

# Journey to BRILLIANCE



IT'S MORE THAN JUST OIL. IT'S LIQUID ENGINEERING.



Dear shareholders,

The launch of the Castrol India Shining Vision three years ago set us on our journey of transformation with the goal to prepare your Company for a rapidly changing future, building on our 110-year old solid foundation and aspiring for continued strength in business performance and increased prosperity for all our stakeholders.

We are happy that we have driven noteworthy progress against several key parameters of business performance with clear focus on premium customer experience while strengthening our agenda on safety, quality, sustainability and governance in this time period.

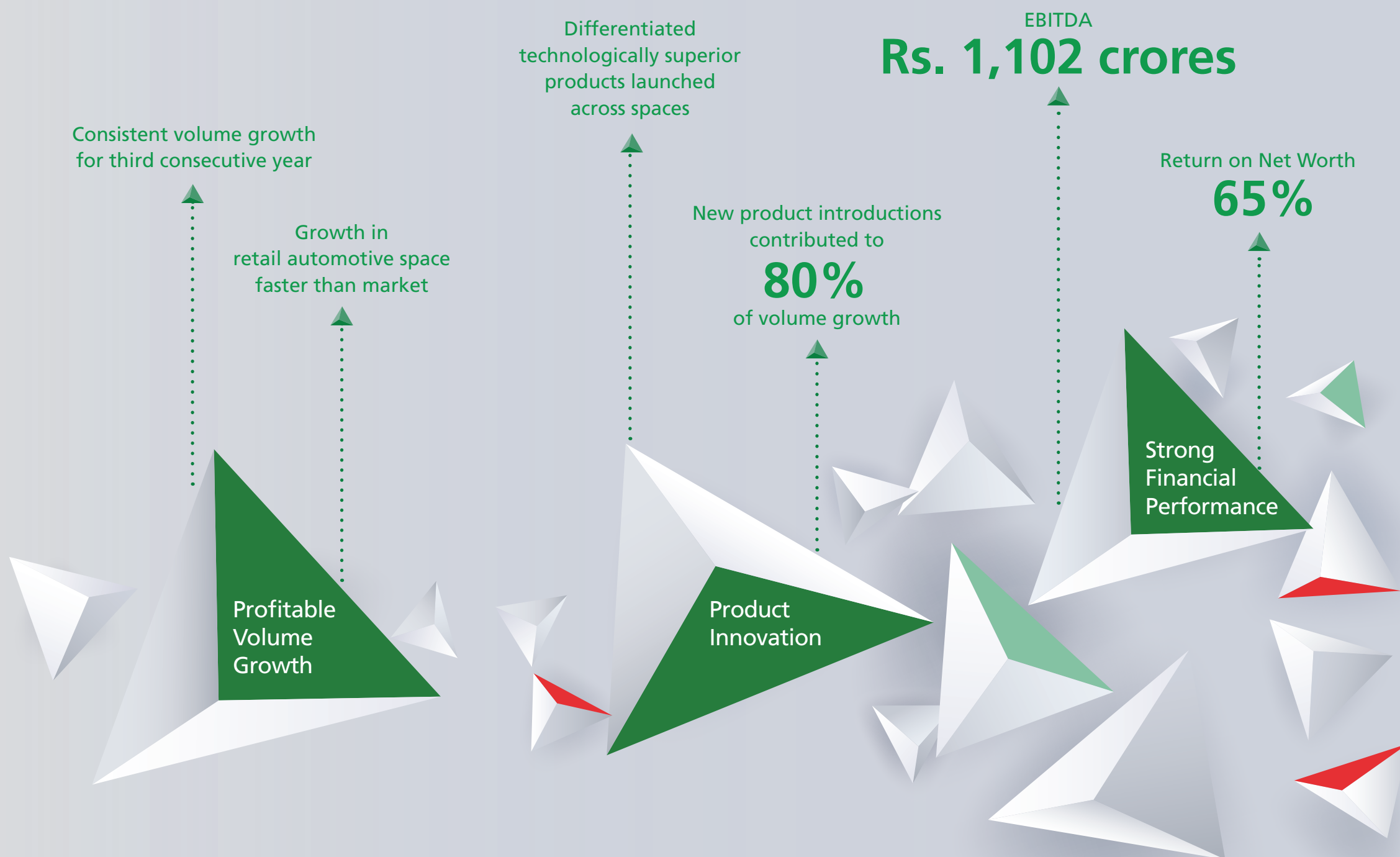
In 2018, we turned in a solid set of results. We grew volumes profitably three years in a row achieving the highest ever volume since 2010, and grew ahead of the market in the retail and industrial segments. We achieved the highest Profit Before Tax at Rs. 1,098 crores and performed well on all our strategic priorities despite a tough external environment. We introduced differentiated and industry-first products across categories to meet evolving needs of our consumers and consistently created superior value for them with the aim to delight them through our products, services, reach and network.

As a result of these efforts, several industry accolades across diverse themes of safety, innovation, CSR, quality and business excellence came our way which gave us impetus and inspiration to keep aspiring higher. The key to this continued success has been the team's consistent performance every single day, coupled with an excellence mindset and indomitable spirit.

We are committed to build on the proud legacy of Castrol in India and continue to work uncompromisingly towards preparing your Company for the future. We look forward to your abundant support, as always, as we target the next set of audacious milestones on our Journey to Brilliance.

Omer Dormen  
Managing Director

## ► 2018: A YEAR OF GROWTH



## CORPORATE INFORMATION

### BOARD OF DIRECTORS

**S M Datta**

Independent Director, Chairman

**R Gopalakrishnan**

Independent Director

**Uday Khanna**

Independent Director

**Sangeeta Talwar**

Independent Director  
(w.e.f 23 July 2018)

**Sashi Mukundan**

Nominee Director

**Shiva McMahon**

Nominee Director  
(up to and including 15 November 2018)

**Peter Weidner**

Nominee Director  
(up to and including 31 January 2019)

**Omer Dormen**

Managing Director

**Rashmi Joshi**

Chief Financial Officer & Wholetime Director

**Jayanta Chatterjee**

Wholetime Director - Supply Chain

### COMPANY SECRETARY & COMPLIANCE OFFICER

Chandana Dhar

### AUDITORS

Deloitte Haskins & Sells LLP.

Chartered Accountants

### BANKERS

Deutsche Bank

HDFC Bank Ltd.

The Hong Kong & Shanghai Banking Corporation Ltd.

State Bank of India

Citibank N.A.

DBS Bank Ltd.

J P Morgan Chase Bank N.A.

Standard Chartered Bank

### REGISTERED OFFICE

Technopolis Knowledge Park,  
Mahakali Caves Road,  
Andheri (East),  
Mumbai 400 093, India.

CIN: L23200MH1979PLC021359

Tel: +91-22-6698 4100

Fax: +91-22-6698 4101

Mail: investorrelations.india@castrol.com

Website: www.castrol.co.in

### REGISTRAR AND TRANSFER AGENT

Link Intime India Private Limited

C-101, 247 Park,  
LBS Marg, Vikhroli West,  
Mumbai 400 011, India.

Tel: +91-22-4918 6000

Fax: +91-22-4918 6060

Toll-free number: 1800 1020 878

Mail: rnt.helpdesk@linkintime.co.in

Website: www.linkintime.co.in

## CONTENTS

### OVERVIEW

Corporate Information	01
Board of Directors	02
Leadership Team	03
Strong Brands	04
Enduring Partnerships	07
Awards and Accolades	08
Our Social Responsibility	10

### REPORTS

Management Discussion and Analysis Report	11
Financial Highlights	19
Board's Report	21
Corporate Governance Report	46
Business Responsibility Report	61
Auditor's Report	73

### FINANCIALS

Balance Sheet	80
Statement of Profit and Loss	81
Cash Flow Statement	82
Notes to Financial Statements	85

## ▶ BOARD OF DIRECTORS



**S M Datta**  
Independent Director,  
Chairman



**R Gopalakrishnan**  
Independent Director



**Uday Khanna**  
Independent Director



**Sangeeta Talwar**  
Independent Director



**Sashi Mukundan**  
Nominee Director



**Shiva McMahon**  
Nominee Director



**Peter Weidner**  
Nominee Director



**Omer Dorman**  
Managing Director



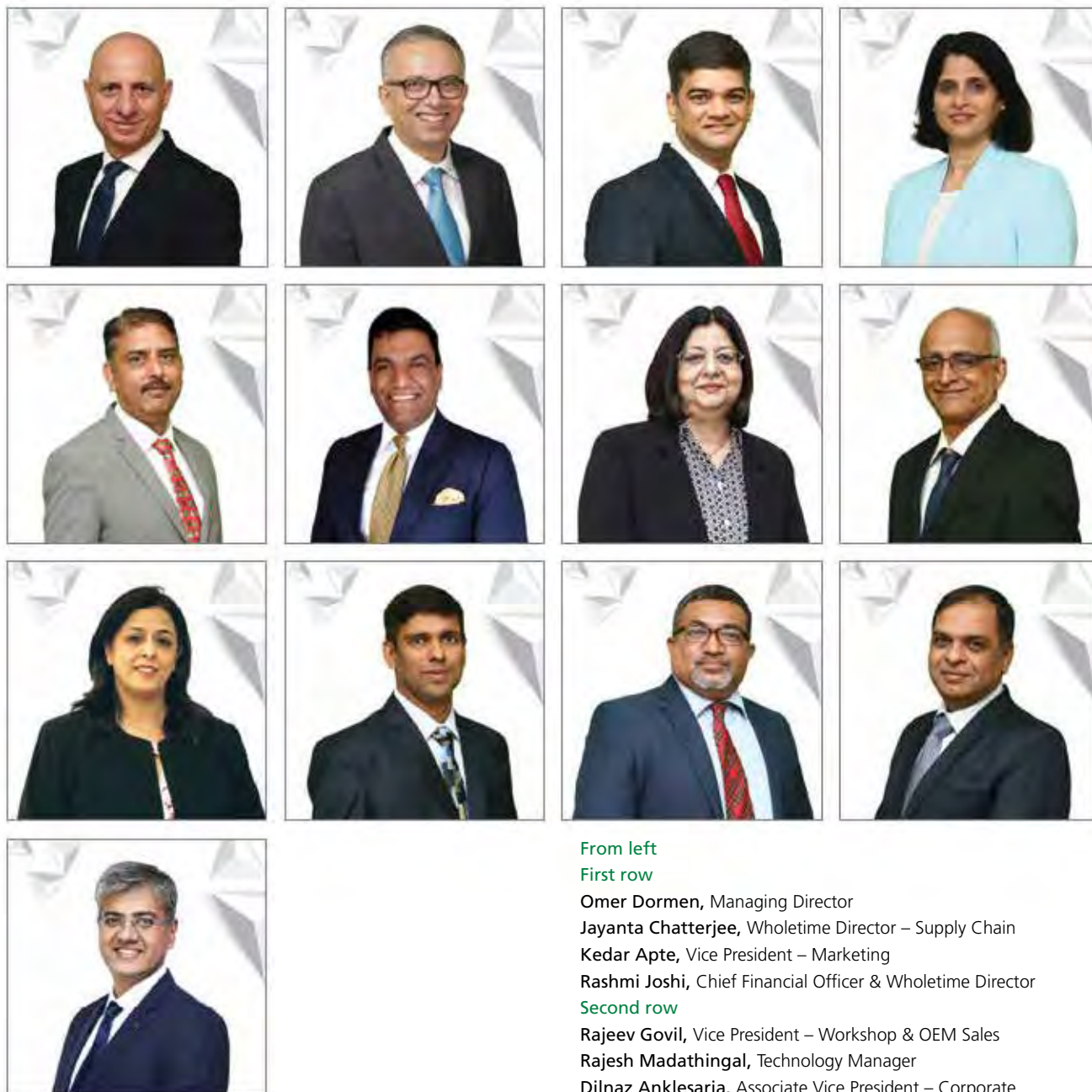
**Rashmi Joshi**  
Chief Financial Officer  
& Wholetime Director



**Jayanta Chatterjee**  
Wholetime Director -  
Supply Chain



## ► LEADERSHIP TEAM



### From left

#### First row

Omer Dormen, Managing Director

Jayanta Chatterjee, Wholetime Director – Supply Chain

Kedar Apte, Vice President – Marketing

Rashmi Joshi, Chief Financial Officer & Wholetime Director

#### Second row

Rajeev Govil, Vice President – Workshop & OEM Sales

Rajesh Madathingal, Technology Manager

Dilnaz Anklesaria, Associate Vice President – Corporate Communications

Ramesh Srinivasan, HSSE Manager

#### Third row

Maria P Valles, Vice President – Human Resources

Sagar Vira, Vice President – Customer Excellence & Operations

Siddharth Shetty, Managing Counsel

M A Mubeenuddin, Vice President – Indirect Sales

#### Fourth row

Vikram Garga, Vice President – Industrial & Heavy Duty  
(up to and including 10 December 2018)

## ► STRONG BRANDS



Castrol Activ Champions – a digital content series on iconic cricketers building on Castrol Activ's proposition of 'Continuous Protection' was started.



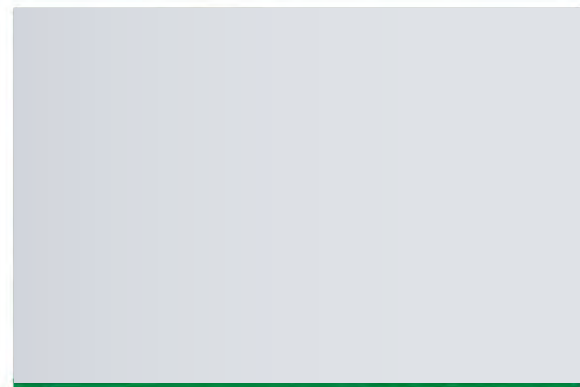
The new Castrol POWER1 range was launched with 'Power Release Technology™' for bikers who love the exhilaration of riding.



Inspired by Castrol Activ's television commercial which showcased youngsters protecting what they loved, on-ground activations in cities were carried out transforming dirty spaces to box cricket areas for communities.



Castrol Garage Guru – The Super Mechanic Show that gave mechanics an opportunity to be on television for the first time went on-air.



Castrol enters a new segment of bike care with Castrol Chain Lube Racing.



## ► STRONG BRANDS



The latest generation of Castrol MAGNATEC Stop-Start engine oil with breakthrough DUALOCK technology was launched.



A revamped product toolkit was introduced to share key benefits of Castrol's industrial lubricants to customers.



Castrol GTX ESSENTIAL 15W40 engine oil was launched for the diesel car segment.



Castrol further expanded its branded independent workshop network across Tier II cities.



Castrol branded mobile units reached out to over 30,000 car mechanics upgrading their information on latest lubricants technology.

## ► STRONG BRANDS



Castrol CRB TURBOMAX was back on television with its latest campaign on the brand's promise of longer engine life.



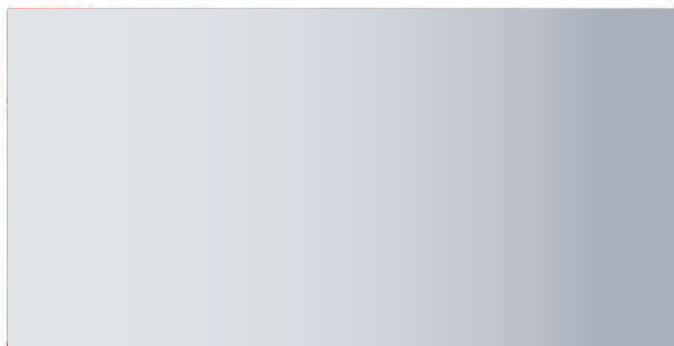
Castrol TRANSMAX driveline oils with improved protection and reduced downtime for commercial vehicles was introduced.



Castrol presented the trucker health report to the Hon'ble Union Minister for Road Transport & Highways, Nitin Gadkari and launched Castrol CRB Truck Aasana - simple yoga postures to help truckers stay fit.



Castrol UDAAN, an integrated on-ground activation campaign, for commercial vehicle oils reached out to three lakh consumers and influencers.



Castrol SPHEEROL - a new range of greases for commercial vehicles offering protection for up to 1,00,000 kms\* was unveiled.

*\*in ideal conditions.*



## ▶ ENDURING PARTNERSHIPS



Castrol India Limited signed a strategic alliance with Mahindra & Mahindra Limited to endorse a range of tractor fluids under 'Mileage ka Master' brand.



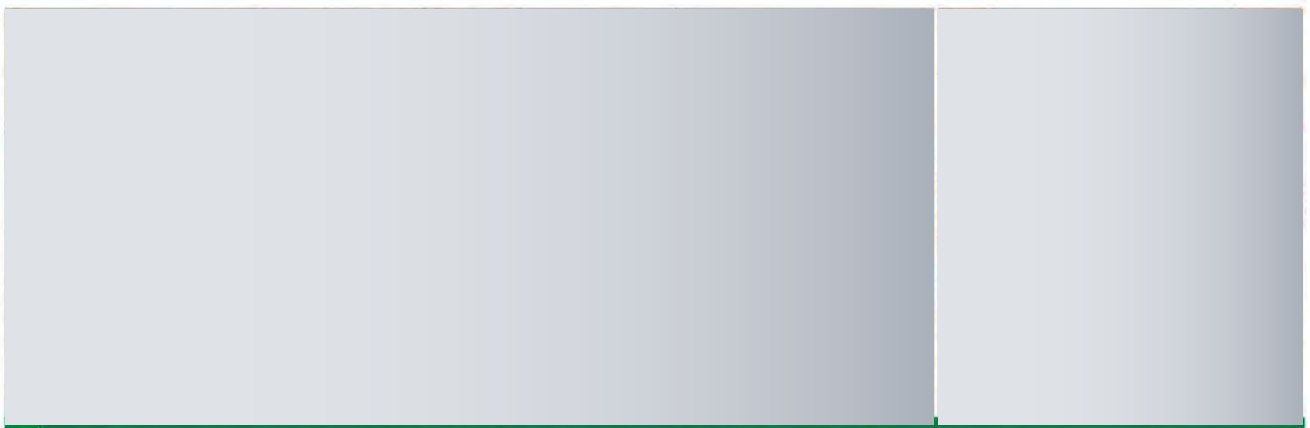
A technology and OEM partnership showcase event held in UK for top Castrol franchise workshop customers.



Castrol iLearning - a microlearning application was launched to enhance the capability of workshop service advisors.



Interactive on-ground consumer engagements encouraged brand awareness and showcased benefits of Castrol's premium range of synthetic oils.



Built advocacy with key franchise workshop customers through customized trainings and management programmes with leading management schools to meet their evolving business requirements.

## ▶ AWARDS AND ACCOLADES



Castrol India was the winner of the IMC Ramkrishna Bajaj National Quality Awards 2018 in the manufacturing category.



Castrol India won the Golden Peacock Innovation Management Award 2018 for fostering a culture of innovativeness.



Castrol India's Silvassa plant became the first lubricants plant in India to be awarded the coveted Ford Q1 Certification.



Castrol India's Patalganga plant was the winner of the Golden Peacock Occupational Health & Safety Award 2018 in the industrial sector.



Rashmi Joshi, Chief Financial Officer & Wholetime Director was honoured as CFO of the Year in the large enterprise category at the Financial Express CFO of the Year Awards 2018.



Castrol India's Silvassa and Paharpur plants were the recipients of the 17<sup>th</sup> Annual Greentech Safety Award 2018. Silvassa plant (first from left) won it for the fourth consecutive year.