

**30 October 2014****Castrol India third quarter net up 13% at Rs.117.9 crores**Unaudited Financial Results for the Nine Months Ended September 30, 2014

	July - Sept 2014	July - Sept 2013	Q3 %	Jan - Sept 2014	Jan - Sept 2013	%
Net Sales / Income from Operations	799.5	719.6	11.1	2,524.9	2359.8	7.0
Profit Before Tax	178.2	160.8	10.8	520.0	571.5	(9.0)
Profit After Tax	117.9	104.5	12.8	342.5	382.4	(10.4)

Castrol India Limited today announced its third quarter results for the period July – September 2014. Net sales were up by 11% at Rs. 799.5 crores as against Rs. 719.6 crores during the same period in the previous year. The Profit after Tax was up by 13% at Rs.117.9 crores as against Rs.104.5 crores during the same period in the previous year.

Commenting on the third quarter results, Ravi Kirpalani – Managing Director, Castrol India Limited, said: “The profit for the third quarter was higher largely due to higher volume and improved unit gross profit as compared to the same period last year. This is a strong performance driven by the continued momentum in the personal mobility segment where we have been showing good growth over the last several quarters, driven primarily by our key brands – Castrol Activ in the two-wheeler segment and Castrol MAGNATEC in the passenger car segment.”



Commenting on the Industrial business, Ravi Kirpalani said: “The Industrial business continues to show a positive trend. Despite sluggish growth in manufacturing and industrial production in the country during the first three quarters of the year, Castrol’s Industrial business has shown both volume and Gross Margin growth compared to the same period last year.”

During the quarter under review, the company launched the Castrol Professional range of CO2 neutral engine oils in the passenger car workshops. This is the world’s first certified range of carbon dioxide neutral oils and once again demonstrates Castrol’s pioneering technology.

Castrol CRB Mini Truck – a special engine oil for Medium and Light Commercial Vehicles, launched during last quarter, showed strong offtake in the market place, driven through direct communication contact with over 100,000 consumers.

The company continues to connect strongly with its consumers and customers through 360° communication campaigns, delivering strong brand health and bonding. Castrol has been valued as the 15th most valuable brand across categories in India in the BrandZ study done by Millward Brown.

Building on its strong relationships with its Business to Business (B2B) customers, Castrol India has opened a Liquid Engineering Centre at the Maruti Suzuki India Limited (MSIL) Plant in Gurgaon. The Centre showcases the latest advances in lubricant technology and will be used for training employees as also vendors, dealers and mechanics associated with MSIL. Castrol also worked with Maruti to co-engineer and launch a fuel efficient lubricant for diesel engines.

The company also partnered with Tata Motors to co-engineer a fuel efficient engine oil for Tata Motors’ new Zest car with the Revotron engine.



In the Industrial segment, the company acquired new business with several customers in the Wind Energy sector, enabled by Castrol's differentiated technology delivered through the range of Optigear synthetic oils. A new rust preventive – Castrol Mid Flash RP – was launched for the Tube Industry, offering significant cost saving to customers.

Outlook: The global softening of crude oil prices should help lower the base oil costs and we expect a more stable Cost of Goods environment in the near future. However, the Rupee continues to remain volatile and despite positive market sentiment, the commercial vehicle business continues to remain challenging.

The company will continue its sharp focus on the personal mobility business and improving its brand advantage, advocacy and availability.

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.
