



PHILLIPS CARBON BLACK LIMITED

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SH/SECT/KM

The Secretary,
National Stock Exchange of India Ltd,
Exchange Plaza,
Bandra Kurla Complex,
Bandra East
Mumbai – 400 051.

31.01.2011

Dear Sir,

Sub: Press Release

Please find enclosed herewith a copy of Press Release on the outcome of Board Meeting held today.

This is for your information and record.

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


K. Mukherjee
(Company Secretary)

Encl: as above.

Phillips Carbon's first overseas plant at Vietnam Construction to begin in March

January 31, 2011

- ❖ **Phillips Carbon records Q3 sales growth of 24.5% compared to same period last year.**
- ❖ **Q3 Operating Profit up by 22.5% compared to same period last year and 24% over last quarter.**

Sanjiv Goenka-led RPG Company, Phillips Carbon Black Limited (PCBL), currently celebrating its Golden Jubilee, was the largest producer of carbon black in India during the quarter-ending December 2010 with total installed capacity of 360,000 MT and co-generation power capacity of 60.5 MW. PCBL's current ranking is 8th globally. Spread over four strategic locations in India, the manufacturing plants are located at Durgapur (West Bengal), Mundra, Palej (Gujarat) and Cochin (Kerala). During FY'10, PCBL commissioned at Mundra its 90,000 MT carbon black facility, along with 16 MW CPP. In a highly competitive world scenario, the Company continues to be the second fastest growing carbon black company in the world.

Net sales during the 3rd Quarter rose to ₹ 432 crore, against ₹ 347 crore in the same period last year. In value terms, this translates into growth of 24.5%. This has been possible due to commissioning of the new carbon black plant at Mundra and setting up of co-generation capacity of 16 MW at the same location.

PCBL now is ready to further expand its carbon black capacity at Mundra (Gujarat) by adding another 50,000 MT plant for which MOEF environmental clearance has been received. The Company will also expand CPP capacity by 8 MW at Mundra, which is expected to be commissioned during next financial year. For the 10 MW CPP at Cochin, construction activity is in full swing and the project is expected to be ready by end March 2011. Upon completion of these projects, PCBL's total carbon black manufacturing capacity will rise to 410,000 MT and power generation capacity to 76 MW.

For its first overseas carbon black manufacturing project, PCBL has entered into a Joint Venture agreement in Vietnam to set up in the first phase a 55000 MT plant, along with 12 MW CPP. Total investment for this project in the first phase is estimated at US\$ 63 million. PCBL's shareholding in the JV is 80% and the remaining shares will be held by three tyre companies, which are majority-controlled by Vietnam Government. Vietnam is the world's 4th largest rubber producer and has become an attractive location for tyre manufacturers. Land acquisition and all necessary approvals, including license for construction, having been recently completed, work at the site (BA RIA VUNG TAU Province, Vietnam) is scheduled to start within a few weeks, in March. Technology for the project is being provided by PCBL, India.

PCBL

VIETNAM PROJECT PROFILE

Product	Carbon Black	
Location	BA RIA VUNG TAU Province, Vietnam.	
Technology provider	Phillips Carbon Black Ltd (PCBL), India	
Joint Venture Partners	PCBL Netherlands Holdings B.V The Southern Rubber Industry Joint Stock Co. (CASUMINA) SAO VANG Rubber Joint Stock Co.(SRC) DANANG Rubber Joint Stock Co. (DRC)	
Shareholding	PCBL Netherlands Holdings B.V - 80%, CASUMINA - 8%, SRC - 7% and DRC - 5%	
Debt – Equity	2 : 1	
	Phase-I	Phase-II (incremental)
Capacity - CB (MT)	55,000	60,000
- CPP(MW)	12	6
Investment (\$ mln)	63	21
Commissioning	2012	2013
Project Construction	To start in Q4 FY 11.	
