



RP-Sanjiv Goenka  
Group  
Growing Legacies

Annexure - 7

61

Phillips Carbon Black Limited

### Audited Financials of Transferee Company, Phillips Carbon Black Limited

The financial details of the transferee/resulting and transferor/demerged company for the previous 3 years as per the Audited Statement of Accounts:

Name of the Company: Phillips Carbon Black Limited

(Rs. in Crores)

	Unaudited 3 months period ended ( as per IND AS)	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
	30.06.2016	2015-16	2014-15	2013-14
Equity Paid up Capital	34.47	34.47	34.47	34.47
Reserves and surplus	922.95	488.30	475.81	468.04
Carry forward losses	-	-	-	-
<b>Net Worth</b>	<b>957.42</b>	<b>522.77</b>	<b>510.28</b>	<b>502.51</b>
Miscellaneous Expenditure	-	-	-	-
Secured Loans	846.01	812.68	900.63	825.91
Unsecured Loans	231.79	208.79	319.11	260.71
Fixed Assets	1489.37	872.83	893.92	924.97
Income from Operations	478.22	1894.72	2470.19	2277.46
Total Income	481.73	1912.67	2484.61	2297.98
Total Expenditure	453.10	1855.63	2470.28	2385.88
Profit before Tax	28.63	57.04	14.33	(87.91)
Profit after Tax	12.02	22.86	12.64	(86.60)
Cash profit	27.12	77.83	70.18	(32.86)
EPS	3.49	6.63	3.67	(25.12)
Book value	277.77	151.20	147.58	145.33

Yours faithfully,  
For Phillips Carbon Black Limited  
PHILLIPS CARBON BLACK LTD.

Company Secretary & Chief Legal Officer  
K. Mukherjee  
Company Secretary and Chief Legal Officer

# Price Waterhouse

Chartered Accountants

The Board of Directors  
Phillips Carbon Black Limited  
Duncan House  
31, Netaji Subhas Road  
Kolkata-700001

1. We have reviewed the unaudited financial results of Phillips Carbon Black Limited (the "Company") for the quarter ended June 30, 2016 which are included in the accompanying "Statement of Standalone Unaudited Financial results for the Quarter ended on 30<sup>th</sup> June 2016" together with the notes thereon (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes. The Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Further, the Management is also responsible to ensure that the accounting policies used in preparation of this Statement are consistent with those used in the preparation of the Company's opening unaudited Balance Sheet as at April 1, 2015 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. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.
3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with Ind AS and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to the following matters:
  - a. Note 2 to the Statement which states that the Company has adopted Ind AS for the financial year commencing from April 1, 2016, and accordingly, the Statement has been prepared by the Company's Management in compliance with Ind AS.

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PHILLIPS CARBON BLACK LTD.

SECRETARY



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**Price Waterhouse**

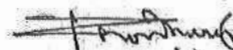
Chartered Accountants

- b. We were neither engaged to review, nor have we reviewed the comparative figures including the reconciliation to the Total Comprehensive Income for the quarter ended on June 30, 2015 and accordingly, we do not express any conclusion on the results in the Statement for the quarter ended June 30, 2015. As set out in note 5 to the Statement, these figures have been furnished by the Management.

Our conclusion is not qualified in respect of these matters.

Kolkata  
August 17, 2016

For Price Waterhouse  
Firm Registration Number: 301112E  
Chartered Accountants



Pinaki Chowdhury  
Partner  
Membership Number 303645

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# Phillips Carbon Black Limited

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

Statement of Standalone Unaudited Financial Results for the Quarter ended 30th June, 2016

(₹ Crores)

Sr. No.	Particulars	Quarter ended 30.06.2016 (Unaudited)	Quarter ended 30.06.2015 (Not subjected to review/audit)
1	Income from operations		
	(a) Net Sales/Income from Operations	477.80	532.87
	(b) Other Operating Income	0.42	0.66
	Total Income from Operations (net)	478.22	533.53
2	Expenses		
	(a) Cost of Materials Consumed	261.82	322.95
	(b) Changes in inventories of finished goods	21.27	33.67
	(c) Employee benefits expense	19.47	17.87
	(d) Hedging cost and Foreign Exchange Fluctuation (net)	11.15	2.97
	(e) Selling Expenditure	17.47	17.65
	(f) Depreciation and amortisation expense	15.10	15.43
	(g) Excise Duty	47.63	52.83
	(h) Other Expenses	46.40	42.57
	Total expenses	440.31	505.94
	Profit from operations before Other Income and Finance Costs (1-2)	37.91	27.59
3	Costs (1-2)		
4	Other Income	3.52	2.50
		41.43	30.09
5	Profit from ordinary activities before Finance Costs (3+4)		
6	Finance costs	12.80	23.88
7	Profit from ordinary activities before Tax (5-6)	28.63	6.21
8	Tax expenses	16.61	3.22
9	Net Profit for the period (7-8)	12.02	2.99
10	Other comprehensive income, net of income tax		
	A. Items that will not be reclassified to profit or loss	0.16	0.26
	B. Items that will be reclassified to profit or loss	-	-
	Total other comprehensive income, net of income tax	0.16	0.26
11	Total comprehensive income for the period (9 + 10)	11.86	2.73
12	Paid-up Equity Share Capital (Face Value of Rs. 10/- each)	34.47	34.47
13	Earning per share (of Rs. 10/- each) (Basic & Diluted) (not annualised) (Rs.)	3.49	0.87

Particulars	Quarter ended 30.06.2016 (Unaudited)	Quarter ended 30.06.2015 (Not subjected to review/audit)
1. Segment Revenue :		
(a) Carbon Black	455.88	513.43
(b) Power	34.85	32.96
Total	490.73	546.39
Less : Inter Segment Revenue	12.51	12.86
Net Sales / Income from Operations	478.22	533.53
2. Segment Profit Before Interest and Tax :		
(a) Carbon Black	29.57	20.74
(b) Power	24.46	23.50
Total	54.03	44.24
Less : (i) Interest (Including other Finance Costs)	12.80	23.88
(ii) Other Un-allocable Expenditure net off Un-allocable Income	12.60	14.15
Total Profit Before Tax	28.63	6.21
3. Segment Capital Employed :		
(a) Carbon Black	1,569.33	1,749.27
(b) Power	327.52	336.30

*[Signature]*

PHILLIPS CARBON BLACK LTD.





**Notes to the financial results:**


1. This statement has been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on August 17, 2016. The Auditors of the Company have carried out a Limited Review of the above financial results for the quarter ended 30th June, 2016 in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. 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 a transition date of April 1, 2015.
3. The format for un-audited quarterly results as prescribed in SEBI's Circular CIR/CFD/CMD/15/2015 dated November 30, 2015 has been modified to comply with requirements of SEBI's circular dated July 5, 2016, Ind AS and Schedule III (Division II) to the Companies Act, 2013 applicable to companies that are required to comply with Ind AS.
4. The statement does not include Ind AS compliant results for the preceding quarter and previous year ended 31 March 2016 as the same is not mandatory as per SEBI's circular dated 5 July 2016.
5. The Ind AS compliant corresponding figures in the previous year have not been subjected to review/audit. However, the Company's management has exercised necessary due diligence to ensure that such financial results provide a true and fair view of its affairs.
6. The reconciliation of net profit reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS is given below:

Description	(₹ Crores)	
	Quarter ended June 30, 2015	Not subjected to review/audit
Net profit as per Indian GAAP	2.36	
Gain on measuring Investments in Mutual Funds at Fair value	0.01	
Applicable Impact (net) of measuring Derivative instruments at fair value	3.07	
Impact consequent to discontinuation of capitalisation of foreign exchange gain/loss on Long Term non monetary assets	(1.18)	
Increase in borrowing cost pursuant to application of effective interest method	(0.23)	
Reclassification of net actuarial loss on employee defined benefit plans to Other Comprehensive Income	0.18	
Additional Depreciation on account of revaluation of fixed assets as on April 1, 2015	(0.89)	
Deferred Tax adjustments	(0.23)	
Provision for expected credit losses on Trade Receivables	(0.20)	
Unwinding of Interest on loan to subsidiary	0.10	
Net profit as per Ind AS	2.99	
Other comprehensive income, net of income tax	(0.26)	
Total comprehensive income for the period	2.73	

Kolkata  
17th August, 2016

 **RP Sanjiv Goenka Group**  
Managing Director

By Order of the Board

  
Kaushik Roy  
Managing Director  
DIN: 06513469



  
PHILLIPS CARBON BLACK LTD.

SECRETARY