

# Castrol India Limited

Registered Office: Technopolis Knowledge Park, Mahakali Caves Road, Andheri (East), Mumbai - 400 093.

(CIN: L23200MH1979PLC021359)

Website: www.castrol.co.in, Tel: (022) 66984100, Fax: (022) 66984101, Email - investorrelations.india@castrol.com

## Statement of audited financial results for the Quarter and Year ended 31 December 2020

(Rupees in Crore)

Particulars	Year	Year	Quarter	Quarter	Quarter
	Ended 31.12.20 Audited	Ended 31.12.19 Audited	Ended 31.12.20 (Refer Note 5)	Ended 31.12.19 (Refer Note 5)	Ended 30.09.20 Unaudited
<b>Income</b>					
Revenue From Operations	2996.9	3876.8	935.2	1011.8	883.1
Other Income	62.0	64.8	15.3	16.2	11.7
<b>Total Income</b>	<b>3058.9</b>	<b>3941.6</b>	<b>950.5</b>	<b>1028.0</b>	<b>894.8</b>
<b>Expenses</b>					
Cost of raw and packing Materials Consumed	1173.9	1488.3	365.7	347.5	343.4
Purchases of traded goods	116.5	183.7	38.1	31.8	28.2
(Increase) / decrease in inventories of finished goods / traded goods	(24.1)	75.7	(24.0)	49.0	(19.5)
Employee Benefits Expense (Refer Note 6)	219.8	213.1	69.7	56.0	53.2
Finance Cost	4.2	1.2	0.8	0.3	0.9
Depreciation and Amortisation Expenses	86.6	69.7	22.3	18.3	21.5
Other Expenses	696.7	763.0	228.1	186.3	189.6
<b>Total Expenses</b>	<b>2273.6</b>	<b>2794.7</b>	<b>700.7</b>	<b>689.2</b>	<b>617.3</b>
<b>Profit Before Tax</b>	<b>785.3</b>	<b>1146.9</b>	<b>249.8</b>	<b>338.8</b>	<b>277.5</b>
<b>Tax Expenses</b>					
Current tax (net of reversal of earlier years)	207.4	323.3	61.8	69.9	76.1
Deferred tax	(5.0)	(3.8)	0.3	(2.4)	(3.2)
<b>Total Tax Expenses</b>	<b>202.4</b>	<b>319.5</b>	<b>62.1</b>	<b>67.5</b>	<b>72.9</b>
<b>Profit after tax</b>	<b>582.9</b>	<b>827.4</b>	<b>187.7</b>	<b>271.3</b>	<b>204.6</b>
<b>Other comprehensive income / (expenses) not to be reclassified to profit or loss in subsequent period</b>					
Re-measurement gains / (losses) on defined benefit plans	4.9	(5.7)	4.9	(5.7)	-
Less : Income tax effect on above	(1.2)	1.4	(1.2)	1.4	-
<b>Total Comprehensive Income for the period</b>	<b>586.6</b>	<b>823.1</b>	<b>191.4</b>	<b>267.0</b>	<b>204.6</b>
Equity Share Capital	494.6	494.6	494.6	494.6	494.6
Earnings Per Share (EPS) (Face value of share of Rs. 5/- each) (RS.) (Basic and Diluted) (Not Annualised) *	5.89	8.36	1.90*	2.74*	2.07*
See accompanying notes to the Financial Results					

**FOR CASTROL INDIA LIMITED**

Dated : 1 February 2021  
Place : Mumbai

Sandeep Sangwan  
Managing Director  
DIN : 08617717

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## Statement of audited financial results for the Quarter and Year ended 31 December 2020

Statement of Assets and Liabilities	(Rupees in Crore)	
	As At 31.12.20 Audited	As At 31.12.19 Audited
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	172.6	197.4
Right-of-use asset	34.9	-
Capital work in progress	43.5	27.3
Other Intangible assets	1.8	2.3
Financial assets		
Loans receivable	6.1	9.0
Income tax assets (net)	60.3	30.1
Deferred tax assets (net)	62.2	58.5
Other non-current assets	68.4	68.7
<b>Total non-current assets</b>	<b>449.8</b>	<b>393.3</b>
<b>Current assets</b>		
Inventories	366.9	304.7
Financial assets		
Trade receivables	180.5	482.0
Cash and cash equivalents	194.7	67.2
Bank balance other than above	1,079.5	878.9
Loans receivable	1.5	0.6
Other financial assets	30.8	23.4
Other current assets	89.8	78.7
<b>Total current assets</b>	<b>1,943.7</b>	<b>1,835.5</b>
<b>Total assets</b>	<b>2,393.5</b>	<b>2,228.8</b>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Equity share capital	494.6	494.6
Other equity	919.7	872.4
<b>Total equity</b>	<b>1,414.3</b>	<b>1,367.0</b>
<b>Non-current liabilities</b>		
Financial liabilities		
Other financial liabilities	6.2	-
Other liabilities	7.6	-
Provisions	18.8	21.4
<b>Total non-current liabilities</b>	<b>32.6</b>	<b>21.4</b>
<b>Current liabilities</b>		
Financial liabilities		
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	4.6	6.3
Total outstanding dues of creditors other than micro enterprises and small enterprises	541.0	465.5
Other financial liabilities	305.4	241.2
Other liabilities	44.2	81.7
Provisions	35.5	28.3
Current tax liabilities (net)	15.9	17.4
<b>Total current liabilities</b>	<b>946.6</b>	<b>840.4</b>
<b>Total equity and liabilities</b>	<b>2,393.5</b>	<b>2,228.8</b>

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## Statement of audited financial results for the Quarter and Year ended 31 December 2020

Cash Flow Statement	(Rupees in Crore)	
	For the Year Ended 31.12.20 Audited	For the Year Ended 31.12.19 Audited
<b>Cash flow from operating activities</b>		
<b>Profit before tax</b>	785.3	1146.9
Adjustments for:		
Depreciation and amortization expenses	86.6	69.7
Loss on disposal / write off of property, plant and equipment and intangible assets (net)	0.2	0.6
Impairment on property, plant and equipment and intangible assets	0.2	-
Allowance for doubtful debts written back (net)	(1.4)	3.5
Expense recognised in respect of share based payments	4.7	4.2
Loss/ (gain) on fair valuation of forward contract	(0.8)	(0.9)
Unrealized foreign exchange (gain) / loss	(1.4)	3.0
Finance costs	4.2	1.2
Interest income	(47.0)	(49.9)
Net gain on termination of lease contracts	(0.1)	-
Excess accruals written back	(2.1)	(2.7)
<b>Operating profit before working capital changes</b>	828.4	1175.6
Movements in working capital:		
Decrease / (Increase) in inventories	(62.1)	152.1
Decrease / (Increase) in trade and other receivables	279.3	(59.4)
Increase / (Decrease) in trade and other payables and provisions	86.8	(80.1)
Cash generated from / (used in) operations	1132.4	1188.2
Income tax refund / (payment) (net) (including interest)	(239.6)	(308.7)
<b>Net cash flow from / (used in) operating activities (A)</b>	892.8	879.5
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment (including capital work-in-progress and intangible assets)	(23.8)	(100.7)
Payment for acquiring right-of-use assets	(17.9)	0.0
Proceeds from sale of property, plant and equipment	0.0	1.4
Placement of bank deposits	(1344.4)	(1301.0)
Encashment of bank deposits	1143.3	903.0
Interest received	41.8	49.1
<b>Net cash flow from / (used in) investing activities (B)</b>	(201.0)	(448.2)
<b>Cash flow from financing activities</b>		
Dividend paid	(544.0)	(519.9)
Dividend distribution tax paid	-	(106.7)
Interest paid on other than lease liabilities	(1.2)	(1.1)
Principal payment of lease liabilities	(16.7)	-
Interest paid on lease liabilities	(2.4)	-
<b>Net cash flow from / (used in) financing activities (C)</b>	(564.3)	(627.7)
Net increase / (decrease) in cash and cash equivalents <b>(A+B+C)</b>	127.5	(196.4)
Cash and cash equivalents at the beginning of the year	67.2	263.6
<b>Cash and cash equivalents at the end of the year</b>	194.7	67.2
<b>Components of cash and cash equivalents</b>		
Cash on hand	0.0	0.0
Balances with banks in current accounts	19.0	6.4
Deposits with banks	175.7	60.2
Cheques on hand	-	0.6
<b>Total cash and cash equivalents</b>	194.7	67.2

'0.0' represents amount less than Rs. 0.01 crore.

### Non cash transactions:

#### a) Share value plan:

Equity settled share based payments is expensed over the restricted period with a corresponding adjustment to Other Equity as the cost of such share value plan is borne by the Ultimate Holding Company

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Dated : 1 February 2021

Place : Mumbai

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Managing Director

DIN : 08617717

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## Statement of audited financial results for the Quarter and Year ended 31 December 2020

### Notes :

1. The financial statements have been prepared in accordance with Indian Accounting standards ("IND AS") notified under section 139 of the Companies Act ("the Act") read with Companies Indian Accounting standard rules 2015 as amended.
2. The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 1 February 2021.
3. The Company's business segment consists of a single segment of "Lubricants" in accordance with the requirements of Indian Accounting Standard (Ind AS) - 108 Operating Segment. Accordingly, no separate segment information has been provided.
4. The Board of Directors of the Company has at its meeting held on 1 February 2021 recommended a Final Dividend of Rs. 3.00 per share (2019: Second Interim Dividend Rs. 3.00 per share) for Financial Year ended 31 December 2020. This is in addition to an interim dividend of Rs. 2.50 per share (2019: Rs. 2.50 per share). The Register of Members and Share Transfer Books of the Company will remain closed for the purpose of Final Dividend from 24 April 2021 to 30 April 2021 (both days inclusive). The Final Dividend, if approved by the shareholders of the Company at the 43rd Annual General Meeting, shall be paid on or before 30 May 2021.
5. The figures of the last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the respective financial year.
6. Employee benefit expenses include one time cost of Rs. 16.8 crore and Rs. 19.5 crore for the quarter and year ended 31 December 2020 respectively towards Organisation Transformation and Restructuring Programme implemented during the year.
7. The Company had elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019, which was subsequently converted into an Act. Accordingly, the Company had recognised provision for Income Tax for nine months ended 30 September 2019 and re-measured its deferred tax assets basis the rate prescribed in the said section. The full impact of this change was recognised in the statement of Profit & Loss for the quarter ended 30 September 2019 and year ended 31 December 2019.
8. The Company has adopted Ind AS 116 effective 1 January 2020, using the modified retrospective approach without restating the comparative period. Leases that were accounted for as operating leases in accordance with Ind AS 17, are recognized at the present value of the remaining lease payments starting 1 January 2020, and discounted using the lessee's incremental borrowing rate as at the date of initial application. This has resulted in recognizing the right of use assets and lease liabilities of Rs. 40.7 crore and Rs. 39.9 crore respectively as on 1 January 2020.  
  
The effect in the statement of profit and loss for the year ended 31 December 2020, is an increase by Rs. 17.7 crore (quarter ended December 31, 2020 – Rs. 4.4 crore, quarter ended September 30, 2020 – Rs. 4.4 crore) and Rs. 2.4 crore (quarter ended December 31, 2020 – Rs. 0.4 crore, quarter ended September 30, 2020- Rs. 0.5 crore) in depreciation on the right of use assets and finance cost on lease liability respectively and decrease in other expenses by Rs. 19.1 crore (quarter ended December 31, 2020 – Rs. 4.9 crore, quarter ended September 30, 2020- Rs. 4.7 crore).
9. Estimation of uncertainties relating to the global health pandemic from COVID-19: The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of the financial results including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of the pandemic, the Company has, at the date of approval of the financial results, used internal and external sources of information and expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the financial results may be different from that estimated as at the date of approval of these financial results
10. The Parliament of India has approved the Code on Social Security, 2020 (the Code) which may impact the contributions by the Company towards provident fund, gratuity and ESIC. The Code has been published in the Gazette of India however, the effective date has not yet been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective, if any.

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Dated : 1 February 2021  
Place : Mumbai

Sandeep Sangwan  
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