

THINK ACT MOVE **AHEAD**



Quality Endurance Passion



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Forward Looking Statements

In this Annual Report, we have disclosed forward-looking information to enable investors to fully appreciate our prospects and take informed investment decisions.

This report and any other statement – written and oral – that we periodically make, contain forward-looking statements that set our anticipated results based on management plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipate', 'expect', 'project', 'intend', 'plan', 'believe', and words of similar substance in connection with any discussion of future performance. We cannot, of course, guarantee that these forward – statements will be realised, although we believe that we have been prudent in our assumptions. Achievement of results is subject to risks, uncertainties, and potentially inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underline assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward – looking statements, whether as a result of new information, future events or otherwise.



THINK AHEAD ACT AHEAD MOVE AHEAD

**“WINNERS DON’T DO
DIFFERENT THINGS, THEY DO
THINGS DIFFERENTLY.”**

- Shiv Khera

In the ever-competitive business landscape of today, one needs to strike a fine balance between astute longer term strategies that work and drive their execution & impact year-on-year. To stay competitive and relevant for a longer period of time, businesses need to consistently evolve and align with emerging trends and realities. It pays off to revisit and recalibrate one's business strategies towards a more enabling arrangement, with a view to maximise stakeholders' value.

In an industry that is clocking an annual volume growth rate of 1-2% globally and about 2-3% in India, our growth trend testifies the efficacy of our thinking and acting ahead. Our pure play lubricant focus has led to unlocking the underlying potential of our lubricant business. Continuing to be one of the fastest growing lube companies, we have continued to grow our sales volumes at an impressive CAGR (compounded annual growth rate) of 10.9% in the last three years.

The Company witnessed an uninterrupted execution of a well-conceived business plan that encompassed steady expansion of our market and distribution network, enhancement of our manufacturing capacity and brand portfolio, intensification of our customer relations in the institutional and OEM segment and a sharp and sustainable surge in our brand and customer connect initiatives.

We have well defined strategies in place for achieving our long term-goals. We strive to be consistent in our performance by optimising our resources to their potential. We are constantly refining our strategic blueprint with a resolve to sustain this growth momentum and move ahead. Our second manufacturing unit going upstream is further adding to our confidence. Besides, our customer-centric focus & distribution thrust augurs well for our future growth. At Gulf Oil, our business journey is all about thinking ahead, acting ahead and moving ahead, from one milestone to another.



THINK AHEAD



“THINKING ALWAYS AHEAD, THINKING ALWAYS TRYING TO DO MORE, BRINGS A STATE OF MIND IN WHICH NOTHING IS IMPOSSIBLE.”

– Henry Ford

While the 2014 demerger was an important milestone, we continued to focus on our strategic cornerstones, on which our blueprint has been developed over the last decade, to achieve accelerated growth. We sharpened our focus on our segment-wise route to market structure, with a view to offer superior value to our customers. Leveraging our technological prowess of Long Drain, we enhanced our Customer Value Propositions (CVPs) for key products across our focus segments.

Steady investments in marketing and promotions has raised our brand saliency and has led to consistent increase in our market share. We have gained mileage from our innovative brand promotions and association with cricketing brands such as M. S. Dhoni and sponsoring teams in the Indian Premier League. Additionally, our global association with Manchester United Football Club has helped brand Gulf to further improve its position in terms of brand visibility and recognition.

Strengthening our OEM tie-ups with a dual focus of growing the existing ones and also acquiring the new ones has kept us in good stead. We remain proud in commanding a highly energised pool of employees who are channelising their passion to create new benchmarks in customer satisfaction. We continue to invest in upgrading our information technology framework and are also preparing for a digital future, in line with widespread adoption of mobile internet and social media in our consumer universe.



ACT AHEAD



“THE SECRET OF GETTING AHEAD IS GETTING STARTED.”

– Mark Twain

With all the key constituents of our strategic blueprint in place, we ushered into the financial year 2016-17 with a resolve to sustain our growth momentum and achieved industry leading double digit volume growth for the year.

We completed significant upgradation and modernisation of our manufacturing plant at Silvassa. Installation of a fully automated OCME fast filling line, Superior blow moulding facilities - Automa, Automated Storage & Retrieval System (ASRS) added to the overall automation of the facility. The construction work of our new plant at Ennore, Chennai, also progressed well and is slated for its scheduled commissioning in later half of the current financial year.

In order to drive greater engagement and loyalty among our channel partners, we rolled out an exclusive retailer Loyalty Program titled Gulf Unnati, during the year. We backed it up with encouraging expansion of our retail touch points including rural network. Our branded independent workshops, Gulf Car Stops and Gulf Bike Stops, grew in numbers significantly.

While we did well in growing our existing OEM portfolios, we entered into another high-potential strategic OEM tie-up with Bajaj Auto Limited. This association, with a leading 2 wheeler player augurs well for our volume growth as well as brand visibility expansion. While our key OEM partner, Ashok Leyland, drove our growth in OEM segment, it was well backed up by growth with our other OEM partners such as Mahindra, Swaraj, Bharat Benz, Volvo Penta, Schwing Stetter, Toshiba, etc. We leveraged our longstanding association with our brand ambassador, M.S. Dhoni by extending our association with the highly successful Bollywood blockbuster ‘M.S. Dhoni - The Untold Story’. Enhanced in-cinema brand visibility was backed

up with customised contests and campaigns run on the social media. We also leveraged our association with IPL Pune franchisee with a 360-degree campaign aimed at consumers, retailers, mechanics, etc. The campaign, augmented through online and social media, deployed a unique concept of FAN BUS, among others things.



MOVE AHEAD



“LIFE IS CONTINUOUSLY BEING HUNGRY. NOT SIMPLY TO EXIST, TO SURVIVE, BUT TO MOVE AHEAD, GO UP, TO ACHIEVE, TO CONQUER.”

- Arnold Schwarzenegger

We continued our winning streak by registering more than 3 times the industry growth rate in FY17. Despite the disruptive impact of the mammoth currency recall exercise that almost stalled cash transactions in the third quarter of the year, our market share improved across all the segments. A positive shift in the product mix strengthened our profitability. In the automotive segment, our growth continued to be much faster than the market across the Commercial, Passenger and Two-wheeler vehicle segments.

The Company became amongst the few Lubricant players in India to upgrade to new Quality Management System ISO 9001:2015. To be featured among country's Top 500 Companies 2017 by Dun & Bradstreet and breaking into Top 300 Companies (by Market Capitalisation) out of a list of Top 1000 Companies by Business Standard Magazine added to our achievements.

Going ahead, our volume growth aspiration would get well supported by our upcoming facility at Chennai. With capacity of 40,000 to 50,000 MTPA, the plant would deploy state-of-the-art blending technologies to roll out high quality lubricants including the next generation BS VI compliant variants too. Our new global R&D center is coming up in the same premises, with a plan to cater to the needs of Indian market and also support global R&D initiatives of our OEM partners. Commissioning of this plant would further fortify our presence around the auto hub of Chennai and other Southern India regions.

We are geared up to leverage our association with leading OEMs towards widening our national and international presence. With our focus in the personal mobility segment, our synthetic products portfolio should further augment our future growth.

We look forward to maintain our growth momentum & gain market share by expanding distribution network in urban and rural areas through various initiatives such as Bike Stops, Car Stops, Gulf Rural Stockists, sophisticated online Distribution Management System and 'Unnati – Retail Loyalty Programme'. Additionally, our evolving information technology framework will lay a strong foundation to enhance the engagement with our consumer & channel partners through innovative digital initiatives.

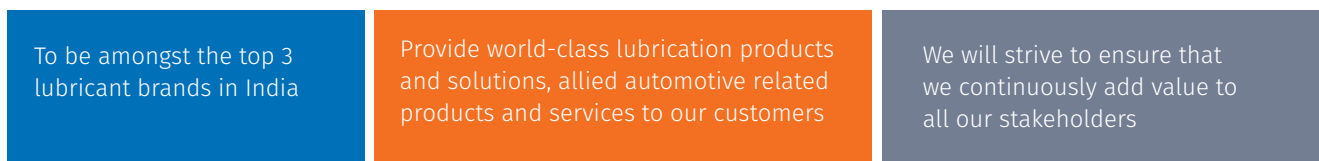


THE WORLD OF GULF OIL

GULF OIL LUBRICANTS INDIA LIMITED IS ONE OF THE LEADING LUBRICANT BRANDS IN INDIA WITH SIGNIFICANT PRESENCE ACROSS AUTOMOTIVE AND INDUSTRIAL SEGMENTS. AS INDIA, THE 3RD LARGEST LUBE MARKET IN THE WORLD, CONTINUES TO BE THE FASTEST GROWING AMONGST MAJOR ECONOMIES, OUR GROWTH STORY CONTINUES THROUGH OUR CUSTOMER CENTRIC APPROACH, HIGH QUALITY PRODUCTS, STATE-OF-THE-ART TECHNOLOGY, INNOVATIVE SERVICE CONCEPTS AND FLEXIBLE ROUTE TO MARKET STRATEGIES.



OUR VISION



OUR CORE VALUES

