



## Phillips Carbon Black Limited

CIN: L23109WB1960PLC024602

Regd. Office: Duncan House, 3rd Floor, 31, Netaji Subhas Road, Kolkata - 700 001

Tel: (033)-6625-1000/1500/1461-64; Fax: 033-2248-0140

E-mail: [pcbl@rp-sg.in](mailto:pcbl@rp-sg.in); Website: [www.pcbltd.com](http://www.pcbltd.com)

### ANNUAL GENERAL MEETING NOTICE TO THE SHAREHOLDERS OF THE COMPANY

Notice is hereby given that the Fifty-sixth Annual General Meeting of the Members of Phillips Carbon Black Limited will be held at Dr. R P Goenka Auditorium, International Management Institute, Kolkata, 2/4C Judges Court Road, Alipore, Kolkata - 700027, on Thursday, the 21st day of September, 2017 at 10:30 A.M. to transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2017 including Consolidated Audited Financial Statements for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To confirm the payment of Interim Dividend @ 60% (i.e. Rs. 6/- per equity share) already paid for the year ended 31st March, 2017.
3. 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.
4. To appoint auditors of the company to hold office from the conclusion of the forthcoming Annual General Meeting until the conclusion of the Sixty-First (61st) 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:

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to the recommendation made by the Audit Committee of the Board of Directors of the Company, M/s. S. R. Batliboi & Co. LLP, Chartered Accountants, having Registration No 301003E/E300005 allotted by The Institute of Chartered Accountants of India (ICAI), be and is hereby appointed as the Statutory Auditors of the Company, in place of M/s. Price Waterhouse, Chartered Accountants, having registration No. 301112E allotted by ICAI, the retiring Statutory Auditors, to hold office for a term of five consecutive years from the conclusion of this Annual General Meeting till the conclusion of the sixty first Annual General Meeting of the Company to be held in the year 2022, subject to

ratification of their appointment by the Members at every Annual General Meeting till the sixty first Annual General Meeting, and the said Auditors be paid such remuneration as may be decided by the Audit Committee of the Board of Directors of the Company.”

#### SPECIAL BUSINESS:

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

##### 5. (As a Special Resolution)

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 198, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and such other necessary approval(s), consent(s) or permission(s), if necessary, the Company hereby approves the variation in terms of remuneration of Mr. Kaushik Roy, Managing Director of the Company from 1st July, 2016 as set out in the Explanatory Statement attached to this Notice.”

##### 6. (As an Ordinary Resolution)

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the consent of the Company be and is hereby accorded for the ratification of appointment of M/s. Shome & Banerjee, Cost Accountants, the Cost Auditors appointed by the Board of Directors of the Company (“the Board”) for the Financial Year ending 31st March, 2018, with a remuneration of Rs. 4,50,000/- (Rupees Four Lacs Fifty Thousand only).

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 this Resolution.”

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

10th August, 2017

By Order of the Board

**Kaushik Mukherjee**  
Company Secretary

## NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out material facts relating to Special Business to be transacted at the Annual General Meeting is annexed hereto.

2. **A Member entitled to attend and vote at the meeting is entitled to appoint a Proxy/Proxies to attend and vote on a poll instead of himself/herself. Such a proxy/proxies need not be a member of the Company.**

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. A Proxy Form is annexed to this Notice. Proxies submitted on behalf of the companies, societies etc., must be supported by appropriate resolutions / authorities, as applicable.

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. 27.

Members attending the meeting, who have not cast their vote by remote e-voting, shall be able to exercise their right to vote at the meeting through ballot papers.

4. The Register of Members and Share Transfer Books of the Company shall remain closed from the 15th day of September, 2017 to the 21st day of September, 2017 (both days inclusive).

5. An interim dividend @ 60% (i.e. Rs. 6/- per equity share) was declared at the meeting of the Board of Directors of the Company held on 1st March, 2017 to those members whose names appeared on the Company's Register of Members, or appeared as beneficial owners at the close of business on 13th March, 2017 ('Record Date') and the same was paid on and from 17th March, 2017.

6. In terms of the provisions of the Companies Act, 2013, the Company proposes to appoint Messrs. S. R. Batliboi & Co. LLP, Chartered Accountants, as new Auditors of the Company for a period of five years from the conclusion of the forthcoming Annual General Meeting, in place of Messrs. Price Waterhouse, Chartered Accountants, the retiring Statutory Auditors of the Company.

7. Members, Proxies and Authorised Representatives are requested to bring their attendance slips enclosed herewith, duly completed and signed, mentioning therein the details of their DP ID and Client ID / Folio No. to the venue of the

AGM. Duplicate attendance slips or copies of the Report and Accounts will not be made available at the venue of the AGM.

8. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend as and when declared. The Company or its Registrar and Share Transfer Agent, M/s. Link Intime India Private Limited, cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participants of the Members.

9. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their Bank Details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc. to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited, to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Company's Registrar and Share Transfer Agent.

In case the mailing address mentioned on the Attendance Slip is without the PINCODE, Members are requested to kindly inform the PINCODE immediately.

10. The Company has transferred all unclaimed or unpaid Dividend declared upto the Financial Year ended 31st March, 2008 to the Investor Education and Protection Fund (IEPF) of the Central Government pursuant to Section 125(1) of the Companies Act, 2013.

11. No Dividend has been declared for the Financial year ended 31st March, 2009. Dividend for the Financial Year ended 31st March, 2010 and thereafter, which remains unclaimed or unpaid for a period of seven consecutive years will be transferred to the IEPF under Section 124(5) of the Companies Act, 2013. Members who have not encashed the dividend warrant(s), so far for the financial year ended 31st March, 2010 or any subsequent financial years, are requested to submit their claims to the Registrar and Share Transfer Agent of the Company, viz. Link Intime Pvt. Ltd or the Secretarial Department at the Registered Office of the Company. It may also be noted that once the unclaimed dividend is transferred to IEPF as stated no further claim shall be entertained by the Company in respect thereof. The dividend for the Financial Year ended 31st March, 2010 is due to be transferred to the aforesaid Fund immediately after 29th August, 2017.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with the Companies) Rules, 2012, the Company has uploaded the information in respect

- of the Unclaimed Dividends in respect of the financial years starting from 2003-2005 on the website of IEPF viz. [www.iepf.gov.in](http://www.iepf.gov.in) and under "Investors Relations" section on the website of the Company viz. [www.pcblltd.com](http://www.pcblltd.com).
12. The Ministry of Corporate Affairs (MCA) had notified the IEPF Rules, 2016 with effect from 7th September, 2016. Further MCA had notified the IEPF Rules, 2017 with effect from 28th February, 2017. Pursuant to Section 124(6) of the IEPF Rules, 2016, all the shares in respect of which dividend have remained unpaid / unclaimed for seven consecutive years are required to be transferred to the demat account of the IEPF Authority. However, the first proviso of Section 124(6) of the IEPF Rules, 2016 states that in case the beneficial owner has encashed any dividend warrant during the last seven years, such shares shall not be required to be transferred to the Fund even though some dividend warrants may not have been encashed.
  13. Members can avail the nomination facility, under Section 72 of the Companies Act, 2013 by submitting Form No. SH.13 as per Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 with the Company. Blank forms will be made available on request.
  14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar and Share Transfer Agent/ Secretarial Department of the Company. SEBI has also mandated that for registration of transfer of securities, the transferee(s) as well as the transferor(s) shall furnish a copy of their PAN Card to the Company for registration of transfer of securities.
  15. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or Company's Registrar and Share Transfer Agent - Link Intime India Private Limited for the same.
  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 holding in one folio. A Consolidated share certificate will be returned to such members after making requisite changes thereon.
  17. In case of Joint holders attending the Meeting, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote .
  18. Non-resident Indian Members are requested to inform Company's Registrar and Share Transfer Agent, Link Intime India Private Limited, 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.
  19. 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 Registrar and Share Transfer Agent/Depositories for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.
  20. The route map showing directions to reach the venue of the Fifty Sixth (56th) AGM is annexed hereto.
  21. Electronic copy of the Notice of the 56th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip, Proxy Form and Route Map is being also sent to all the Members whose email IDs are registered with the Company's Registrar and Share Transfer Agent/Depository Participants for communication purposes. For Members who have not registered their email address, physical copies of the Notice of the 56th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip, Proxy Form and Route Map is being sent in the permitted mode.
  22. Electronic copy of the Annual Report for Financial Year 2016-2017 is being sent to all Members whose email IDs are registered with the Company's Registrar and Share Transfer Agent/Depository Participants for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their email address, physical copies of the Annual Report for Financial Year 2016-2017 is being sent in the permitted mode.
  23. Members may also note that the Notice of the 56th Annual General Meeting, Attendance Slip, Proxy Form and Route Map will be available on the Company's website at [www.pcblltd.com](http://www.pcblltd.com) and also on the website of NSDL at <https://www.evoting.nsdl.com> for their download. The Annual Report for Financial Year 2016-2017 will be available on the Company's website [www.pcblltd.com](http://www.pcblltd.com) for their download. The physical copies of the aforesaid documents will also be available at the Secretarial Department of the Company's Registered Office in Kolkata for inspection during normal business hours (10.00 am to 6.00 pm) on all working days, up to the date of Annual General Meeting and shall also be available at the venue of the Annual General Meeting of the Company. Even after registering for e-communication, members are entitled to receive such communication in physical form, by post free of cost, upon making a request for the same. For any communication, the shareholders may also send requests to the Company's investor email id - [pcbl.investor@rp-sg.in](mailto:pcbl.investor@rp-sg.in).
  24. 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 advised not to leave their demat account(s) dormant for long. Periodic Statement of holdings should be obtained from the concerned Depository Participant and holding should be verified.

25. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting at least 3 days before the AGM.

26. Details as required in sub-regulation (3) of Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with the Stock Exchanges in respect of the Director seeking re-appointment at the Annual General Meeting, forms an integral part of the Notice. The Director has furnished the requisite declaration for his re-appointment.

## 27. Voting through electronic means

I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide its Members, facility to exercise their right to vote on Resolutions proposed to be considered at the 56th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the AGM ("Remote e-Voting") will be provided by National Securities Depository Limited (NSDL).

II. Members of the company, instead of casting their votes by the aforesaid "Remote E-voting" may cast their votes at the venue of the Annual General Meeting through physical ballot papers, which shall be made available at the venue of the AGM and only such Members attending the meeting, who have not cast their vote by remote e-voting, shall be able to exercise their right to vote at the Meeting through ballot papers.

III. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM, but shall not be entitled to cast their votes again.

IV. The remote e-voting period commences on 18th September, 2017 (9:00 am IST) and ends on 20th September, 2017 (5:00 pm IST). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 14th September, 2017, may cast their vote by remote e-voting. The remote e-voting module shall

be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

V. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.

VI. The process and manner for remote e-voting are as under:

### A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Registrar and Share Transfer Agent/ Depository Participants(s)] :

(i) Open the email and the PDF file viz; "PCBL remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for remote e-voting. Please note that the password is an initial password.

(ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>.

(iii) Click on Shareholder - Login

(iv) Put user ID and password as initial password noted in step (i) above. Click on Login.

(v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(vi) Home page of e-voting opens. Click on remote e-voting: Active E-voting Cycles.

(vii) Select "EVEN"( Electronic Voting Event Number) of "Phillips Carbon Black Limited".

(viii) Now you are ready for remote e-voting as Cast Vote page opens.

(ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

(x) Upon confirmation, the message "Vote cast successfully" will be displayed.

(xi) Once you have voted on the resolution, you will not be allowed to modify your vote.

(xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authorization letter etc. together with attested specimen signature of the duly authorized signatory(ies) who is/are authorized to vote, to the Scrutinizer through e-mail to [pcbl.scrutinizer@gmail.com](mailto:pcbl.scrutinizer@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

### B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company / Company's Registrar and Share Transfer Agent / Depository Participants(s) or requesting physical copy]:



- (i) Initial password is provided at the bottom of the Attendance Slip for the AGM in the following manner:

EVEN	USER ID	PASSWORD/PIN
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- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VII. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL on toll free no: 1800-222-990. In case of any grievance related to voting by electronic means, you may please contact Mr. Amit Vishal, Senior Manager, NSDL / Mr. Rajiv Ranjan, Asst. Manager, NSDL at 022 2499 4360 / 022 2499 4738 and send an e-mail to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) and [amitv@nsdl.co.in](mailto:amitv@nsdl.co.in)/[rajivr@nsdl.com.in](mailto:rajivr@nsdl.com.in)
- VIII. 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 password' option available on the site to reset the password.
- IX. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- X. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- XI. The voting rights of 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 14th September, 2017.
- XII. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. 14th September, 2017 may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [kolkata@linkintime.co.in](mailto:kolkata@linkintime.co.in).
- 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" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
- XIII. 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 as well as voting at the AGM through ballot paper.

- XIV. Pursuant to the provisions of Section 108 of the Companies Act 2013, read with the rules thereof, Mr. Anjan Kumar Roy, Practicing Company Secretary, (Membership No. FCS 5684) has been appointed as the Scrutinizer to scrutinize the voting at the AGM and remote e-voting process in a fair and transparent manner.
- XV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Papers" for all those members who are present at the AGM but have not cast their votes by availing the mode of remote e-voting facility.
- XVI. The Results of voting will be declared within 48 hours 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](http://www.pcblltd.com) and on the website of NSDL. Such results will also be displayed on the Notice Board at the Registered Office of the Company and shall be forwarded to the National Stock Exchange of India Limited, BSE Limited and Calcutta Stock Exchange Limited.
28. For convenience of the Members and proper conduct of the Meeting, entry to the Meeting venue will be regulated by the Attendance Slip, which is enclosed with this Notice. Members are requested to sign at the place provided on the Attendance Slip and hand it over at the Registration Counter at the venue.
29. Members desiring any information relating to the accounts are requested to write to the Company well in advance so as to enable the management to keep the information ready.
30. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 am to 6.00 pm) on all working days, up to the date of Annual General Meeting and shall also be available at the venue of the Annual General Meeting of the Company.
31. It is hereby informed that the Members of the Company shall be allowed to enter the venue of the AGM only on or after 10 A.M. The gate of the AGM venue shall not be open at any time prior to 10 A.M. Hence, Members are requested to plan accordingly.

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

10th August, 2017

By Order of the Board

**Kaushik Mukherjee**  
Company Secretary

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

**Item No. 5**

The Members at their Annual General Meeting held on 22nd July, 2016 had approved the re-appointment of Mr. Kaushik Roy as Managing Director of the Company for a further period of three years effective 5th February, 2016 and payment of his remuneration. Subsequently, the Board of Directors of the Company, at its meeting held on 22nd July, 2016, subject to the approval of the members, approved an increase in the remuneration to Mr. Kaushik Roy with effect from 1st July, 2016 as under:

Basic Salary : Rs. 8,84,100/- per month

Perquisites:

Customised Allowance Pool : Rs. 20,20,510/- per month

All other terms and conditions as approved by the Members shall remain unchanged.

In the event of absence or inadequacy of profits in any Financial Year, the remuneration mentioned above shall be the minimum remuneration payable to Mr. Kaushik Roy.

The said remuneration has been approved by the Nomination and Remuneration Committee of the Board.

The terms and conditions of increase in the remuneration of Mr. Kaushik Roy is available for inspection by the members at the Registered Office of the Company during normal business hours (10.00 am to 6.00 pm) on all working days, up to the date of Annual General Meeting and shall also be available at the venue of the Annual General Meeting of the Company.

The approval of Members is being sought for payment of the above remuneration as set out in Item No.5 of the Notice.

The Board recommends that the Resolution set out in Item No. 5 of the Notice be passed in the interest of the Company.

Except Mr. Kaushik Roy and his relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution set out at Item No. 5 of the Notice.

**The information as required under Section II of Part II of Schedule V issued by the Ministry of Corporate Affairs, New Delhi for Item No. 5 of the Notice is given below:-**

**I. GENERAL INFORMATION :**

**(1) Nature of Industry**

The Company is primarily engaged in the manufacture and sale of carbon black, which is used by the rubber industry. The Company also produces and sells excess electric power generated from the low calorific value off gas which is generated in the process of manufacture of carbon Black.

**(2) Date or expected date of commencement of commercial production**

5th December, 1962.

**(3) In case of new companies, expected date of commencement of activities as per project approved by Financial Institutions appearing in the prospectus.**

Not applicable.

**(4) Financial performance based on given Indicators:**

Key financials for last three financial years are given as below:

(Rs. in lakhs)

	Year ended 31.03.2017	Year ended 31.03.2016	Year ended 31.03.2015
<b>Sales (Gross)</b>	2,13,126.86	2,11,547.48	2,71,139.17
<b>Profit/ (Loss) before tax</b>	16,551.89	4,838.78	1,432.99
<b>Profit/(Loss) after tax</b>	6,952.14	1,690.70	1,264.45
<b>Paid up share capital</b>	3,446.73	3,446.73	3,446.73
<b>Rate of dividend (%)</b>	Interim Dividend @60%	25%	10%

**(5) Foreign Investments or collaborations, if any**

None

**II. Information about the Appointee:**

**MR. KAUSHIK ROY:**

**(1) Background details:**

Mr. Kaushik Roy has a vast experience of 27 years across varied functions in different industries.

Mr. Kaushik Roy is a Mechanical Engineer with a Post Graduate Degree from IIT Kharagpur and studied Business Administration from the University of Tokyo.

He is also an Alumni of IMD, Switzerland.

Mr. Kaushik Roy worked for long years with Apollo Tyres Ltd. from 1990 onwards except for a shorter stint with DLF Cements (now Gujarat Ambuja Cement) from 1994 to 1997. Mr. Roy was Management Board Member of Apollo Tyres Ltd. and Managing Director of Apollo Tyres (Lao) Company Ltd., a natural rubber plantation company.

As Managing Director of the Apollo Tyres (Lao) Company Ltd., a natural rubber plantation company, Mr. Kaushik Roy spearheaded the backward integration initiatives of Apollo Tyres into the field of natural rubber plantation.

Mr. Kaushik Roy was the Indian Tyre Industry Representative on the Industry Body of International Rubber Study Group, Singapore. He was also the Member of Governing Council, RSDC (Rubber Skill Development Centre), India.

Mr. Kaushik Roy is a regular visiting faculty for various

Management Institutes and also a speaker in various conferences held across the globe.

**(2) Past remuneration:**

For the year ended 31st March, 2016, Mr. Kaushik Roy's total remuneration was Rs. 330.87 lakhs.

**(3) Recognition or awards:**

Mr. Kaushik Roy is widely acclaimed for bringing in a new era of leadership at the Company. Mr. Roy has been instrumental in introducing a customer centric approach to the Company's vision and strategy. He took on the challenge of realigning the business with strong focus on new technology, innovation, systems and process reengineering and expansion of scale. Mr. Roy has also introduced newer human resource practices that have brought in a vibrant work culture at the Company.

Mr. Kaushik Roy received the 'Chairman's Special Award' for Exceptional Contribution for the year 2016-2017.

**(4) Job profile and his suitability:**

Please see (1) above.

**(5) Remuneration proposed :**

The remuneration proposed to Mr. Kaushik Roy , is as set out in the Notice.

**(6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t the country of origin):**

The remuneration proposed to Mr. Kaushik Roy, is reasonably in line with the remuneration in similar sized companies in the same segment of business.

**(7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any :**

Apart from having received the remuneration as stated above, Mr. Kaushik Roy, who is functioning in a professional capacity, does not have any interest in the capital of the Company or its holding company or any of its subsidiaries directly or indirectly or through any other statutory structures and does not have any direct or indirect interest or related to the directors or promoters of the company or its holding company or any of its subsidiaries at any time during the last two years before or on or after the date of appointment and possesses post graduate level qualification with expertise and specialized knowledge in the field in which the company operates.

**III. OTHER INFORMATION:**

**(1) Reasons of loss or inadequate profits:**

PCBL has an inadequate profit after tax (PAT) of Rs. 69.52 crores. However, the Company has an adequate profit before tax (PBT) of Rs. 165.52 crores. The extraordinary

gap between the PBT and PAT is due to the high tax in the financials because of deferred tax adjustments as per Indian GAAP which does not have any cash flow impact.

**(2) Steps taken or proposed to be taken for improvement:**

To remain competitive in the current challenges of economy and industry, the Company has taken following steps in manufacturing and procurement:

- a. Improve yields.
- b. Develop new sources for procurement of raw materials like CBFS and CBO which are contributing by way of better yields and lower prices.
- c. Strengthen marketing and technical functions.
- d. Undertaken initiatives in manufacturing to reduce variability in process.

**(3) Expected increase in productivity and profits in measurable terms:**

The Company has taken all out measures to reduce costs as well as improve operational efficiency and above all increase the price of carbon black to the extent possible considering the market scenario both Domestic and International. The Company has been maintaining a steady growth and is poised for improved performance in the coming years.

**IV. DISCLOSURES:**

The required disclosures as to remuneration package, etc. have been appropriately provided in the Report on Corporate Governance, forming a part of this Annual Report which may be referred to.

**Item No. 6**

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. Shome & Banerjee, Cost Accountants, the Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year ending 31st March, 2018 at a remuneration of Rs. 4,50,000/- (Rupees four lacs fifty thousand only).

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, 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. 6. of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2018.

None of the Directors, Key Managerial Personnel, and their relatives are concerned or interested, financially or otherwise, in the aforesaid Resolution. The Board recommends the passing of the Resolution as set out under Item No. 6 of the Notice.

**II. Details of Director seeking re-appointment as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015**

**Re-appointment of Mr. Shashwat Goenka (Item No. 3)**

Mr. Shashwat Goenka (27 years) has joined the Board of Directors of Phillips Carbon Black Limited w.e.f 1st September, 2014. He has graduated from The Wharton School, University of Pennsylvania with a Bachelor of Science in Economics, specializing in Finance, Marketing and Management. He has worked with companies like Nestle India Limited and KPMG India. Presently he is on the Board of Firstsource Solutions Limited, Spencer International Hotels Limited and Retailers Association of India. Mr. Shashwat Goenka has been appointed as the President of Indian Chamber of Commerce w.e.f 15th July, 2017.

Mr. Shashwat Goenka is Chairman of the Corporate Social Responsibility Committee and Strategic Committee of Firstsource Solutions Limited and a Member of the Corporate Social Responsibility Committee of Phillips Carbon Black Limited.

Mr. Shashwat Goenka does not hold by himself or for any other person in any manner, any shares in the

Company. Mr. Shashwat Goenka is not related to any other director except for Mr. Sanjiv Goenka.

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.

Except Mr. Shashwat Goenka being an appointee, and Mr. Sanjiv 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 Explanatory Statement may also be regarded as a disclosure under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

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

By Order of the Board

10th August, 2017

**Kaushik Mukherjee**  
Company Secretary

