loans	0.51	0.64	0.51	1.94
(vi) Other Financial Assets	-	7.28	0.53	7.70
Current Tax Assets (Net)	-	-	-	-
Other current assets	34.02	72.21	34.89	74.72
Total Current assets	859.21	911.19	866.06	916.67
TOTAL ASSETS	2,403.66	2,485.84	2,575.01	2,590.81
EQUITY AND LIABILITIES				
EQUITY				
Equity Share capital	34.47	34.47	34.47	34.47
Other Equity	993.98	957.89	1,095.23	1,010.35
Non Controlling Interest	1,028.45	992.36	1,129.70	1,044.82
	-	-	5.83	6.67
TOTAL EQUITY	1,028.45	992.36	1,135.53	1,051.49
LIABILITIES				
Non-current liabilities				
Financial Liabilities				
(i) Borrowings	190.16	204.37	190.16	204.37
(ii) Other financial liabilities	-	0.59	-	0.59
Provisions	4.94	4.22	4.94	4.22
Deferred tax liabilities (Net)	205.18	147.96	205.18	147.96
Total Non-current liabilities	400.28	357.14	400.28	357.14
Current liabilities				
Financial Liabilities				
(i) Borrowings	486.87	703.58	548.14	705.35
(ii) Trade payables	413.32	269.33	415.27	271.25
(iii) Other financial liabilities	50.50	146.15	50.59	187.71
Other current liabilities	15.51	13.36	16.46	13.82
Provisions	5.66	3.53	5.66	3.53
Current Tax Liabilities (Net)	3.07	0.39	3.08	0.52
Total Current liabilities	974.93	1,136.34	1,039.20	1,182.18
TOTAL EQUITY AND LIABILITIES	2,403.66	2,485.84	2,575.01	2,590.81

- An interim dividend @ 60% (Rs. 6/- per equity share) for the year ended 31 March 2017 was declared at the meeting of the Board of the Directors of the Company held on March 1, 2017.
- This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning April 1, 2016 the Company has for the first time adopted Ind AS with the transition date of April 1, 2015. The Comparative figures for the quarter and year ended 31 March 2016 have been restated by the management as per Ind AS.
- The above results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 25th May, 2017.
- The figures for the quarter ended 31st March, 2017 and 31st March, 2016 are the balancing figures between audited figures in respect of the full financial year and the published year to-date figures upto the nine month of the relevant financial year.
- Figures of the prior year/periods have been regrouped and/or reclassified wherever considered necessary.



7. Reconciliation of net profit reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS is given below :

Particulars	Quarter ended 31.03.2016	Year ended 31.03.2016	Year ended 31.03.2016
	Standalone	Standalone	Consolidated
Profit after tax as per previous GAAP	6.82	22.86	21.02
Ind AS Adjustments:			
Fair valuation of investments in Mutual funds through Profit and Loss	0.06	0.08	0.08
Loss on sale of equity routed through OCI	-	-	0.01
Fair valuation of investments in other than equity instruments through retained earnings	-	-	2.39
Fair valuation of derivatives	(5.76)	(8.67)	(8.67)
Allowance for expected credit losses on trade receivables	0.18	(0.02)	(0.02)
Borrowing-transaction cost adjustment	(0.20)	(0.92)	(0.92)
Discontinuation of capitalisation of foreign exchange gain on long term non monetary assets	6.31	9.96	9.96
Depreciation impact on above discontinuation of capitalisation	(1.54)	(1.54)	(1.54)
Additional depreciation on revaluation of fixed assets	(2.82)	(5.64)	(5.64)
Remeasurement of profit on sale of fixed assets consequent to revaluation	0.00	(4.07)	(4.07)
Remeasurement of post-employment benefit Obligations	0.18	0.74	0.74
Unwinding of Interest on loan	0.09	0.38	-
Impairment in value of investment in Subsidiary	(1.10)	(1.10)	-
Tax effect of adjustments	0.51	2.85	2.57
Profit after tax as per Ind AS	2.73	14.91	15.91
Other Comprehensive Income	0.19	(0.40)	(21.26)
Total Comprehensive Income as per Ind AS	2.92	14.51	(5.35)

8. Reconciliation of total equity as reported in previous GAAP to Ind AS is as under :

Particulars	Year ended 31.03.2016	Year ended 31.03.2016
	Standalone	Consolidated
Total equity (shareholder's funds) as per previous GAAP	522.77	519.10
Adjustments:		
Fair valuation of investments in equity instruments through OCI	0.37	51.48
Fair valuation of investments in other than equity instruments through Retained earning	-	(7.19)
Fair valuation of investments in Mutual funds through Profit and Loss	0.08	0.08
Fair valuation of investments in subsidiary	(10.92)	-
Fair valuation of derivatives	6.57	6.57
Allowance for expected credit losses on trade receivables	(0.84)	(0.84)
Proposed dividend (including tax on proposed dividend)	10.37	10.37
Borrowing-transaction cost adjustment	1.09	1.09
Discontinuation of capitalisation of foreign exchange gain on long term non monetary assets	9.96	9.96
Depreciation impact on discontinuation of capitalisation	(1.54)	(1.54)
Revaluation of fixed assets	617.65	617.65
Additional depreciation on above revaluation of fixed assets	(5.64)	(5.64)
Remeasurement of profit on sale of fixed assets consequent to above revaluation	(4.07)	(4.07)
Unwinding of Interest on loan	0.38	-
Impairment in value of investment in subsidiary	(1.10)	-
Tax effect of adjustments	(152.77)	(152.20)
Total adjustments	469.59	525.72
Total equity as per Ind AS	992.36	1,044.82

Kolkata
25th May, 2017

 **RP - Sanjiv Goenka
Group**
Growing Legacies


Kaushik Roy
Managing Director
DIN : 06513489



Price Waterhouse

Chartered Accountants

INDEPENDENT AUDITORS' REPORT**TO THE MEMBERS OF PHILLIPS CARBON BLACK LIMITED****Report on the Standalone Indian Accounting Standards Ind AS Financial Statements**

1. We have audited the accompanying standalone Ind AS financial statements of Phillips Carbon Black Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017 the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements to 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 specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. 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 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the

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Price Waterhouse

Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To the Members of Phillips Carbon Black Limited

Report on the Standalone Ind AS Financial Statements

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accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by 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, 2017, and its total comprehensive income (comprising profit and other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated May 13, 2016, and May 6, 2015 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. 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.



Price Waterhouse

Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To the Members of Phillips Carbon Black Limited

Report on the Standalone Ind AS Financial Statements

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- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the 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 Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2017 on its financial position in its standalone Ind AS financial statements – Refer Note 24 to Standalone Ind AS Financial Statements;
 - ii. The Company has long-term contracts and derivative contracts as at March 31, 2017 for which there were no material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017.
 - iv. The Company has provided requisite disclosures in the Standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 37 to the Standalone Ind AS financial statements.

Kolkata
May 25, 2017

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants



Pinaki Chowdhury
Partner
Membership Number 57572

Price Waterhouse

Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To the Members of PHILLIPS CARBON BLACK LIMITED

Report on the Consolidated Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying consolidated Ind AS financial statements of **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"); (refer Note 38 to the attached consolidated Ind AS financial statements), comprising of the consolidated Balance Sheet as at March 31, 2017, 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 a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the consolidated Ind AS Financial Statements").

Management's Responsibility for the consolidated Ind AS Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and consolidated changes in equity of the Group in accordance with accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. 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 the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report.
4. We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.



Price Waterhouse, Plot No. Y 14, Block EP, Sector V, Salt Lake Electronic Complex, Bidhan Nagar, Kolkata - 700 091

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Chartered Accountants

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To the Members of PHILLIPS CARBON BLACK LIMITED

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5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.
6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 8 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by 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, 2017, and their consolidated total comprehensive income (comprising of consolidated profit and consolidated other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Other Matter

8. We did not audit the financial statements/financial information of two subsidiaries whose financial statements/ financial information reflect total assets of Rs 23,609.97 Lakhs and net assets of Rs 16,565.19 Lakhs as at March 31, 2017, total revenue of Rs. 818.46 Lakhs, net loss of Rs 704.90 Lakhs and net cash flows amounting to Rs 418.78 Lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated Ind AS 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-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated Ind AS 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.

9. The comparative financial information of the Group for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these consolidated Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an



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unmodified opinion dated May 13, 2016 and May 6, 2015 respectively. The adjustments to those consolidated financial statements for the differences in accounting principles adopted by the Group on transition to the Ind AS have been audited by us and other auditors (for the financial statements / financial information of two subsidiaries as considered in the consolidated Ind AS financial statements).

Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

10. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated Ind AS financial statements.
- (b) In our opinion, proper books of account as required by law maintained by the Holding Company, its subsidiary included in the Group, incorporated in India, including relevant records relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company, its subsidiary included in the Group, incorporated in India including relevant records relating to the preparation of the consolidated Ind AS financial statements.
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company included in the Group, incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on March 31, 2017 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 over financial reporting of the Holding Company and its subsidiary included in the Group, incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:



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Chartered Accountants

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- i. The consolidated Ind AS financial statements disclose the impact, if any, of pending litigations as at March 31, 2017 on the consolidated financial position of the Group – Refer Note 24 to the consolidated Ind AS financial statements.
- ii. The Group has long-term contracts and derivative contracts as at March 31, 2017 for which there were no material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2017. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company's subsidiary included in the Group, incorporated in India during the year ended March 31, 2017.
- iv. The Group has provided requisite disclosures in the consolidated Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with books of account maintained by the Holding Company, and its subsidiary included in the Group, incorporated in India and as produced to us by the Management – Refer Note 37 to the consolidated Ind AS financial statements.

Kolkata
May 25, 2017

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants



Pinaki Chowdhury
Partner
Membership Number 57572



25th May, 2017

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

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

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

Dear Sir,

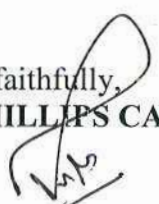
Sub:- Declaration pursuant to Regulation 33(3)(d) of the SEBI Listing Regulations

I, Raj Kumar Gupta, Chief Financial Officer (CFO) of Phillips Carbon Black Limited (CIN : L23109WB1960PLC024602) having its Registered Office at 31, Netaji Subhas Road, Kolkata – 700001 hereby declare that, the Statutory Auditors of the Company, M/S PriceWaterhouse (Firm Regn. No. - 301112E), have issued an Audit Report with unmodified opinion on the Audited Financial Results of the Company (Standalone and Consolidated) for the Financial Year ended 31st March, 2017.

This declaration is given in compliance to Regulation 33(3)(d) of the SEBI Listing Regulations, as amended by SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2016 vide its Notification No. – SEBI/LAD-NRO/GN/2016-17/001 dated 25th May, 2016 and SEBI Circular No. – CIR/CFD/CMD/56/2016 dated 27th May, 2016.

Kindly take this declaration on your records.

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


Raj Kumar Gupta
Chief Financial Officer