



Press Release

29 July 2015

Castrol India delivers strong Q2 2015 results ***Net up 48% at Rs. 184.5 crores***

(In Rupees Crores)

	Q2 Apr - Jun 2015	Q2 Apr - Jun 2014	Q2 % Inc/ (Dec)	1H Jan - Jun 2015	1H Jan - Jun 2014	1H % Inc/ (Dec)
Net Sales / Income from Operations	923.6	913.7	1.1	1,722.8	1730.7	-0.5
Profit Before Tax	281.8	188.8	49.3	504.6	341.8	47.6
Profit After Tax	184.5	124.4	48.3	331.2	224.6	47.5

Castrol India Limited today announced its results for the second quarter of 2015. The company delivered a record performance during April – June 2015, continuing to build on operational momentum and driven by a more favorable cost of goods environment.

Profit from operations during the quarter under review was up by 49 % at Rs. 266.8 crores whilst Profit after Tax was up by 48 % at Rs. 184.5 crores as compared to the same period last year.

For the six month period January – June 2015, Profit after Tax was up by 47.5 % to Rs. 331.2 crores as against Rs. 224.6 crores during the same period in the previous year.

The Board of Directors of the company, have at their meeting held on 29 July 2015, declared an Interim Dividend of Rs 4.00 per share for the year ending 31 December 2015 (2014: Interim Dividend - Rs.3.50 per share). The interim dividend would be paid to those shareholders whose names appear in the Register of Members at the close of business hours on 5th August 2015 and would be payable on 20th August 2015.



Commenting on the results, Ravi Kirpalani, Managing Director, Castrol India Limited, said: “This is a strong set of financial results for the quarter, underpinned by prudent margin management, premiumization of our portfolio and good progress on key strategic drivers.”

Mr. Kirpalani further added: “We continue to build on the strong momentum in the personal mobility business. Castrol Activ, the growth engine of the two-wheeler segment, delivered a strong performance, building on the innovative and successful digital campaign run during the first quarter for the ICC Cricket World Cup 2015. We also made a strong foray in the rural markets through a rural engagement programme leveraging virtual reality to engage with consumers and mechanics. The campaign has received very encouraging response from all key stakeholders.

In the passenger car segment, the growth was largely delivered through Castrol MAGNATEC which was promoted through its unique micro-marketing programme and the Castrol MAGNATEC mobile unit. In the commercial vehicle oils, Castrol Vecton launched during the first quarter has been performing exceptionally well in the market place.”

Commenting on the Industrial business, Mr. Kirpalani said: “In our focus product category of High Performance Lubes, sales volume grew strongly with successful acquisition of new customers in Wind Energy & Mining segments. In the core product category of metal working fluids, we have maintained our market share despite sluggish manufacturing activity and challenging competitive environment.”

Outlook: The strong result during the first half of the year has been achieved in an environment which continues to be challenging for the Commercial Vehicle Oils segment and Industrial lubricant oil demand is still under pressure. Looking ahead, although the drop in crude oil price has translated into lower base oil cost, we are likely to experience volatility in the cost of goods due to volatile Rupee exchange rate. In the longer run, we continue to remain optimistic about the Indian lubricant market and our business growth. The company is in a strong position to benefit from growth prospects on account of its strong brands, enduring relationships with key stakeholders and continued commitment of its staff.
