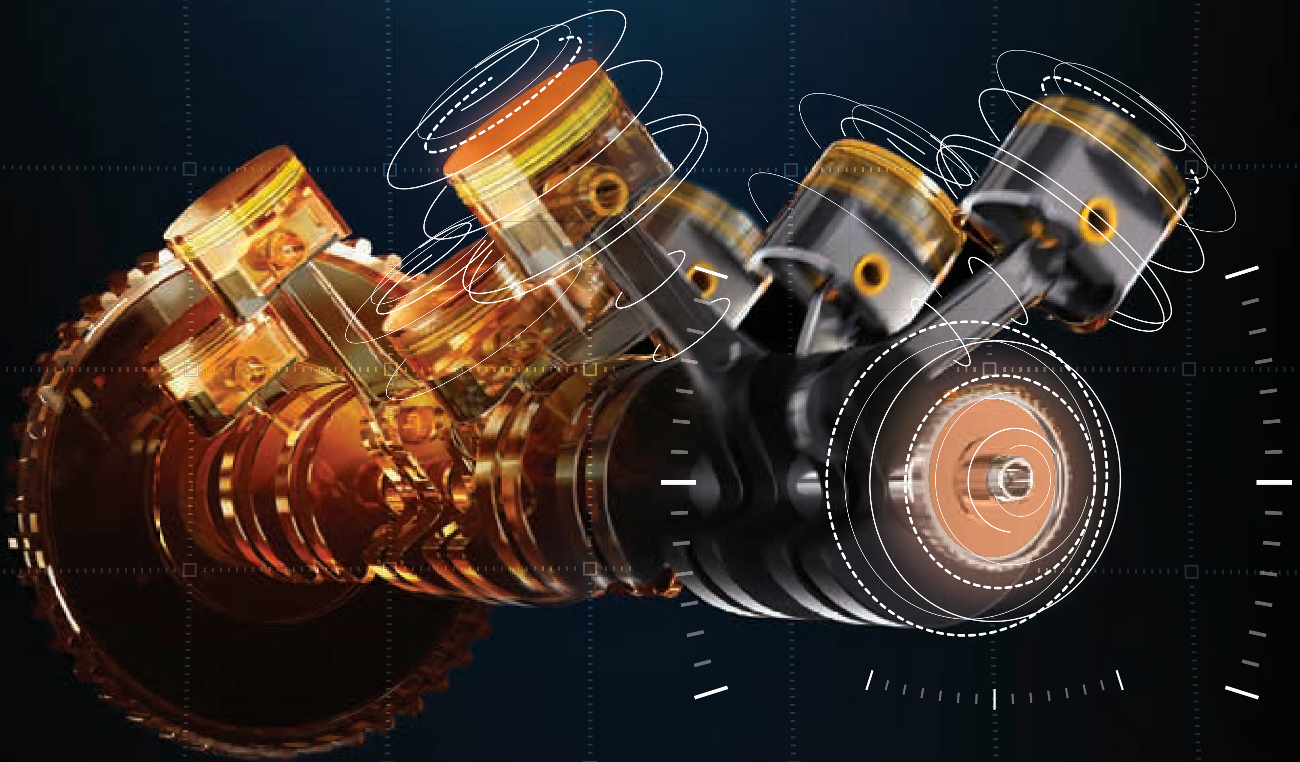
Quality Endurance Passion

Gulf Oil Lubricants India Limited

ANNUAL REPORT
2017-18



TOMORROW **DRIVEN**

HINDUJA GROUP

WHAT'S *Inside*

FY 2017-18 ***Highlights***

HIGHEST - EVER VOLUMES

95,000 KL

VOLUME GROWTH

14% y-o-y

NET REVENUE

₹1,332 CRORE *22.6% growth y-o-y*

EBITDA

₹236 CRORE *32.6% growth y-o-y*

PROFIT AFTER TAX

₹159 CRORE *34.9% growth y-o-y*

INCLUSION IN PRESTIGIOUS MSCI WORLD SMALL CAP INDEX IN NOVEMBER 2017

TOMORROW **Driven**

In today's fast-evolving world, it is becoming increasingly important for companies to keep pace with changing consumer aspirations and to achieve sustainable and aggressive growth year after year. We, at Gulf Oil, have achieved more than 3x the lubricant industry growth rate for the last decade. We have fine-tuned our strategies and initiatives to ensure that we are well in touch with the ground realities of the economy, the automobile industry, and the needs of our target customer segments.

We have demonstrated our ability to stay ahead of the curve. Our growth strategies perfectly weave in the current and emerging trends and have empowered us to win in the market place. In an industry that has recorded low single digit growth due to the impact of higher specifications and longer drain lubricants, our Company has clocked-in double-digit growth consistently.

The key tenets of our strategies have been staying closer to the customer by offering the best quality products/ services, using advanced technology that is 'enduring', investing innovatively on branding, expanding our 'route to market initiatives' and distribution network, passion for execution and nurturing profitable partnerships with both our existing as well as new original equipment manufacturers (OEM) partners.

We have also been welcoming new partners like Manchester United to our world. Our long-standing association with Mahendra Singh Dhoni, The Chennai Super Kings team, and motorsports have yielded rich dividends and played a pivotal role in elevating brand 'Gulf Oil' to the Top 3 position (as per internal studies).

As we look ahead, the pace of change and technological evolution is increasing rapidly and we are becoming future-ready to fortify our organisation to stay in sync with these trends.

With the commissioning of our new, state-of-the-art plant at Ennore, Chennai with capacity of 50,000 KL per year, we are well-poised and ready to capture emerging growth opportunities efficiently. Gulf Oil International has set-up a 'best-in-class' R&D centre at the Chennai plant which will be the hub of all future innovations for Gulf Oil globally. This R&D centre will provide a platform to meet all our customer requirements, launch future-ready as well as tailor-made products delivering 'strong value propositions' and also meet the evolving emission norms in India. Our rapidly growing synthetic portfolio offers advanced technology for cars, superbikes, industries and will empower us to further establish ourselves as a premium brand.

We are building a tomorrow-driven organisation wherein communications will evolve using traditional and digital media to widen our outreach with all stakeholders. Our priority is to steadily enhance our technology focus through digitisation across the spectrum of operations and distribution. Leveraging our international and Indian sporting associations in cricket, football and motorsports will be another cornerstone to connect our brand to the consumers, especially the youth.

We are upskilling our people, rationalising our cost structure and focusing on brand premiumisation. At the same time, we are exploring opportunities in allied businesses and exports.

Our leadership is focusing on the future blueprint as we race ahead at full throttle to remain TOMORROW DRIVEN.

GULF OIL LUBRICANTS INDIA At A Glance

Who we are

We, Gulf Oil Lubricants India Limited (Gulf Oil), are a leading player in the Indian lubricants industry with significant presence across automotive and industrial lubricants segments. Our parent company, Gulf Oil International, owns the Gulf brand globally (except USA, Spain and Portugal) and is part of the Hinduja Group. We have a robust global product portfolio and have been pioneers of the 'Long Drain' products in India. Brand 'Gulf' enjoys a high recall in the minds of customers.

Our strong distribution network, state-of-the-art manufacturing facilities at Silvassa and Chennai, and long-standing partnerships with OEMs and other B2B customers are pivotal to our growth. We take pride in our continued association with distinguished clients like Ashok Leyland, Mahindra, Swaraj, Daimler, Bajaj, Toshiba, Schwing Stetter and Whitmore, among others.

VALUES

Quality

The Gulf brand carries with it a long legacy of excellent customer service, reliability and technologically innovative products. Gulf has always had a commitment to ensuring that the quality of products and services remains high. There are strict quality controls and management processes put in place to ensure products that display the Gulf mark are consistently of the highest quality. However, quality is not only reflected in Gulf's products, it is also demonstrated in the high standard of service and care that is offered to our customers.

Endurance

Endurance and Gulf go hand in hand, more than any other brand in the industry. Gulf is proud to be one of the original 'seven sister' oil brands and its visual identity (logo), is so strong that it has remained the same over the past 50 years. This enduring value also transmits to its products and services, which are designed to perform consistently and longer than the competition. Extended drain interval products act as tangible endurance-focused benefit that customers receive from Gulf products.

Passion

Passion is at the heart of the Gulf brand and makes it what it is today. It is a quality that is conveyed by its employees, distributors, dealers and customers alike. It is the differentiating factor for the brand and symbolises the energy and vitality the brand exudes. Gulf people are passionate; they are dedicated and driven with a determination to do what it takes to get results. This winning mentality mixed with flexibility and a genuine commitment to go the extra mile, is what sets the brand, its people and its products apart.

Our Parentage

HINDUJA GROUP

The Hinduja Group was founded in 1914 by Shri Parmanand Deepchand Hinduja, who also created the Hinduja Foundation.

Over 100+ year-old-Group is renowned for its principles, value system and a rich legacy of experience spanning diverse businesses such as Automotive, Oil and Specialty Chemicals, Power, Banking and Financial Services, Information Technology, Real Estate, Healthcare and Media.

The Group has stayed true to the philosophy laid down by its founder, 'My dharma (duty) is to work, so that I can give'.

Through the Hinduja Foundation, the Group supports numerous social and charitable initiatives globally in the fields of Healthcare, Education, Rural Development and Art and Culture, among other sectors.

The Group has always embraced change in the operating environment and has made the most of unfolding opportunities. It has fostered long-lasting relationships with customers, partners and governments around the world and continues to create sustainable value across businesses.

The five principles of Hinduja Group serve as the cultural cornerstones of our business

- *Work to give*
- *Word is a bond*
- *Act local, Think global*
- *Advance fearlessly*
- *Partnership for growth*

My dharma (duty) is to work, so that I can give

Shri. Parmanand Deepchand Hinduja (1901-1971), Founder, Hinduja Group

EMPLOYEES
1,50,000+

COUNTRIES
37+

Chairman's Communique
A Year of Stellar Performance

Dear Shareholders,

I am delighted to share with you our annual performance for the fiscal 2017-18. Anchored by successful customer and market-driven strategies, commitment to realise our vision and guided by our core values of Quality, Endurance and Passion, we have delivered yet again an industry-leading performance.

It was a record-breaking year, as we achieved 14% volume increase on the back of healthy traction in both the automotive and industrial segments. We also accomplished robust growth across all our focus segments. Another gratifying factor for us is that the channel business notched up double-digit growth during FY 2017-18, which was single digit in the preceding few years. Our volume growth was over three-fold vis-à-vis the industry estimated growth, as we achieved sales volume of over 95,000 KL in FY 2017-18.

Our revenues grew ahead of volume at 22.6% over the previous year to ₹1,332 crores, with significant improvement in realisation due to better segment/ product mix. This fuelled our EBITDA margins which expanded by 133 basis points to 17.7% during the year. Consequently, our net profit stood at ₹159 crore, registering record 34.9% growth over the previous year.

A fast-expanding distribution network across urban and rural areas, rich portfolio of technologically differentiated solutions and continued momentum in our existing and new partnerships with OEMs and B2B customers were the key catalysts for our performance during FY 2017-18. The team's commitment to 'go the extra mile' has been another instrumental factor that contributed to the overall stellar performance.

For the global economy, 2017 marked a year of optimism as most of the leading economies registered encouraging growth. At 3.8%, the global output grew at the fastest pace since 2011. Emerging market economies were at the forefront of this growth yet again. This was accompanied by a significant improvement in the growth of developed economies of the US and eurozone, among others.

The Indian economy continued to be one of the fastest growing major economies of the world. Despite short-term headwinds due to implementation of Goods and Services Tax (GST) and lingering effect of demonetisation, the economy grew at 6.7% during the year. However, in the long run the implementation of GST was a major leap forward for the Indian economy, towards greater transparency and formalisation. During the year, the Indian automobile industry saw a strong revival with domestic sales growth doubling to 14.22% against 6.81% growth in the last fiscal. This augured well for the Indian lubricants industry as it grew at a faster pace than the preceding 3-4 years.

During the later part of the year, we commissioned our Chennai plant, which has total capacity of 50,000 KL. This plant will enable us to cater to the south Indian market more effectively and meet our growth aspirations.

Our time-tested brand associations with Mahendra Singh Dhoni (or 'Captain Gulf' for us) and Chennai Super Kings have been instrumental in reinforcing our brand position in India. Coupled with our global associations like Manchester United Football Club and with teams in the World Superbikes Championships, this strengthened our brand prowess further. During the year, we also roped in all-rounder Indian cricketer and youth icon Hardik Pandya as the face of our new business initiatives.

We engaged with our customers across these sporting platforms to further fortify our brand equity. As an extension of this strategy, we launched the unique

Building on our legacy of stellar performance, I am confident that the Company is fully geared to leverage future opportunities and take the next leap forward.

campaign 'Gulf Fan Academy' in September 2017 for Indian fans of the world's legendary football club Manchester United, which was highly successful on social media. We also continued to engage closely with our trade channels, OEMs, customers, influencers and dealers through our multiple branding and marketing initiatives.

Looking ahead, India as the world's third largest consumer of finished lubricant products, is likely to witness continued growth momentum with strong demand in both automotive and industrial segments. Companies that can meet the evolving needs of customers with innovation and efficiency and have a wider and thriving distribution network will reap the benefits in the future. Your Company is well, poised to benefit from this trend.

Over the years, we have grown on the basis of our clear strategy and disciplined execution. We will continue to leverage our existing capabilities, and at the same time, expand our geographic footprint and offerings for customers.

Gulf Oil International will extend all relevant support to Gulf Oil India for its present and future endeavours. In this context, a 'best-in-class' R&D centre has been set up at the Chennai plant which will be the hub of all future innovations for Gulf Oil globally, and will help the business in India immensely.

Before I conclude, I must thank all members of our Gulf Oil family of employees, who have, under the leadership of Ravi Chawla, played a great role in the Company's growth and sustainability. I also extend my gratitude to our OEM and B2B customers, distribution partners, suppliers, financial institutions and bankers, and our growing fraternity of shareholders for their continuous trust and support.

Our team is confident of delivering a winning performance again and taking the Company to the next level.

Yours Sincerely,

Sanjay G Hinduja

CHAIRMAN
(DIN: 00291692)

MD's Statement
Futuristic Mindset

Dear Shareholders,

The year 2017-18 gave us a lot of satisfaction as we achieved many record highs and crossed new milestones.

Our consistent approach to business over the last decade, coupled with the support and guidance from our Chairman, our Board, the Hinduja Group and Gulf Oil International have been pivotal to our sustained performance. Our separate listing as a pure-play lubes player in the last 4 years inspired us further to drive teams to create more stakeholder value. Our customers, trade channel partners, Gulf team, investors and all other stakeholders have also motivated us to do more and strive for excellence. We thank all of them for guidance and support.

As we look towards the future, we will continue to strengthen our organisation and respond to shifting industry trends in an efficient and agile manner. We will strive to raise the bar of performance further to remain 'tomorrow driven'.

Customer centricity will continue to be our priority, as we race ahead towards the future. Our engines are revved up to elevate to a higher orbit of customer engagement and brand recall. We are deploying tracking initiatives using customer feedback, research and analytics. We are taking our customer service proposition to the next level by using data analytics extensively and providing innovative and value-added services to our customers across B2C and B2B platforms.

Our emphasis on digitisation, automation and data analytics will empower us to become an even more responsive organisation. Our Company will continue to invest extensively in capability building of our people and make our teams better attuned and prepared to make the most of emerging opportunities.

Another focus area will be to offer future-ready products to cater to the existing and emerging market needs, leveraging our brand salience and distribution capabilities. We are also exploring potential new business areas or segments, which can serve as additional growth engines for our Company.

The year ahead will certainly be more exciting and enriching, as we prepare to tap the latent potential of the lubricants landscape. Our teams stand fully committed to enhancing value for all stakeholders, while continuing with our environmental and corporate citizenship efforts.

We seek your continuous support and motivation in the year ahead, as always.

Yours sincerely

Ravi Chawla

MANAGING DIRECTOR

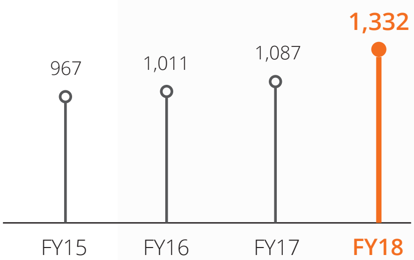
(DIN: 02808474)

Proud Partners:

CONSISTENT **Performance**

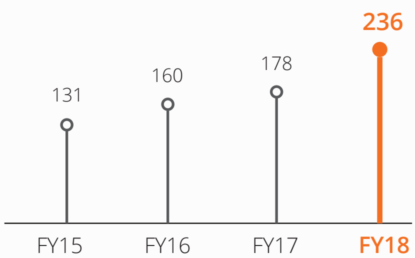
REVENUE

(₹ CRORE)



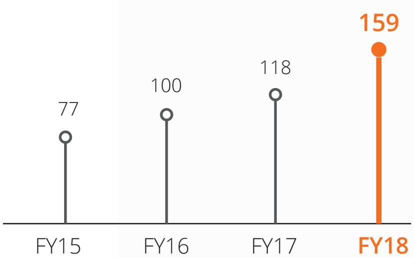
EBITDA

(₹ CRORE)



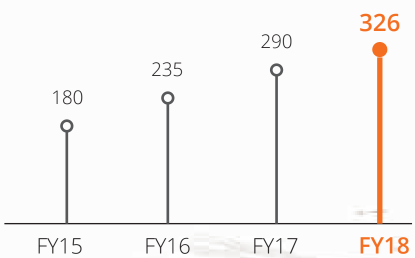
NET PROFIT

(₹ CRORE)



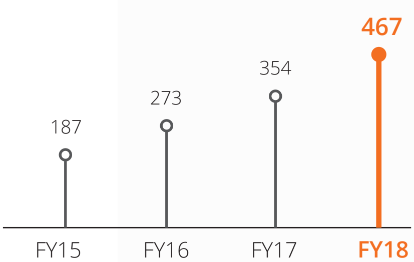
CASH AND BANK BALANCES

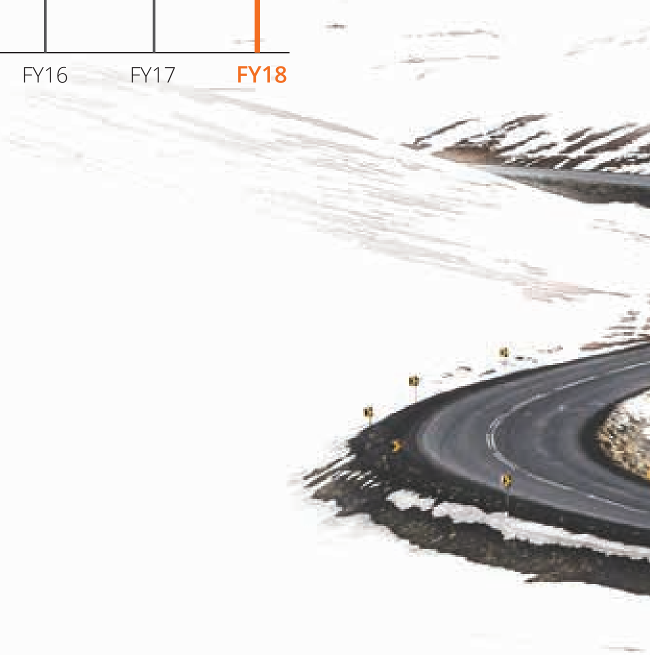
(₹ CRORE)



NET WORTH

(₹ CRORE)

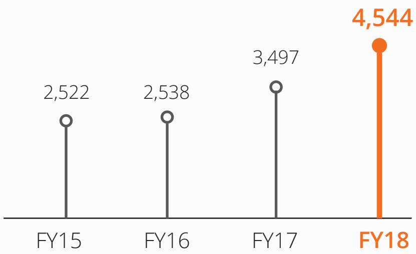




The figures for FY17 and FY18 are as per IND AS

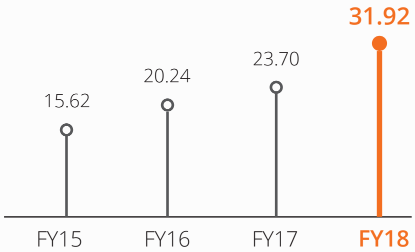
MARKET CAPITALISATION

(₹ CRORE)



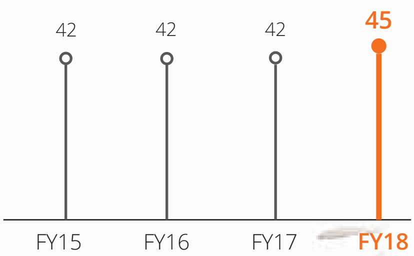
EPS (BASIC)

(₹)



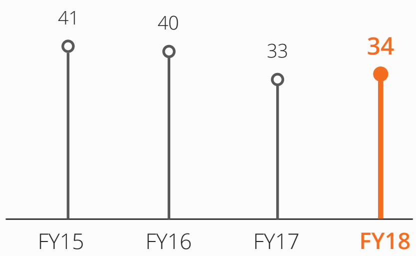
DIVIDEND PAYOUT RATIO

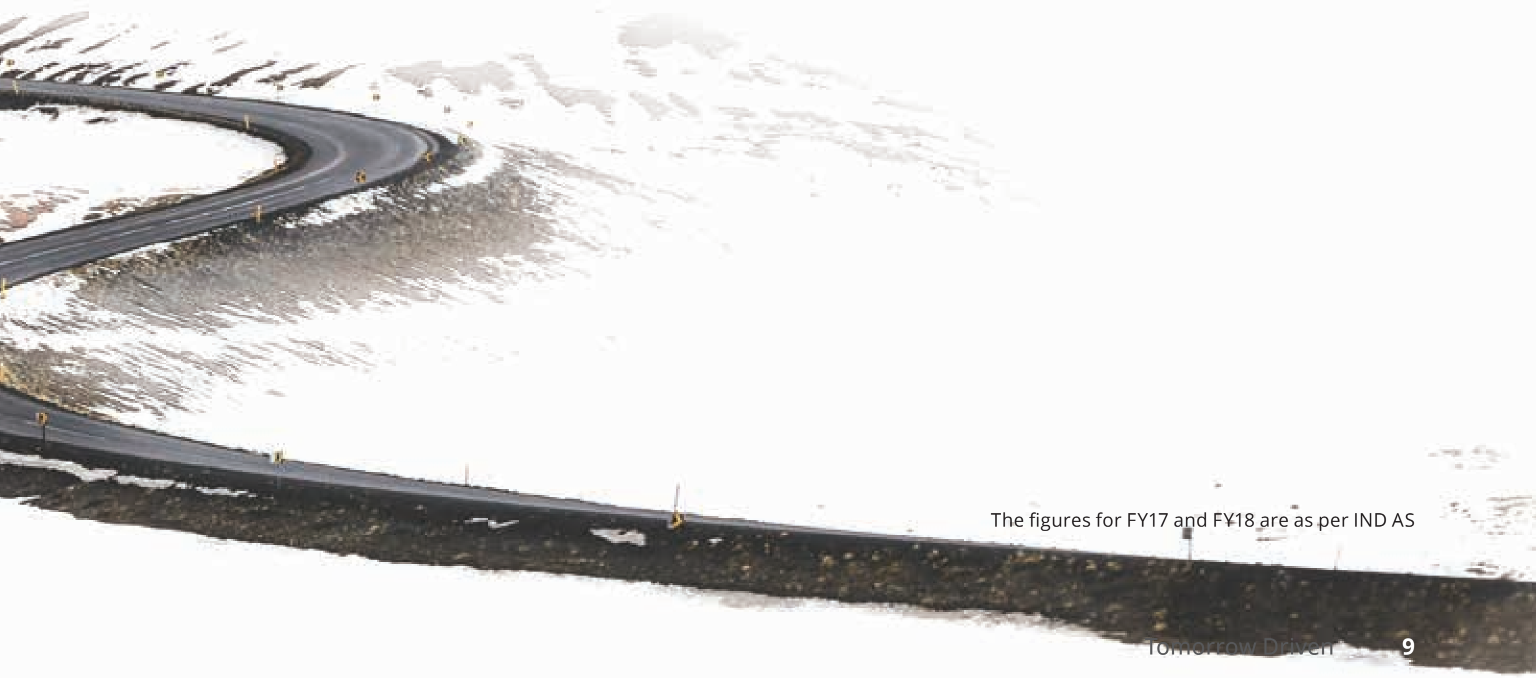
(%)



RoA

(%)





The figures for FY17 and FY18 are as per IND AS

BOARD OF **Directors**

Standing Left to Right :

***Mr. Ravi Chawla** - Managing Director* o
***Mr. Shom Hinduja** - Non-Executive Director* o
***Ms. Kanchan Chitale** - Independent Director* o
***Mr. Sanjay G. Hinduja** - Chairman* o
***Mr. Ashok Kini** - Independent Director* o
***Mr. M. S. Ramachandran** - Independent Director* o

LEADERSHIP Team

Sitting Left to Right :

Dipnarayan K Tiwari - *Sr. General Manager Infrastructure Mining and Fleet* o
Anuradha Bose - *Strategic Brand & Marketing Officer* o
Anand Sathaye - *Sr. General Manager HR and Administration* o

Standing Left to Right :

Manish Kumar Gangwal - *Chief Financial Officer* o
Somesh Sabhani - *Vice President Industrial Sales* o
Nagendra Pai - *Sr. Vice President Channel Sales, Marketing and Allied Business* o
Ravi Chawla - *Managing Director* o
Nilesh Garg - *Vice President Channel Sales* o
Sunil S. Jambavdekar - *Sr. Vice President Supply Chain*

OUR VALUE CREATION **Paradigm**

Inputs

Financial capital

₹467 CRORE
Total equity

₹248 CRORE
Borrowings (short-term)

₹108 CRORE
Capital expenditure

₹326 CRORE
Cash and bank balances

Manufactured capital

1,40,000 KL
Total capacity of Silvassa plant and Ennore, Chennai plant

Intellectual capital

₹7.07 CRORE
*R&D expenditure during the year**

Human capital

530+
Strong

Social and relationship capital

₹1.58 CRORE
CSR spends during the year

Brand capital

₹87.31 CRORE
A&P expense for the year

6.55%
A&P on sales

Business process

High-quality products

- *Diesel engine oils*
- *Passenger car motor oils*
- *Motorcycle oils*
- *Genuine and OEM range oils*
- *Industrial range oils*
- *Specialities and others*
- *AdBlue®*
- *Two-wheeler batteries*

Strategic focus areas

- *Offer differentiated customer value propositions*
- *Strengthen distribution reach*
- *Enhance brand equity*
- *Nurture OEM relationships*
- *Elevate customer service levels*

Outputs

Financial capital

₹1,332 CRORE
Revenue

₹236 CRORE
EBITDA

₹159 CRORE
Profit after tax

Manufactured capital

96.6* %
Capacity utilisation

*(pro-rata for Chennai)

95,000 KL
Total sales volumes

Intellectual capital

6
New products launched in 2017-18

Human capital

7%
Women employees of total

10%
Attrition rate

Social and relationship capital

5,000+
Human lives impacted

Brand capital

Top 3 AS PER IMRB STUDY (INTERNAL)
Brand visibility and recognition

Outcomes

Financial capital

Strong, net debt-free balance sheet

₹467 CRORE
Net worth

₹4,544 CRORE
Market capitalisation as on 31st March, 2018

Manufactured capital

Rising market share in the domestic market

Intellectual capital

Pioneered long-drain interval in India

Launched future-ready products

Human capital

Motivated workforce striving relentlessly to achieve organisational goals

Social and relationship capital

Active participant in increasing road safety and health awareness

Brand capital

Consistent investment in the brand has resulted in strong brand awareness of the Gulf brand in India

*On behalf of Gulf Oil International

TOMORROW DRIVEN
Enhancing Outreach

During the year, we undertook multiple initiatives as we continued to enhance and strengthen our distribution network across both automotive and industrial segments. We continued to deepen our relationship with existing OEM partners and also welcoming new partners to our family.

Channel network

RETAILERS
60,000+

AUTO DISTRIBUTORS
320

DEPOTS
33

B2B industrial network

DIRECT INDUSTRIES
200+

INDUSTRIAL DISTRIBUTORS
50+

Infrastructure, mining and fleet

CUSTOMERS
500+

OEM tie-ups

PARTNERS
10+

Urban focus: Independent workshops (IWS)

BIKE STOPS
7,000+

CAR STOPS
1,300+

Rural focus: Gulf Rural Stockist (GRS)

550+

Our OEM tie-ups

- ASHOK LEYLAND
- Mahindra Rise.
- BAJAJ
- BHARATBENZ
- VOLVO PENTA
- swaraj
- KOBELCO
- SCHWING Stetter
- TOSHIBA
- WHITMORE A CSW Industrials Company
- FORCE MOTORS

TOMORROW DRIVEN Building Capabilities

During the year, we inaugurated a new plant in Chennai, which has an annual capacity of 50,000 KL.

Key Highlights

- State-of-the-art technology from ABB France – Simultaneous Metered Blender (SMB), Automated Batch Blender (ABB), completely piggable manifold, Drum Decanting Unit (DDU)
- Key certifications
  - ISO 9001:2015 from Day 1
  - IGBC certification under process
- New R&D Centre – Gulf's biggest facility globally
- Customer Experience Centre, the first of its kind in India

Glimpses of Chennai plant, R&D centre and Customer Experience Centre inauguration at Ennore, Chennai

Main Admin building block

One of the most complex piggable manifold made by ABB France

Inaugural plaque unveiled by (L to R) Mr. Sunil Jambavdekar, Mr. Ravi Chawla - Managing Director, Mr. Dheeraj G Hinduja- Chairman, Ashok Leyland Limited, Mr. Sanjay G. Hinduja - Chairman, Mr. Shom Hinduja - Non-Executive Director, Mr. Frank Rutten - Vice President International, Gulf Oil International

Chennai project team felicitated by directors

R&D centre visit by our esteemed customers and vendors

Plant visit by dignitaries

Customer Experience Centre

TOMORROW DRIVEN Creating An Inspiring Brand

We undertook multiple innovative branding and marketing campaigns to further reinforce brand Gulf Oil. These campaigns span our entire ecosystem of dealers, distributors and sports associations. We have robust long-standing association with leading personalities, clubs and teams in diverse sports ranging from cricket, football and motorsports. We invested extensively to promote our products across key segments.

BRAND VISIBILITY AND RECOGNITION

Top 3*

RETAIL BAZAAR AMONG PRIVATE PEERS

#2*

* as per internal estimates

Cricketer Hardik Pandya welcomed in the Gulf family

We again tied up with the champion team of Chennai Super Kings (CSK) in this year's Indian Premier League (IPL), resulting in more eyeballs for brand Gulf on the CSK jersey right up to the finals. The new Gulf Pride 4T Plus pack was unveiled by the CSK team in Chennai and Jaipur in the presence of more than 500 trade partners. The digital campaigns centering around the helmeted Mr. Pride further augmented the reach of Pride 4T Plus.

In Tamil Nadu specifically, we successfully ran the campaign of 'Idhu Namma Pride' (meaning 'This is our Pride') across social media and outdoor platforms, connecting the CSK fan sentiment to its brand Gulf Pride 4T Plus. Idhu Namma Pride became a trend on social media as well as a conversation-starter in the engine oil market in Tamil Nadu among consumers, retailers and mechanics alike. As the CSK team boarded the Gulf fan bus, fans took to the roads and to social media in a big way.


Gulf
PRIDE
4T PLUS
Gulf
PRIDE
4T PLUS
INSTA
PICK-UP
SAE 20W-40

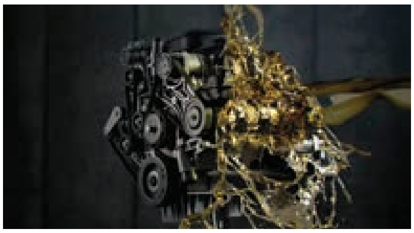

PROUD FANS OF
CHENNAI SUPER KINGS
Gulf
PRIDE
IDHU
NAMMA
PRIDE

Gulf Fan Academy receives overwhelming response

The winners of the Gulf Fan Academy (Season 1) at Old Trafford

Our BTL campaign for Utra SynthX and Max TD across India

Our first global TVC with Manchester United for passenger car segment



Our below-the-line (BTL) initiatives

Gulf Superfleet Turbo Mini BTL campaign

GULF ON TOH TENSION GONE!

"GULF ON TOH TENSION GONE" our BTL campaign for the trucking community

Events

Flagging off Gulf Monsoon Scooter Autocross for the first time in Bhopal

Gulf Oil, the lubricant partner at 'Mahindra Great Escape', an ultimate offroading challenge

Gulf Oil was the title sponsor of BURN FEST, a biker music festival held for the first time in Vasai, Mumbai

Nidhi Shukla, winner of the Lady's class Overall at Gulf Monsoon Scooter Rally, Mumbai

B2B / OEM related initiatives

Participating in leading Industrial Trade Fair EXCON 2017

Mr. Vikram Sharma, Advisor (India and South Asia), Kobelco Construction Equipment India Pvt. Ltd., inaugurating Gulf's stall at EXCON

Toshiba Machine powered by Gulf Harmony AW Plus

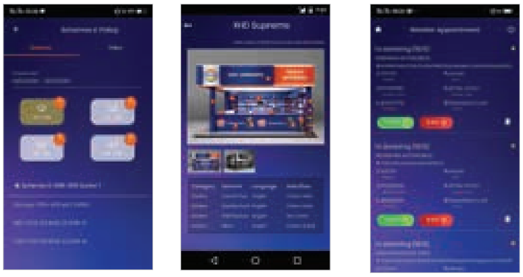
Gulf felicitates Mr. Arvind K. Garg, Executive Vice President & Head - Mining and Construction Equipment Business at Larsen & Toubro Ltd. at EXCON

Ashok Leyland M&HCV WM Meet at Manesar – North 1 Region

Mahindra Seva saptah camp at Muzaffarpur

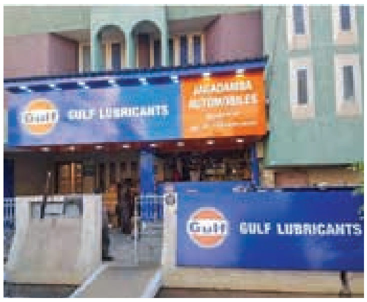
Retail (Bazaar) market initiatives

Unnati Retailer Loyalty Programme – Gulf team hosting key dealers in North India



Gulf Konnect app for employees to conduct daily business on the go

Gulf Shoppes – Changing the perception of brand Gulf in the market through retail transformation



TOMORROW DRIVEN Winning Through Innovation

We, at Gulf Oil, have been at the forefront of path-breaking, innovative products to cater to the requirements of diverse customers. Our differentiated products have helped us stay ahead of the curve and enhance market share across segments. Innovation has played a pivotal role in driving our industry leading performance in the last few years.

Reaching the future faster

Our culture of innovation helps shape our unique offerings and improves customer convenience. Taking this thought forward, we launched our biggest global facility – our new research and development centre at our Chennai plant recently. This R&D facility will be at the vanguard of all our innovation and product technology initiatives in India and globally.

We are planning to enrich our portfolio of value-added products of special greases (for the core sector), metal working fluids and synthetic oils. This will help our Company move up the value chain, enhance our premium offerings and reinforce our margins.

Winning in the marketplace

Ultrasynth X

Synthetic passenger car motor oil

PowerTrac 4T

Synthetic motor engine oil engineered especially for bikes with higher engine capacity. Delivers 7% more power than competition

Formula G

Synthetic engine oil for new generation cars

Pride Scooter

Specialised lubricant for the fast-growing scooter segment

OUR JOURNEY OF Long Drain Prowess

ASHOK LEYLAND

With our key OEM Partner Ashok Leyland

We work together with our OEMs towards the common goal of enhancing the value delivered to vehicle owners.

2010

Launched Superfleet LE Dura Max 15W-40 **Co-branded Engine Oil** Gulf with **80,000 km** drain interval

2015

Launched Gulf Crown LX Dura Max Grease **Co-branded Wheel Bearing Grease** with **80,000 km** drain interval

2017

Launched Gulf MTF-T NxG **Co-branded Manual Transmission Fluid** for LCVs with **1,00,000 km** drain interval

2018

Gulf Eurocool Duramax **3,00,000/3years** coolant for all M&HCVs

TOMORROW DRIVEN Energised For The Future

We sell batteries under the brand name 'Gulf Pride', a pilot business we ventured into few years ago. This range of motorcycle batteries has been specifically designed for the new generation of two-wheelers. During the year, we crafted aggressive growth plans and are implementing multiple initiatives to ramp up our distribution across regions, position our brand as a leading one. We have a dedicated team committed to take this business to the next level. Recently, we appointed Indian cricketer Hardik Pandya as the face of this business.

Outlook

Apart from meeting existing demand, this business will also look to cater to the emerging demand for batteries.

We believe there is demand-supply mismatch in this segment in terms of quality batteries. We will invest towards correcting it and bolster our market share in the battery business. This segment could witness robust growth in the coming years. We are fully charged up to take this business to new heights in the coming years.

TOMORROW DRIVEN On The Digital Highway

Throughout the year, we have undertaken multiple digital initiatives to stay engaged and connected with customers. We have been actively releasing engaging videos and exclusive online properties such as '#GulfFanAcademy' and 'Mr. Pride' to keep interacting with our community regularly.

Independent studies show that we were the second-most mentioned brand and the Eighth most engaged brand (on social media) in IPL 2018.

We also launched a new customer-focused website which has received an overwhelming response.

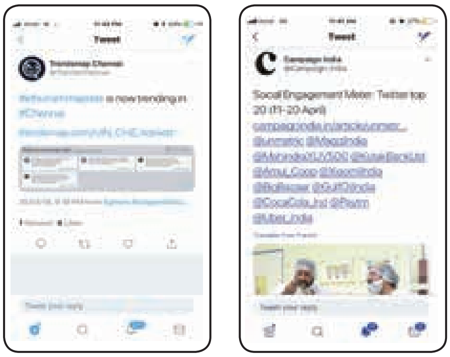
Key Highlights

THE GULF OIL CHANNEL
23 MILLION VIEWS

FAN FOLLOWING
230% GROWTH

FOLLOWERS
120% GROWTH

FOLLOWERS
6K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2


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1 Trending on social media
2 '#GulfFanAcademy'
3 Hunt for 'Mr. Pride'

NURTURING AN ***Engaged Workforce***

We believe an engaged workforce is a key asset to achieve business objectives. We strive to offer our people a culture that motivates, rewards and fosters talent. We encourage entrepreneurship and provide professional growth opportunities through various learning and development programmes to our people. We align their goals with those of the organisation and identify and nurture the leaders of tomorrow.

Building capability

At Gulf Oil, we use a professionally developed Learning Management System, Gulf Oil Training & Development (GOLD) Academy to enable access to rich learning materials for all our people both in India and internationally.

Won the World Training and Development Leadership Award from the World HRD Congress

Our workforce at the plant

Won the Brandon Hall Excellence award 2017

Diwali celebrations in Mumbai office

Sales team at Annual Channel Sales & Marketing Conference at Phuket, Thailand

Ways of Working (WOW)

We have developed benchmark work systems and processes to define a Ways of Working (WOW) infrastructure to better align all our business processes with the checks and balances that help our units to cohesively move ahead on the path towards powered growth.

ASPIRE

'ASPIRE' (Align: Strive: Perform: Inspire: Reward: Enable) is our web-based performance management system, which establishes performance standards across our organisation.

Gulf Oil India won the 'best team of the year' award in Gulf Oil International's Global Conference in Dubai

BUILDING AN ***Aware Community***

As a responsible corporate citizen, we believe in giving back to society. We derive inspiration from our founder's motto 'My dharma (duty) is to work, so that I can give' and have adopted it as our social responsibility ideology. Our organisation has been actively promoting the cause of road safety, skill development, healthcare and other social issues. We concentrate on uplifting the weaker sections of our society through diverse social initiatives.

Some of our prominent CSR initiatives during the reporting period were:

'Kushal' vocational skill development project

- Partnered Mitcon for Kushal — a certified vocational skill development programme
- Trained two-wheeler mechanics with the help of qualified professionals
- Conducted 10 training sessions during FY 2017-18
- Awarded certificates to successful candidates

CERTIFIED MECHANICS DURING FY 2017-18

492

Road safety awareness rally

- Organised event in Mumbai in May 2017
- Roped in Bollywood actress and model Urvashi Rautela as the chief guest
- Distributed helmets to Mumbai and Ahmednagar police at the event
- Recorded active participation by our employees

BIKER PARTICIPATION	BIKERS' CLUBS PARTICIPATION
800	**18**

Gulf Pride safety ride

- Conducted road safety awareness rally in association with Panaah (KPB Hinduja College fest)
- Attracted support from prominent film personalities
- Arranged a flash mob competition with participation from 16 colleges to build awareness on road safety

HELMETS DISTRIBUTED TO STUDENTS AND PARTICIPANTS

250

Urban feet

- Organised an awareness event to promote women's safety in public places in collaboration with Akshara Foundation
- Conducted a night-time marathon for the purpose and attracted the support from well-known film personalities

Other initiatives

- Our 25th Foundation Day celebrated with families of employees and underprivileged children
- Handed over mobile medical unit at Silvassa to a local civic hospital
- Provided financial support to the project 'Gift of life adventure' which spreads awareness about organ donation

GLOBAL ASSOCIATIONS *We Cherish*

Global Partnership with the legendary football club Manchester United reflects our commitment and ambition for growth of 'GULF' brand. Manchester United finished 2nd in both EPL & FA Cup last year

Celebrating 50 years since Gulf took outright victory in the legendary Le Mans 24 Hours for the first time

Other global associations include tie-ups with World Superbike Teams – Milwaukee Aprilia & Gulf Althea BMW Racing and Le Mans

MANAGEMENT
Reports

MANAGEMENT Discussion and Analysis

Economic overview

Global economy

The year 2017 was marked by a broad-based improvement in global economic growth. During the year, global economy grew by 3.8% [Source: International Monetary Fund (IMF)], which was the fastest since 2011. Upswing in investment, stable corporate earnings and favourable monetary policies adopted by leading economies were the primary catalysts behind this recovery.

Emerging market economies continued to outpace the rest of the world during the year and registered 4.8% growth. This indicates a healthy improvement over the growth registered in 2016. Among emerging market economies, China benefited from the momentum in world trade and recorded its highest growth since 2015. India, on the other hand, demonstrated healthy resilience against temporary headwinds and emerged as the sixth largest economy in the world. A major highlight of the year gone by was the improvement seen in the economic growth of advanced markets such as the US and eurozone.

Global oil demand remained on a firm footing in 2017 and grew by 1.6 million barrels per day owing to revival in demand from China, India and the Organisation for Economic Co-operation and Development (OECD) countries. Following production cuts by both Organization of the Petroleum Exporting Countries (OPEC) and non-OPEC countries, crude oil prices surged to close at $66.97 per barrel – its highest level since 2013. Crude oil is currently hovering in the range of $70-80 per barrel.

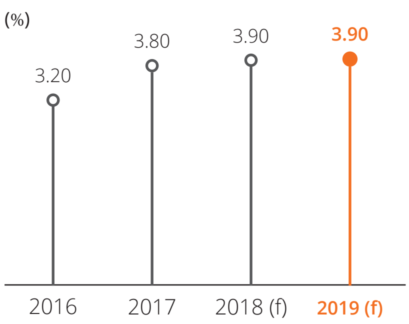
During the year, the Federal Reserve (the Fed) undertook three rate hikes keeping in mind the improving US economy and labour markets. Given that the Fed's rate hikes were well-communicated to market participants, they were priced inadequately without disrupting the flows significantly. In 2018, the Fed plans to undertake three more rate hikes to prudently balance the improving US growth with inflation.

Outlook

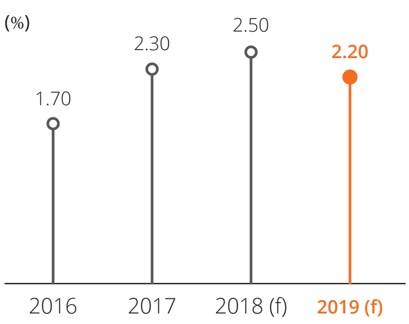
The IMF has raised the global growth forecast for both 2018 and 2019 to 3.9%. These forecasts are based on the premise that the trends of robust investments as well as strong global trade are likely to continue.

GLOBAL GROWTH

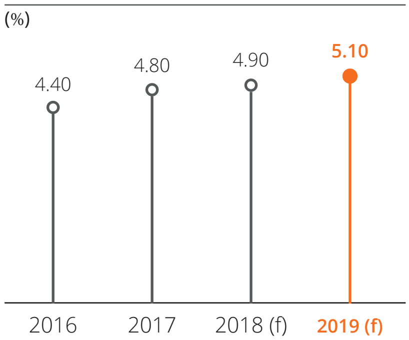
WORLD



ADVANCED MARKET ECONOMIES



EMERGING MARKET ECONOMIES



f: forecasted

Source: International Monetary Fund (IMF), World Economic Outlook April 2018

Indian economy

Despite short-term headwinds, the Indian economy continued to be one of the world's fastest-growing major economies during the year. It grew by 7.7% in the fourth quarter, after the twin impacts of demonetisation and the Goods and Services Tax (GST) began to wane. The economy grew by 6.7% for the entire fiscal.

The eight core sectors of coal, crude oil, natural gas, refinery products, fertilisers, steel, cement and electricity grew by 4.3% during the year on the back of a strong momentum in the cement, coal and steel sectors. India's fiscal deficit stood at 3.53% during the year and was broadly in line with the revised target of 3.5%. The government expects to bring it down further to 3.3% of GDP for FY 2018-19. India's foreign exchange reserves as at March end stood at a comfortable level of $424 billion. This fact reflects the continued optimism and faith that foreign investors have in the economy.

Another notable highlight of the year was that India moved up higher to the 100th spot in the global ease of doing business vis-à-vis its 142nd rank about four years back. Inflation remained under check during the year with the Consumer Price Inflation declining to 4.28% in March 2018, supported by stable prices and the prudent monetary policy adopted by the Reserve Bank of India (RBI).

The government continued to undertake multiple reforms during the year for promoting inclusive growth, improving the business climate and addressing indigenous challenges of the Indian economy. The highlight of FY 2017-18 was the implementation of the long-awaited GST with effect from July 1, 2017. This new tax reform made the 'One Nation, One Tax' theme a reality, paved way for integrated taxation and ease of doing business and will have far-reaching benefits on the Indian economy going forward. Higher spending on social schemes such as National Rural Employment Guarantee Act (NREGA), continued thrust on rural infrastructure projects, rise in minimum support prices, implementation of salary hikes under the Seventh Pay Commission across states and the 'One Rank, One Pension' scheme are likely to lead to higher disposable income in the hands of Indian consumers.

Two successive years of favourable monsoon, burgeoning youth population (over 60% of the population is below the age of 35) and rising urbanisation are other macro growth drivers of the economy.

Outlook

Amid expectations of a pick-up in private sector investment, and in the manufacturing and construction sectors, the Indian economy is likely to grow by 7.4% during FY 2018-19 (Source: The RBI).

Continued momentum in global trade would augur well for exports in the near-term. In view of rising inflationary pressures, the RBI hiked the repo rate by 25 basis points in June 2018; further hikes during the on-going fiscal cannot be ruled out. Going forward, higher interest rates would help to keep inflation under control. However, the key challenge will be to achieve a fine balance between inflation, growth and employment generation. Increasing emphasis on energy efficiency and implementation of environment-friendly policies are pushing India Inc. to realign their processes around this theme. This emerging trend will benefit lubricant companies in India significantly.

Industry overview

India follows the US and China to be the third largest lubricant market globally. It is one of the fastest-growing lubricant markets in the world. The Indian lubricant market can be broadly classified under the three heads of automotive, industrial and process/white oils. Process oils constitute one-third of the total lube market. Automotive and industrial together form two-thirds of the market in terms of volume, followed by industrial oils such as transmission and hydraulic fluids, general industrial oils, gear oils, greases and so on. Automotive engine oils form the largest pie of the Indian lubricant market, excluding process oils.

India's lubricant market constitutes over 20 organised players, including the MNCs, public sector oil marketing companies and other domestic companies. The market is dominated by the public sector oil marketing companies. In recent years, though, private players have started growing rapidly owing to their expanding reach and highly innovative products and services. This trend is likely to continue in the future as well. Encouraging prospects of the rural economy, focus on energy efficiency, higher brand consciousness and continuous advancement of engine technology are some macro enablers that will contribute to the growth of India's lubricant market in the future.

Automotive segment

Automotive lubricants dominate the lubricant market in India, with specialised applications for Commercial Vehicles (CV), Passenger Vehicles (PV) and two-wheelers. Diesel

Engine Oils (DEO) lead the automotive lubricant market as they alone form about 45% of the total market, followed by Motorcycle Oils (MCO) and Passenger Car Motor Oils (PCMO). The demand for automotive lubricants is a direct function of vehicle movement on the roads, as well as growth of vehicle population and automobile sales, which have grown rapidly in recent years.

India's production of vehicles crossed the 29-million mark during FY 2017-18. For the first time, the country's PV and utility vehicle production crossed the 4-million mark each. These numbers indicate the inherent durability in the domestic demand for automobiles. The country's automobile sales grew at a rapid pace during FY 2017-18 and India overtook Germany as the fourth largest global automotive market, right behind China, the US and Japan.

Category	Sales		
	April to March		
	2017-18	2016-17	% change
PV	32,87,965	30,47,582	7.89%
CV	8,56,453	7,14,082	19.94%
Three-wheelers	6,35,698	5,11,879	24.19%
Two-wheelers	2,01,92,672	1,75,89,738	14.80%
Total Domestic Sales	2,49,72,788	2,18,62,128	14.22%

This is commendable, especially when viewed in the context of the setback arising from the inventory realignment undertaken post the implementation of the GST. The industry revived quickly from the transitory pain witnessed by distributors post GST implementation and registered a healthy double-digit growth of 14% during the year.

Normal monsoon aided rural income during the year, thereby bolstering demand for two-wheelers, which grew at a healthy pace of 14.8%. This trend rubbed-off favourably on the sale of MCO in the lubricant industry.

On one hand, tractor sales too benefited from a buoyant rural economy and grew 22% during FY 2017-18 (Source: Tractor Manufacturers Association). While on the other hand, continued government push to the infrastructure sector, healthy momentum in the road construction and mining sectors as well as improving demand from the e-commerce and Fast-moving Consumer Goods (FMCG) sectors facilitated the growth of CV during FY 2017-18. This momentum was reflected in DEO sales, which bounced back during the year.

Growing in strong double digits, compact cars were at the forefront of the overall PV segment. Stable interest rates also supported the overall demand for PV in the year gone by. Consequently, PCMO witnessed healthy traction in sales.

Industrial segment

The industrial lubricant segment comprises hydraulic fluids, metal working fluids, greases and industrial gear oil. These products are used in the construction, manufacturing, textile, power generation, mining, food processing, light-heavy engineering, marine operations and metal working sectors.

Demand for industrial lubricant depends on the Index of Industrial Production (IIP) and overall growth trends in the economy. Besides, the demand for high-performance lubricants in the industrial segment is driven by the criticality of the application in which they are used, such as compressors, textile machinery, windmills, captive power plants, among others.

Infrastructure segment

The infrastructure segment can be classified separately as it leads the demand for both industrial and automotive lubricants through products finding application in both on-highway vehicles and off-highway construction equipment.

The Government of India has implemented multiple reforms and policies to facilitate and expedite the growth of the infrastructure sector in both rural and urban areas.

This, in turn, will lead to improved demand for lubricants from the infrastructure sector.

Some of the key policy measures aiding the prospects of this sector include:

- Higher spending towards infrastructure through various road projects under the Ministry of Road [including National Highways Authority of India (NHAI)] and the Pradhan Mantri Gram Sadak Yojana
- In the Union Budget of 2018-19, ₹71,00,000 lakhs was allocated for the construction of national highways across the nation
- The Sagarmala Programme (involving investments worth around ₹8.5 trillion) to set up new mega ports, drive modernisation of India's existing ports and facilitate the development of 14 Coastal Employment Zones (CEZs) and Coastal Employment Units
- Adoption of new models such as the Hybrid Annuity Model (HAM) to propel investments into the sector
- Implementation of various power sector reforms
- Modification of the Mines and Mineral Development and Regulation (MMDR) Act to bring higher transparency

In conclusion, improving prospects of the infrastructure sector will benefit the domestic lubricant market. Companies having wider reach and significant positioning in the lubricant sector and focusing on innovation are well placed to benefit from the improving health of the infrastructure sector.

Gulf Oil Lubricants India Limited (GOLIL)

Company overview

Gulf Oil Lubricants India Limited (GOLIL), part of the Hinduja Group, is an established player in the Indian lubricant industry. Gulf Oil International, parent of GOLIL, owns the Gulf brand globally (except the US, Spain and Portugal) and the brand is present in more than 100 countries.

GOLIL operates mainly in the automotive and industrial segments with a leading presence as one of the top players in the open market (B2C/ Bazaar channel) through the distributor network. It also directly supplies to Original Equipment Manufacturers (OEMs) and other B2B customers (industries, infrastructure, mining and fleet customers, state transport and government undertakings). Its premium products, including automotive and industrial lubricants, are manufactured at the Company's state-of-the-art plants in Silvassa and Ennore, Chennai.

Manufacturing capabilities

Silvassa plant (Capacity: 90,000 KL)

Features

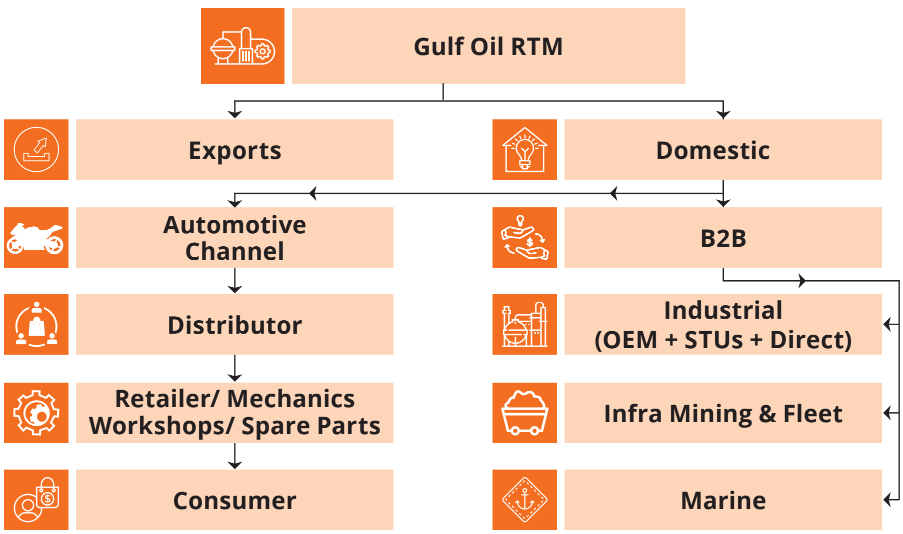
- World-class blending plant
- High-speed automatic filling machine - OCME
- Superior automated blow moulding machines – Automa
- Fully Automatic Storage & Retrieval System (ASRS)
- AdBlue® manufacturing capacity of 12,000 KL
- Disaster management support
- An in-house quality control laboratory, which supports operations in India and globally
- Key certifications:
  * ISO 9001:2015 * ISO 14001:2015
  * ITAF 16949:2009 * OHSAS 18001

Chennai plant (Capacity: 50,000 KL)
Commenced operations: in December 2017

Features

- State-of-the-art technology from ABB France – Simultaneous Metered Blender (SMB), Automated Batch Blender (ABB), completely piggable lines and manifold and Drum Decanting Unit (DDU)
- Advanced ASRS
- A high-tech fire-fighting and disaster management system
- 100% provision for solar power, rainwater harvesting and natural lighting throughout the day
- Key certifications:
  * ISO 9001:2015 from day 1
  * IGBC Certification under process
- New R&D centre – Gulf's biggest facility globally
- Customer Experience Centre, the first of its kind in India

Route to Market (RTM)



Business review

During FY 2017-18, your Company continued to outpace the lubricant industry and recorded a volume growth of 14%, the highest in the last few years. This is more than three times the volume growth recorded by the domestic lubricant industry. During the year, your Company has moved up its positioning and is now amongst India's Top 3 private lube players in terms of volume. Robust volume growth across both automotive and industrial businesses fuelled your Company's performance during the year. This performance is well reflected in the increasing market share of the Gulf brand in India. Based on an internal market research done in 2017, covering a wide section of consumers, mechanics and retailers, the 'Gulf' oil brand has improved its position amongst the Top 3 lubricant brands in terms of brand awareness, purchase consideration and on other parameters as well.

This outstanding performance is an outcome of your Company's commitment to ensure efficient execution of its growth strategies. Detailed focus to grow each segment by offering differentiated customer value propositions was one of the growth enablers of your Company. Strengthening existing OEM and B2B partnerships along with forming new ones was another growth enabler. Your Company continued to make the requisite investments towards fortifying its brand equity and enhancing distribution across all its segments during the year. It also focused on providing superior services to its customers, right from sale origination to the servicing stage, thereby driving customer delight throughout the value chain.

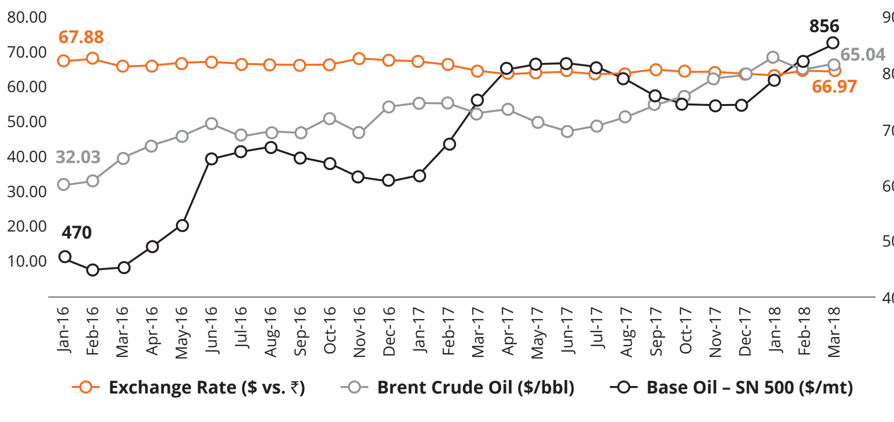
In terms of financial performance, the revenues grew by 22.6% to ₹1,33,226 lakhs. EBITDA margin stood at 17.7% of sales during the year compared to 16.4% in the preceding year and was aided by a favourable product mix and higher cost efficiencies across the Company. The Profit After Tax (PAT) grew by 34.9% to ₹15,856 lakhs. Following the outstanding financial performance, the Board has recommended a final dividend of ₹6.5 per share compared to ₹5 in the preceding year. Including the interim dividend declared earlier during the year, the total dividend recommended/paid during the year stands at ₹10.5 per share i.e. 525% on the face value of ₹2 per share.

Impact of crude oil, base oil and the exchange rate movement

The price of crude oil has hit its highest level since 2013, crossing $70 per barrel, as Brent Crude, the international benchmark, has more than doubled in the past year.

Consequently, the prices of base oil, the primary raw material used by your Company, too headed north. Stability in the Indian Rupee provided some relief from increase in raw material cost. In order to protect its margins, the Company implemented price hikes in a calibrated manner during the year. Your Company has formed long-term contracts to ensure seamless supply of raw materials. Initiatives in procurement, inventory management, pricing negotiations, formulation optimisation and cost management are additional factors that protect the Company's margins.

Crude oil, base oil and the exchange rate movement



Automotive segment

This business contributes approximately 60-65% to your Company's volumes and caters to two major categories, namely the personal mobility segment, which comprises two-wheeler and PCMO, and the commercial vehicle oils segment.

These products are distributed via two main channels:

1) Bazaar, which includes spare parts stores, exclusive lubricant stores and independent workshops/garages

2) OEM Franchise Workshops

1) Bazaar

The Bazaar channel represents more than one-third of the total lubricant market, excluding process oils. Your Company is the No. 2 lubricant player in this channel in terms of volume (as per internal estimates) and has further strengthened its distribution footprint across the country in the year gone by. Currently, it has a distribution network of 60,000+ retail touch points, 320+ auto distributors and 30+ depots. Your Company's distribution network also includes branded independent workshops for cars called 'Gulf Car Stops' and for bikes called 'Gulf Bike Stops'. It has over 7,000 such bike stops and more than 1,300 car stops and these numbers are growing rapidly. As a result, your Company witnessed a high single-digit growth in Bazaar last year.

Imbibing a culture of operational excellence

It is your Company's constant endeavour to drive cost efficiencies and operational excellence across all its functions. Over the years, every employee has embraced this culture and your Company's performance is a strong testimony of these efforts. Following are some of the highlights on this front in the Bazaar segment:

- Migrated the entire retail business on an Enterprise Resource Planning (ERP) system
- 1 million+ invoices on Tally for its distributors
- Empowered the sales team with analytical tools such as the 'Gulf Konnect' platform
- Brought down the time for reimbursement and incentive schemes from 3 months to 1 month
- Connected 6,000+ key retailers through the 'Gulf Unnati' mobile app

GOLIL is implementing similar initiatives in the B2B segment as well.

- **Personal mobility**

  The year began on a weak note as the industry grappled with the disruption caused by the implementation of GST. This had some bearing on the consumption of PCMO as well as MCO in the initial months of the year. However, with its focused strategies, suitably backed by distribution and marketing initiatives, your Company was able to grow at a healthy pace in the months of April and May. Despite the destocking and inventory reduction carried out by the distributors and retailers, the Company's overall volume in personal mobility still grew at 10% in the first quarter of the year.

  The impact was the highest in the PCMO segment, which has high-value products. The MCO segment, though, was much more resilient to the aftershocks of GST and continued to grow in double digits across the entire year.

  During the year, your Company undertook aggressive marketing campaigns through outdoor, radio and below-the-line (BTL) activities and also engaged in above-the-line (ATL) advertising to create higher awareness about its brands in the PCMO as well as MCO segments.

  Investments in the brand continued to gain strength as your Company's internationally developed TV campaign featuring Manchester United, with whom brand Gulf is associated globally, was unveiled with a unique proposition of high performance under pressure. This 'Pressure Moves You' campaign was extended through BTL activations in metros. It helped improve conversions at point of sale and drove growth for PCMO during the year.

  Association with Manchester United was further leveraged with an innovative concept of the 'Gulf Fan Academy' throughout the year. With #GulfFanAcademy, your Company's digital presence broke new ground. Additionally, your Company's association with the Indian Premier League franchise cricket team Chennai Super Kings (CSK), with an extensive 360-degree campaign, was a grand success across India and further aided consumption demand in the personal mobility segment.

  Gulf Oil Unnati, the Company's dealer loyalty programme, continued to gain traction among top retail partners in the year.

  Overall, GOLIL's multiple brand and distribution initiatives fuelled the growth of this segment in the year gone by. For the full year, the personal mobility segment registered a robust volume growth of 20% over the preceding year.

- **Commercial vehicle oils/ DEO**

  It was a mixed year for the commercial vehicle oils segment. The implementation of GST led to some slowdown in the overall economic activity in the first half of the year. Your Company's DEO segment managed to outpace the industry despite the presence of challenges at the macro level.

  However, in sync with the upswing in the economic growth, the DEO segment too gathered momentum and grew by almost 20% during the second half of the year. For the full year, DEO volumes grew 12%.

  During the year, your Company rolled out a BTL campaign with the theme 'Gulf On Toh Tension Gone', targeting the trucking community. The campaign covered 29 cities and more than 40 trucking centres across India and was spread over 61 days. It helped to reach out to 10,000+ mechanics and created a huge buzz across the transport hubs and the cities covered by it.

  Your Company conducted oil change camps in the farm segment and in the franchise workshops on a large scale during the year. These camps reached 30,000+ tractor owners and the Company believes that the benefits of these efforts would also flow in during FY 2018-19.

2) OEM Franchise Workshops

In recent years, OEM Franchise Workshops have become a prominent business segment for your Company. This segment recorded a high growth during the year, supported by encouraging traction in your Company's tie-ups with leading OEMs. During the year, your Company saw robust growth in its tie-ups with Mahindra and Bajaj, even as Ashok Leyland continued to remain a strong pillar of growth in the segment.

The Company also formed a new tie-up with a leading domestic automobile company – Force Motors. Going forward, your Company will continue to explore opportunities for such strategic tie-ups, which will act as strong engines of future growth.

Overall, the automotive segment registered a stellar performance during the year owing to strong momentum in both Bazaar and OEM Franchise Workshops.

Industrial segment

Your Company caters to the industrial segment through both direct and indirect channels (distributors). At the end of the year, its industrial network spanned across 200+ direct industry accounts and 50+ industrial distributors.

This segment registered a healthy all-round growth during the year, with the industrial distributor channel recording a high double-digit growth during the year. Your Company has strengthened its focus on the core sectors of coal, steel, cement and electricity and ramped up its share of business with direct accounts. It added three more plants with JSW Steel during the year and further solidified its bond with one of India's largest steel manufacturers.

Another highlight of the year was that your Company strengthened its positioning as a B2B brand through various technical seminars and customer meets. Furthermore, in a bid to ramp up its market shares and reach the targeted segments, significant time and resources were invested in training its B2B teams. Also, your Company is currently undertaking the exercise of implementing the Tally DMS software to support its industrial distributors.

Your Company is constantly shaping relevant strategies in sync with emerging trends and the ever-evolving requirements of customers. The overarching culture of the organisation promotes innovation, which can be a source of competitive advantage. This is aptly reflected in the performance of your Company's key products in this segment during the year. These include AdBlue® solution that helps vehicles meet Bharat Stage IV emission standards and the specialty grease products offered under exclusive dealership with the US-based manufacturer – Whitmore. The specialty grease products manufactured by Whitmore are used in high-pressure grease applications. While both these products saw healthy traction during the year, volumes of specialty grease products doubled, compared to last year, owing to strong demand from domestic steel and coal companies. AdBlue®, on the other hand, will further benefit from 2020 when adoption of Euro VI norms will become mandatory for every vehicle. Similarly, the long drain hydraulic oils offered by the Company stand to be the early beneficiaries of consumers' rising preference of such products across different industries.

Infrastructure, Mining & Fleet segment

Through its Infrastructure, Mining & Fleet business, your Company has adopted a focused approach to cater to the unique requirements of the infrastructure, mining, ports and fleet sectors. By providing better services and achieving greater customer satisfaction, your Company has been able to increase penetration across these sectors. These sectors recorded a double-digit volume growth last year. The Company has 300+ marquee customers, including the likes of L&T, Dilip Buildcon, Punj Lloyd, Oriental Engineers and Shapoorji Pallonji. The Company also formed a new tie-up with one of the top OEMs in the construction equipment sector – Kobelco.

Opportunities and threats

Your Company's business may be impacted by potential opportunities and threats.

Opportunities

- Robust prospects of India's automobile sector and overall economic growth

- Adoption of new emission norms and enhanced focus on fuel efficiency
- Evolving technology as well as customer requirements
- Significant potential to ramp up rural penetration of automobiles
- Scope to improve the Company's market share in the PV and tractor segments
- Expansion of the Company's reach across various channels and geographies

A buoyant rural economy, presence of multiple enablers for consumption and a favourable monetary policy environment would aid the prospects of the automotive sector in the medium term.

Threats

- High competitive intensity in the sector
- Possibility of aggressive pricing and discounts being offered by competitors
- Sudden and sharp volatility in prices of key raw materials
- Unprecedented high volatility in the forex market

Outlook

Automotive segment

The Indian automotive industry is set to further improve its performance and 2018-19 is expected to bring positive sentiments back into the market and rev up overall vehicle sales. A buoyant rural economy, presence of multiple enablers for consumption demand and a favourable monetary policy environment would aid the prospects of the automotive sector in the medium term. Accordingly, the overall lubricant demand is expected to improve in the current year.

Personal mobility

The growth in two-wheeler population is expected to continue in 2018-19, with scooters slated to deliver a better performance. Your Company will continue to strengthen its already prominent position in the MCO segment. The industry also forecasts a high sales growth in PV, with both utility vehicles and cars growing in the domestic market. This, along with the increasing adoption of high-value synthetic and semi-synthetic grades of oil and expanding footprint in the rural segment, will be the main growth catalysts of the personal mobility segment. PCMO is a high-potential category and your Company will continue its focus to garner additional market share in PCMO by tapping into these opportunities efficiently. The investments made by your Company in various brand initiatives such as the Manchester United campaign will also start yielding results this year. Your Company is looking to ramp up its independent workshop programme 'Gulf Car Stops' to further boost its market share in this category.

Your Company is confident of delivering higher volume growth than the market in the personal mobility segment and further enhance its market share, going forward.

Commercial vehicle oils/ DEO

India's CV sector is at an inflection point and is likely to benefit from improving economic growth, stronger replacement demand and growing operational efficiencies in the transportation, logistics and supply chain activities. The Government of India's continued emphasis to drive India's infrastructure sector will provide further impetus to the CV sector. Your Company has a healthy market share in this segment and is implementing appropriate strategies to capture these emerging opportunities and further expand its presence in this segment. The Company's focus on providing innovative products to cater to both existing and emerging needs of the CV sector, coupled with continued expansion of the distribution network in both Bazaar and OEM channels, will be the key enablers for growing its DEO business. Your Company is pioneering the long drain products in this and will launch longer drain greases also in the future. There is substantial scope to grow its market share in the tractor segment. Overall, the Company is confident of achieving high growth in the CV segment in the future.

Industrial segment

Going forward, your Company aspires to constantly develop innovative products and gradually ramp up the share of high-value products in overall revenues. It has formed a new category of products under the head 'specialty products', which includes Whitmore special greases. Your Company is also working on developing special greases (for the core sector), metal working fluids and synthetic oils. These products will play a crucial role in enabling the Company to stay ahead of the curve.

The strategic priorities of the industrial business include:

- Bolstering the dealer network and the customer base
- Lending higher stability and growth to the volumes

Infrastructure, Mining & Fleet segment

For the Infrastructure, Mining & Fleet business, the priority will be to continue to strengthen the relationship with existing customers and also add new customers to the business. Looking ahead, the Infrastructure, Mining & Fleet business will explore opportunities to scale up its revenues and also cater to construction sites of customers overseas. Your Company is closely monitoring new government initiatives and is well prepared to leverage emerging opportunities.

Managing risks in an evolving world

Today, businesses are operating in a dynamic environment. It is important for business houses to build a mechanism for proactively assessing and mitigating risks involving change in government policies, legislation, information technology, customer preferences, competitors, initiatives, financial markets, among others. A prudent risk management framework offers an organised platform to identify, assess and manage potential risks and tap the unforeseen opportunities. It enables the management to make wise and informed decisions. An effective risk management framework brings in sustainability and safeguards the stakeholders' interest that is associated with the organisation.

Your Company has set up a comprehensive Risk Management Policy, which is framed around a common as well as industry-specific understanding of various types of risks – corporate risk (strategic and residual risk), operational risk (specific business and functional risks, including economic and market risks) financial risk, Human Resources (HR) risk, legal and compliance risks, among others. Your Company has documented key identified risks in all these areas and also set up an effective mitigation plan for the same. In order to ensure a widespread understanding, Board members, all operational/business unit heads and managers and all staff are made aware of the principles of the Risk Management Policy and framework.

Your Company continued with the key risk mitigation actions identified in the earlier years such as putting in additional resources for the recently launched PCMO range, including synthetic oils, widening its distribution base to reach more consumers on the back of improving brand recall, among others. Getting new OEM/B2B customers and maintaining existing OEMs in a more structured way continues to be a focus area for your Company.

Your Company follows a structured forex hedging policy as per the advice of forex experts and continuously reviews its foreign exchange exposures on a fortnightly basis. Implementation of legal compliance software with exhaustive coverage of laws for timely and proper legal compliance under various acts, laws, rules and regulations applicable to your Company also helped the Company mitigate its compliance risk more effectively.

The Company is proactive while complying with legal requirements. The continuous process of audits and gap analysis helps your Company have a better compliance roadmap.

Motivated human assets

Salient features of the 'Human Capital' strategy

i. Create a talent pipeline
ii. Instill and retain leadership
iii. Develop a performance culture
iv. Drive the organisation forward

Your Company places highest importance on the implementation of contemporary HR practices to enhance the overall employee effectiveness.

With a strong governance mechanism at its core, the code of conduct has been communicated to and implemented for all the employees.

Being an equal opportunity employer, your Company strives to implement programmes to promote various initiatives, including awareness of the 'Prevention of Sexual Harassment at Work Place Policy' (POSH). There has been no complaint of sexual harassment at the workplace in FY 2017-18.

Your Company also consciously develops gender diversity amongst other things through its campus relationship programme. During the past few years, women formed 7% of the total workforce.

Your Company encourages regular communication through townhall and various digital platforms such as posters, danglers, communication meetings and e-mailers. The employee intranet portal acts as a good platform for employee engagement and connectivity.

Embracing digital HR processes

- The Employee Self Service (ESS) platform enables employees to conduct their daily business on the go
- ASPIRE '(Align Strive Perform Inspire Reward Enable)', the Company's web-based performance management system, enables managers and employees to conduct periodic:
  1) Role reviews
  2) Performance reviews

Rewards and recognitions

Your Company drives various rewards and recognition programmes. The passion and perseverance of your Company's people are recognised and appreciated through various rewards and recognition initiatives. 55 employees were honoured under the 'Long Service Award Programme' for their loyalty and dedication towards the Company in FY 2017-18.

Employee benefits programme

Your Company has introduced a 'Critical Illness Cover' for all its employees to support the additional medical expenses on account of any critical illness. It covers both Mediclaim and an optional top-up cover for employees, their families and parents. The term insurance and personal accident cover also continue to be in place.

Capability building

Employee capability enhancement is of great importance to the Company. Classroom programmes and the launch of the Gulf Oil Training and Development (GOLD) Academy have helped to deliver the capability development initiatives with the blended approach.

Functional competencies are defined for all the roles of the organisation and integrated with various HR processes. Specific capability development programmes are also designed and implemented with the help of this competency framework. This competency framework helps the Company to identify any gaps pro-actively and plan development interventions

Your Company continues to train employees to implement 'new ways of working', which have helped the sales organisation and the channel partners have better processes. Development of internal trainers has also been a focus area. The 'new ways of working' modules have been successfully driven by such internal trainers. A total of 1,868 person-days were recorded during the year for training. Specific post-programme initiatives are planned to sustain the capability-building initiatives. Your Company plans to enhance its productivity across the organisation through its new performance management system 'ASPIRE' to drive business growth.

Employee Stock-option Scheme (GOLIL ESOP 2015)

Your Company believes that equity-based compensation schemes are an effective tool to motivate and reward eligible employees. They create employee ownership, attract new talent and retain the key resources in the organisation. They offer significant benefits to the employees. In view of the above, the Company has instituted the 'GOLIL Employee Stock Option Scheme, 2015' for its eligible employees. The Company has granted options as per the following vesting schedule:

Vesting period (at the end of)	% of total grant of the eligible employees
1 year	10%
2 years	15%
3 years	15%
4 years	60%

The Scheme now covers several critical positions below senior management as well. The options granted under the scheme shall be based on satisfaction of vesting conditions, which can thereafter be exercised, resulting in allotment/ issue of equity shares of the Company.

Employee relations

Employee relations at the Silvassa and Chennai plants remained cordial during the year and most of the issues were resolved through mutual dialogue. Your Company's total workforce stood at 530+ during FY 2017-18.

Internal control systems and their adequacy

Your Company's internal control mechanism has been designed to provide for accurate recording of transactions with internal checks and prompt reporting, adherence to applicable accounting standards and policies and compliance with applicable statutes, policies and procedures, guidelines and authorisations.

Following implementation of the Companies Act, 2013 (Act), your Company has complied with the specific requirements in terms of Section 134 (5)(e) of the Act, calling for the establishment and implementation an Internal Financial Control (IFC) framework that supports compliance with requirements of the Act in relation to the Directors' Responsibility Statement. The IFC framework document supports in evaluating the operative effectiveness of the controls in a consistent manner.

Your Company, through its own internal audit department, conducts periodic audits at all locations and functions based on the plan approved by the Audit Committee and brings out any deviation in internal control procedures. The observations, arising out of the audits, are periodically reviewed and compliances are ensured.

The summary of the internal audit observations and status of implementation is submitted to the Audit Committee every quarter for its review and concerns, if any, are reported to the Board.

Financial performance

Key highlights

- Revenue from operations (net of indirect taxes) increased to ₹1,33,226 lakhs from ₹1,08,679 lakhs (up by 22.6%).
- EBIDTA stood at ₹23,572 lakhs (up by 32.6% as against ₹17,781 lakhs for FY 2016-17).
- PAT stood at ₹15,856 lakhs (up by 34.9% as against ₹11,756 lakhs for FY 2016-17).
- The Board has recommended a final dividend of ₹6.5 per equity share (i.e. 325% on face value of ₹2 each). During the year, the Board had declared and paid interim dividend of ₹4 per equity share (i.e. 200% of face value). With this, the total dividend for the year stands at ₹10.50 per share (i.e. 525% of face value of ₹2 per equity share).

Revenue from operations (net of indirect taxes) increased to ₹1,33,226 lakhs from ₹1,08,679 lakhs (up by 22.6%).

(₹ lakhs)

	Year ended March 31, 2018	Year ended March 31, 2017	Growth %
Revenue (Net of Indirect Taxes)	1,33,226	1,08,679	22.6%
EBITDA	23,572	17,781	32.6%
PBT	24,286	18,108	34.1%
PAT	15,856	11,756	34.9%
EPS (Basic) FV- ₹2 per equity share	31.92	23.70	

Revenues

Revenue (net of indirect taxes) stood at ₹1,33,226 lakhs in FY 2017-18 from ₹1,08,679 lakhs in FY 2016-17. Your Company achieved healthy revenue growth across all key segments on the back of an overall double-digit growth in volumes.

1) Breakup of various cost items as a % of sales

Particulars	Year ended March 31, 2018		Year ended March 31, 2017	
	₹ lakhs	%	₹ lakhs	%
Sales (Net of Indirect Taxes)	1,33,226	100	1,08,679	100
Cost of Goods Sold	69,768	52.4	59,434	54.7
Employee Benefit Expenses	8,256	6.2	7,078	6.5
Manufacturing & Other Expenses	31,630	23.7	24,386	22.4
Total Expenses	**1,09,654**	**82.3**	**90,898**	**83.6**
EBITDA	**23,572**	**17.7**	**17,781**	**16.4**
Other Income	2,610	1.9	2,035	1.9
Finance Costs	853	0.6	983	0.9
Depreciation/Amortisation	1,043	0.8	725	0.7
PBT (Profit before Tax)	**24,286**	**18.2**	**18,108**	**16.7**
Tax Expenses	8,430	6.3	6,352	5.8
PAT (Profit after Tax)	**15,856**	**11.9**	**11,756**	**10.8**

a) Cost of Goods Sold

Cost of goods sold increased by 17.4% to ₹69,768 lakhs in FY 2017-18 from ₹59,434 lakhs in FY 2016-17 in line with volume growth. Cost of goods sold as a percentage to net revenue has also decreased from 54.7% in FY 2016-17 to 52.4% in FY 2017-18 on account of continuous margin management efforts.

b) Manufacturing and Other Expenses

Manufacturing and other expenses increased by 29.7% to ₹31,630 lakhs in FY 2017-18 from ₹24,386 lakhs in FY 2016-17. This increase is mainly on account of increase in advertising and sales promotion by ₹1,719 lakhs, increase in selling and marketing expenses by ₹3,635 lakhs, increase in royalty by ₹418 lakhs and increase in freight and forwarding expenses by ₹746 lakhs, which is in line with the increase in volume/ value additions.

c) Employee Benefit Expenses

Employee benefit expenses increased by 16.6% to ₹8,256 lakhs in FY 2017-18 from ₹7,078 lakhs in FY 2016-17 mainly on account of increase in head count and usual increments resulting in increase in payroll cost by ₹1,178 lakhs.

d) Finance Costs

Finance costs decreased to ₹853 lakhs in FY 2017-18 from ₹983 lakhs in FY 2016-17 mainly due to lower net loss on foreign currency transactions and translations of ₹451 lakhs accounted in FY 2016-17.

e) Depreciation/Amortisation Charge

Depreciation/amortisation charges increased to ₹1,043 lakhs in FY 2017-18 from ₹725 lakhs in FY 2016-17 mainly on account of additions to fixed assets at the new plant facility at Chennai during the current year ended March 31, 2018.

Table: Balance Sheet

(₹ lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	Change
Assets			
Fixed Assets	26,608	14,716	11,892
Other Non-current Assets	1,365	1,655	(290)
Cash and Bank Balances	32,619	28,957	3,662
Current Assets	42,301	28,494	13,807
Total	**102,893**	**73,822**	**29,071**
Equities and Liabilities			
Shareholders' Funds/Net Worth	46,742	35,413	11,329
Non-current Liabilities	1,546	881	665
Short-term Borrowings	24,806	17,849	6,957
Current Liabilities	29,799	19,679	10,120
Total	**1,02,893**	**73,822**	**29,071**

2. **Capital Employed**
During FY 2017-18, capital employed increased from ₹73,822 lakhs to ₹1,02,893 lakhs mainly due to an increase in fixed assets by ₹11,892 lakhs, especially capex spent at Chennai plant facilities, and increase in cash and bank balances by ₹3,662 lakhs.

3. **Net Worth**
Net worth at the end of FY 2017-18 increased by ₹11,329 lakhs to ₹46,742 lakhs from ₹35,413 lakhs in FY 2016-17. Share capital increased by ₹1 lakh in FY 2017-18 at ₹994 lakhs from ₹993 lakhs in FY 2016-17 mainly due to the issue of 66,115 shares under equity stock options. Other equity of the Company increased by ₹11,328 lakhs in FY 2017-18 at ₹45,748 lakhs from ₹34,420 lakhs in FY 2016-17 mainly on account of PAT of ₹15,856 lakhs for FY 2017-18 and net off payment of dividend and dividend distribution tax of ₹5,383 lakhs.

4. **Non-current Liabilities**
Non-current liabilities at the end of FY 2017-18 increased by ₹665 lakhs to ₹1,546 lakhs from ₹881 lakhs in FY 2016-17.

5. **Current Liabilities (Including Short-term Borrowings)**
Trade payables increased by ₹8,978 lakhs to ₹22,286 lakhs in FY 2017-18 from ₹13,308 lakhs in FY 2016-17.

Other financial liabilities increased mainly on account of increase in capex creditors (for the new Chennai plant) of ₹1,749 lakhs and increase in current tax liabilities of ₹680 lakhs. There was a decrease in other current liabilities mainly due to reduction in statutory dues payable by ₹1,185 lakhs.

Short-term borrowings also increased by ₹6,957 lakhs at the end of FY 2017-18 at ₹24,806 lakhs over ₹17,849 lakhs in the previous year.

However, the Company has net cash (net of short-term debts) of ₹7,812 lakhs as on March 31, 2018 as against net cash balance of ₹11,108 lakhs as on March 31, 2017. This demonstrates that the Company is Net Debt free as on March 31, 2018.

6. **Fixed Assets**
Net block of fixed assets [including Capital Work in Progress (CWIP)] increased by ₹11,892 lakhs to ₹26,608 lakhs in FY 2017-18 from ₹14,716 lakhs in FY 2016-17. This mainly due to capex spent at the newly capitalised plant facilities at Chennai and also few assets capitalised at the Silvassa plant as a regular capex plan.

7. **Other Non-current Assets**
Other non-current assets at the end of FY 2017-18 marginally decreased by ₹290 lakhs to ₹1,365 lakhs from ₹1,655 lakhs at the end of FY 2016-17. This was mainly due to a drop in capital advances of ₹333 lakhs paid at the end of FY 2016-17 for the new Chennai plant facilities.

8. **Cash and Bank Balances**
Cash and bank balances increased significantly by ₹3,662 lakhs and stand at ₹32,619 lakhs at the end of FY 2017-18 as compared to ₹28,957 lakhs at the end of FY 2016-17.

9. **Current Assets**
The overall inventory increased by ₹8,687 lakhs to ₹23,680 lakhs in FY 2017-18 from ₹14,993 lakhs in FY 2016-17. Trade receivables increased by ₹2,500 lakhs from ₹10,962 lakhs in FY 2016 17 to ₹13,462 lakhs in FY 2017-18. Other current assets increased by ₹2,155 lakhs in FY 2017-18 mainly on account of increase in balances with government authorities.

10. **Liquidity**
The Company defines liquidity as its ability to generate sufficient funds from both internal and external sources to meet its obligations and commitments. The Company's primary liquidity requirements have been to finance its working capital requirements for its operations and for capital expenditures and investments. The Company has financed its capital requirements primarily through funds generated from its operations.

11. **Cash Flows**
The table below summarises the Company's cash flow for the periods indicated (Please refer cash flow statement for more details)

(₹ lakhs)

	March 31, 2018	March 31, 2017
Net Cash Generated from Operating Activities	11,008	13,386
Net Cash (Used) in Investing Activities	(5,085)	(1,001)
Net Cash Generate/ (Used) in Financing Activities	892	(5,909)
Net Change in Cash and Cash Equivalents	6,815	6,476

Board's Report

Your Directors are pleased to present the 10th Annual Report and Audited Accounts for the financial year ended March 31, 2018.

1. Financial Results:

(₹ In lakhs)

Particulars	For the Year ended 31.03.2018	For the Year ended 31.03.2017
Revenue from Operations (Net of Indirect Taxes)	1,33,225.95	1,08,679.27
Profit before finance cost, depreciation & tax	**26,182.05**	**19,815.72**
Less: Finance Costs	853.13	982.48
Profit before depreciation & tax	**25,328.92**	**18,833.24**
Less: Depreciation/Amortization	1,043.31	725.04
Profit Before Taxation	**24,285.61**	**18,108.20**
Taxation:		
Current Tax	7,828.37	6,267.45
Deferred Tax	601.54	85.23
Profit After Taxation	**15,855.70**	**11,755.52**
Balance brought forward from previous year	17,490.33	11,136.05
Appropriations:		
Interim Dividend paid on Equity Shares for the year	(1,988.00)	(1,736.81)
Dividend distribution Tax on Interim Dividend	(404.71)	(353.57)
Final Dividend paid on Equity Shares for the year	(2,484.44)	(1,984.37)
Dividend distribution Tax on Final Dividend	(505.77)	(403.97)
Other Comprehensive Income (OCI)	14.34	(22.52)
Transfer to General Reserve	(1,000.00)	(900.00)
Balance Carried to Balance Sheet	**26,977.45**	**17,490.33**

Performance Highlights:

The Company has continued its growth trajectory by outperforming the industry and has delivered a Net Revenue growth of 22.6%, EBITDA growth of 32.6%, PBT growth of 34.1% and PAT growth of 34.9% for the year over the last financial year.

Net revenues for the year 2017-18 was ₹ 1,33,225.95 lakhs (₹ 1,08,679.27 lakhs in the previous year), Profit before tax for the year 2017-18 was ₹ 24,285.61 lakhs (₹ 18,108.20 lakhs in the previous year). EBITDA has shown healthy growth of 32.6% YOY.

Profit after tax for the year was ₹ 15,855.70 lakhs (Previous year ₹ 11,755.52 lakhs) resulting in an Earnings Per Share (Basic) of ₹ 31.92 (Previous year ₹ 23.70).

Performance highlights are discussed in detail in the Management Discussion and Analysis and forming an integral part of this Report.

2. Dividend:

The Board of Directors of the Company had approved the Dividend Distribution Policy in line with Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy is separately provided as Annexure E forming an integral part of this Report and is also uploaded on the website of the Company at http://www.gulfoilindia.com

In line with the Policy, the Board has recommended a final dividend of ₹ 6.50 per equity share (325% on the Face Value of ₹ 2/- per share) for the year 2017-18. The final dividend of ₹ 3,236.37 lakhs, if approved by the Shareholders at the ensuing Annual General Meeting, will be paid to all the Shareholders of the Company whose names appear on the Register of Members as on the date of the Book Closure. Earlier the Board at their meeting held on February 6, 2018, had declared an Interim Dividend of ₹ 4/- per share i.e. 200% of the Face Value of ₹ 2/- per share. The said Interim Dividend was paid to all eligible shareholders on February 26, 2018.

With this, the total dividend for the full year 2017-18 shall stand at ₹ 10.50 per share (525% on Face Value of ₹ 2/- per share).

3. Transfer to Reserve:

During the year, Board has appropriated ₹ 1,000 lakhs to General Reserves. (Previous year ₹ 900 lakhs)

4. Share Capital:

During the year there has been an increase in the paid-up equity share capital due to equity shares being allotted to eligible employees under Gulf Oil Lubricants India Limited- Employee Stock Option Scheme- 2015. The paid-up equity share capital of the Company as on March 31, 2018 was ₹ 994.00 lakhs (previous year ₹ 992.68 lakhs). The authorized capital of the Company as on March 31, 2018 was ₹ 10,46,27,228 divided into 5,23,13,614 equity shares of ₹ 2/- each. There was no change in the authorized capital of the Company during the year.

5. Management Discussion and Analysis:

Management discussion and Analysis is provided separately, forming an integral part of this Report.

6. Vigil Mechanism / Whistle Blower Policy:

The Company has adopted Whistle Blower and Vigil Mechanism policy for Directors and Employees of the Company. The Company has established a secured system to enable Directors and Employees to report their genuine concerns, generally impacting / affecting business of our Company, including but not limited to improper or unethical behavior / misconduct/ actual or suspected frauds / violation of Company's code of conduct. All protected disclosures concerning financial or accounting matters should be addressed, in writing, to the Chairperson of the Audit Committee of the Company for investigation.

In respect of all other protected disclosures, those concerning the Ombudsman and employees at the levels of senior Vice President and above should be addressed to the Chairperson of the Audit Committee of the Company and those concerning other employees should be addressed to the Ombudsman of the Company. The Ombudsman may refer the matter to the Chairperson of the Audit Committee depending upon the importance of the matter. Your Company hereby affirms that no Director or employee has been denied access to the Chairperson of the Audit Committee. During the year no complaints were received under vigil mechanism.

7. Public Deposits:

The Company has not accepted any deposits during the year from the Public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

8. Research & Development:

The Company has recently set up a global standard R&D Centre at Chennai, which is fast emerging as a major automobile hub.

This R&D facility has five laboratories, viz. Rheology Lab, Performance Testing Lab, Tribology Lab, Analytical Lab and Chemical Lab, which are designed as per international Laboratory and HSE Standards and equipped with the state-of-the art testing equipment for development of lubricants and specialties. This facility provides an excellent ambience for scientists and technologists to pursue innovative and high quality research & development work.

Government of India had decided to leapfrog from BS IV to BS VI (Euro VI equivalent) emission norms pan India effective 1st April 2020 to improve the air quality by reducing the noxious vehicular pollution. Further, Government of India implemented the fuel economy norms for both passenger and commercial vehicles and initiated steps to encourage deployment of electric vehicles and generation of power based on renewable energy sources to reduce the carbon dioxide emissions and thereby global warming.

To meet these new challenges, the new R&D Centre is ready for designing futuristic lubricants and specialties for both conventional and electric vehicles and industrial applications by focussing on fuel economy, equipment life and environment protection.

The Company is well prepared to not only retain and further improve on the long drain oil trend set by it for over a decade in the commercial vehicle and motorcycle segments but also to adopt the new global products by optimising the formulations suiting to local engines and operating conditions based on local raw materials to ensure improved fuel economy while protecting the durability of engines/equipment to reduce the carbon footprint.

Though the Company receives global product formulations from Gulf Oil International under the license agreement, the R&D Centre has adopted the global formulations required for future BS VI vehicles fitted with after treatment devices and initiated evaluation in local vehicles and operating conditions to ensure their suitability not only for future BS VI vehicles but also backward compatibility in existing vehicles. It is staffed with well qualified and experience scientists and technologists for development of product formulations. The Company recovers cost spent on R&D from Gulf Oil International under the agreement.

9. Subsidiaries/Joint Venture/Associates:

The Company does not have any subsidiary/Joint Venture/ Associates as on March 31, 2018.

10. Human Resources / Industrial Relations, ESOP Scheme:

The Company believes in creating the supporting environment for its biggest asset - Human Capital. The employee wellbeing & safety is critical along with the achievement of the business objectives. We have a large diversified workforce spread across the locations.

The Company has put "Safety First" programme to promote safety practises across plant & non plant locations.

The Company has put in place the Human Capital strategy in line with its vision & overall business plan. The important pillars of the strategy includes, Leadership development, Culture building, Talent Development & Organisation alignment.

The focus on employee development and efforts to enhance competency levels through training programs continued. Detailed information on this section has been provided in the Management Discussion and Analysis, which is forming an integral part of this Report.

Employees Stock Option Scheme:

During the year under review, your Company has allotted 66,115 equity shares under "Gulf Oil Lubricants India Limited- Employees Stock Option Scheme-2015" to eligible employees of the Company. The total Stock Options outstanding as of March 31, 2018 are 6,63,329. The information as required under Regulation 14 of the SEBI(Share Based Employee Benefits) Regulations, 2014 are disclosed on the website of the Company at weblink http://www.gulfoilindia.com/investors/investor-information/investor-disclosures/

11. Prevention of Sexual Harassment Policy:

Your Company has adopted Prevention of Sexual Harassment (POSH) policy. A separate internal Committee has been constituted under the policy. No complaints were received under POSH during the year ended March 31, 2018.

12. Remuneration Policy:

The Board has adopted a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The policy also lays down the criteria for selection and appointment of Board members. The details of the policy are provided in the "Report on Corporate Governance" Annexure F to this Report.

13. Corporate Social Responsibility (CSR) Initiatives and Programs:

The Company has continued its programs under CSR initiatives in the area of vocational training, road safety awareness, education and promoting healthcare in and around its area of operations and local area at Silvassa, DNH. These projects are in accordance with schedule VII of the Companies Act, 2013 and Company's CSR policy. A report on CSR activities as required under Companies (Corporate social responsibilities Policy) Rules, 2014 is set out in Annexure A, forming part of this Report.

The Company instilled and guided by the values of our Group Founder, Shri. Parmanand Deepchand Hinduja's belief, "My dharma (duty) is to work, so that I can give". The Company actively engaged in various programs under CSR during the year. The brief summary of the same are given below:

a) **Mobile Medical Unit:** Being a multi-year program, the Company continued its support for mobile medical unit during the current year in the remote villages near Silvassa, DNH. This CSR project provides much needed free medical support to the tribal population residing in the villages near Silvassa. The program is administered through Hinduja Foundation and Hinduja Hospital. The state of the art medical facilities available to the villagers free of cost, in the mobile van which includes diagnostic facility, laboratory test, medicine dispensing.

b) **Road Safety Drive:** The Company supported road safety campaign to promote education and awareness on road safety amongst bike riders. During the campaign, safety helmets were distributed to traffic police at various cities in Maharashtra like Mumbai and Ahmednagar. The Company also supported a road safety rally and awareness programs initiated by Mukul Madhav Foundation at Ahmednagar jointly with Ahmednagar city police and other corporates and distributed 500 helmets to Ahmednagar city police.

   During the year, the Company initiated road safety awareness rally in association with K.P.B. Hinduja College (during Panaah fest) which was inaugurated by Shri Diwakar Raote, Hon. Minister of Transport, Government of Maharashtra and in the presence of film actor Mr. Abhinav Shukla. More than 250 helmets were distributed to the students of various colleges who participated in the awareness rally. Flash mob on road safety competition was also organised wherein 16 colleges had participated and award was distributed to the winner in the presence of Mr. Ravi Chawla, Managing Director of the Company. Employees from various functions were participated in the initiative.

c) **Kushal Mechanic Program:** The Company's initiative on vocational training known as "Kushal Mechanic Program" for two wheeler mechanics who are lacking in formal education and training has gained momentum. During the year, the Company added one more training centre with the help of M/s TVS Training Institute for imparting training for the benefit of mechanics based in southern part of India. Our association with MITCON Centre for CSR and Skill Development continued during the year. During the financial year more than 492 mechanics were benefited with this program. This being a multi-year program, which will be further implemented in other regions in future.

d) **Other Programs:** Few other programs were undertaken during the year in the area of Community development (through Gift of Life Adventure, Night run for Woman safety (through U Active) and Computer Education support for children.

14. Directors & Key Managerial Personnel:

During the year under review, in accordance with the provisions of the Companies Act, 2013 ("Act") and the Articles of Association of the Company, Mr. Shom A. Hinduja (DIN: 07128441) retires by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers his candidature for re-appointment as a Director.

The resolutions seeking approval of the members of the Company for the re-appointment of Mr. Shom A. Hinduja, Non-Executive Director have been incorporated in the Notice of the Annual General Meeting of the Company alongwith his brief profile.

In accordance with section 149(7) of the Companies Act, 2013, each Independent Director has given a written declaration to the Company confirming that he/ she meets the criteria of independence as mentioned under section 149(6) of the Act.

The Company had issued formal letter of appointment to all Independent Directors and the terms and conditions of their appointment have been disclosed on the website of the Company.

Your Company follows a structured orientation and familiarization program through various reports/ codes/ internal policies for all the Directors with a view to update them on the Company's policies and procedures on a regular basis. The details of familiarization program have been posted on the website of the Company under the web link http://www.gulfoilindia.com/investors/investor-information/corporate-governance/

Key Managerial Personnel:

The following persons have been continued as Key Managerial Personnel of the Company pursuant to section 2(51) and section 203 of the Act, read with rules framed thereunder: 1) Mr. Ravi Chawla, Managing Director 2) Mr. Manish Kumar Gangwal, Chief Financial Officer and 3) Mr. Vinayak Joshi, Company Secretary and Compliance Officer. None of the Key Managerial Personnel have resigned during the year under review.

15. Board Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 a Board evaluation process was completed through a process of structured questionnaire and taking into consideration various aspects of the Board's functioning, composition, culture, obligation and governance. The criteria for performance evaluation have been detailed in Corporate Governance Report, Annexure F to this Report and is also uploaded on the website of the Company at http://www.gulfoilindia.com. The Board of Directors expressed their satisfaction with the evaluation process.

16. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as required pursuant to section 134(3) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014 is given in Annexure B and forming an integral part of this Report.

17. Business Responsibility Report:

Pursuant to Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Business Responsibility Report is provided separately in the Annexure- C and forms an integral part of this Report.

18. Information on Stock Exchanges:

The Company's equity shares are listed on BSE Limited (Designated Exchange) and The National Stock Exchange of India Limited.

19. Extract of Annual Return:

The details of extracts of Annual Return in Form MGT-9, as required under section 92 of the Companies Act, 2013 are enclosed as Annexure D and forming an integral part of this Report. The same is also available on Company's website http://www.gulfoilindia.com.

20. Corporate Governance:

As per SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, a Report on Corporate Governance is given separately in Annexure F forming an integral part of this Report, together with compliance certificate issued by Practicing Company Secretary.

21. Particulars of Loans, Guarantees or Investments under Section 186 of the Companies Act, 2013:

The details of Loan, Guarantees and Investments outstanding as on March 31, 2018 under Section 186(4) of the Companies Act, 2013 are provided in Note 4, 5, 12 and 39 to the Financial Statements.

22. Material Changes and Commitments affecting the financial position of the Company which have occurred between March 31, 2018 and the date of this Report:

There were no material changes and commitments affecting the financial position of the Company between the end of financial year (March 31, 2018) and the date of this Report. Further, there was no change in the business of the Company during the Financial Year 2017-18.

23. Risk Management Policy:

The Company has implemented an integrated risk management approach through which it reviews and assesses significant risks on regular basis to ensure that a robust system of risk controls and mitigation is in place. Senior management periodically reviews this risk management framework to keep updated and addresses emerging challenges. Risk Management framework followed by the Company is elaborately detailed in the Management Discussion and Analysis section, forming an integral part of this Report.

24. Internal Control Systems and their Adequacy:

The Company has well defined and adequate internal control system, commensurate with size, scale and complexity of its operations. The internal financials controls are adequate and are operating effectively so as to ensure orderly and efficient conduct of business operations. During the year, Internal Financial Controls (IFC) testing process was done in order to review adequacy and strength of IFC followed by the Company. As per the assessment, no major concerns and no reportable material weaknesses in the design or operation were observed. The Board has also put in place requisite legal compliance framework to ensure compliance of all the applicable laws and that such systems were adequate and operating effectively. The details of internal control system and adequacy are mentioned in the Management Discussion and Analysis section, forming an integral part of this Report.

25. Meetings:

Five meetings of the Board of Directors were held during the year. The details of number of meetings of the Board held during the financial year 2017-18 are provided in Corporate Governance Report Annexure F which forms an integral part of this Report.

26. Transactions With Related Parties:

The policy on Related party transactions as approved by the Audit Committee and Board of Directors has been uploaded on the website of the Company, http://www.gulfoilindia.com. The transactions entered into pursuant to omnibus approval were placed before the Audit Committee and Board on quarterly basis. Pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 there were no new material transactions, contracts or arrangements entered with Related Party as on March 31, 2018. None of the Independent Directors have any pecuniary relationship or transactions vis-à-vis the Company except sitting fees, commission as per Companies Act, 2013. A statement showing Related Party Transactions entered during the year is given under Note 46 to the Financial Statements.

27. Significant and Material Orders passed by the Regulators or Courts or Tribunals:

There were no significant and material orders passed by the Regulators/Courts/Tribunals that would impact the going concern status of the Company and its future operations.

28. Directors Responsibility Statement:

Pursuant to the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability confirm that:

a) in the preparation of the annual financial statements for the year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) the Board have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the financial year ended March 31, 2018;

c) proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the annual financial statement for the year ended March 31, 2018 have been prepared on a going concern basis; and

e) the Board have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively and

f) The Board have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

29. Auditors

Statutory Auditor:

M/s Price Waterhouse, Chartered Accountants (Firm registration No.: 301112E) were appointed as statutory auditors of the Company to hold office till the conclusion of the 11th Annual General Meeting of the Company. As required under Section 139 of Companies Act, 2013, the Company has obtained a written consent from the statutory auditor to their continuous appointment and a certificate from them to the extent that their existing appointment is in accordance with the conditions prescribed under the Companies Act, 2013 and the rules made thereunder. The Auditor's Report to the shareholders on standalone financials for the year ended March 31, 2018 does not contain any qualification, observation or adverse comments. During the year under review, the Auditors of the Company have not reported any fraud under Section 143(12) of the Companies Act, 2013.

Cost Auditor:

As per the requirements of Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company has been carrying out audit of cost records relating to Lubricants business and accordingly such accounts and records are made and maintained by the Company.

The Board, on recommendation of Audit Committee, has appointed M/s Dhananjay V. Joshi & Associates, Cost Accountants (Firm Registration No.000030), as Cost Auditors of the Company to audit the cost records of the Company for the financial year 2018-19 for a remuneration of ₹ 2,75,000/- (Rupees Two lakhs seventy five thousands only) plus taxes as applicable and reimbursement of out of pocket expenses . As required, under the Companies Act, 2013, a resolution seeking Members approval for the remuneration payable to the Cost Auditor forms part of the Notice convening the 10th Annual General Meeting of the Company. There are no audit qualifications or reservations or adverse comments for the year under review.

Secretarial Auditor:

Pursuant to section 204 of the Companies Act, 2013 and Rules made thereunder, the Company has appointed M/s BS & Company, Company Secretaries LLP (Firm Registration No AAE-0638.) to carry out secretarial Audit of the Company. The secretarial audit Report is enclosed as Annexure H and forming an integral part of this Report. There are no audit qualifications or reservations or adverse comments for the year under review.

30. Particulars of Employees and Related Disclosures:

Pursuant to section 197(12) of the Companies Act, 2013 read with Rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the separate Annexure-G forming part of the Board's Report.

Having regard to the provisions of Section 136(1), the Annual Report excluding the statement of top ten employees in terms of remuneration drawn and particulars of employees (under section 197(12 of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is being sent to the members of the Company. The said information is available for inspection at the Registered Office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished without any fee and free of cost.

31. Acknowledgement:

Your Directors would like to acknowledge and place on record their sincere appreciation to all stakeholders of the Company viz. various Government and other statutory bodies, customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year and also the valuable assistance and advice received from all the stakeholders including Hinduja Group. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

For and on behalf of the Board

Sanjay G. Hinduja
Chairman
(DIN: 00291692)

Place: Mumbai
Date: August 7, 2018

Annexure-A

Annual Report on Corporate Social Responsibility (CSR) Activities

1. A brief outline of the Company's CSR policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

   The Company's CSR policy is aimed at demonstrating care for the community through its focus on medical, educational and other support to the communities at the area around it where it operates and local area around Silvassa, DNH. The projects undertaken shall be within the broad framework of Schedule VII of the Companies Act, 2013. Summary of CSR projects undertaken during the year are given in the Board's Report. Web-link: http://www.gulfoilindia.com/about-us/corporate-social-responsibility/make-wish-foundation/

2. Composition of CSR Committee: Mrs. Kanchan Chitale, Chairperson (Independent Director), Mr. Sanjay G. Hinduja, Member (Non-Executive Director) and Mr. Ravi Chawla, Member (Managing Director).

3. Average net profit of the Company for last three financial years: ₹ 15,154.23 lakhs

4. Prescribed CSR Expenditure (Two percent of the amount as in item 3 above): The Company is required to spend for the financial year : ₹ 303.08 lakhs

5. Details of CSR spent for the financial year:

   1. Total amount spent for the financial year: ₹ 158.47 lakhs
   2. Amount unspent, if any: ₹ 144.61 Lakhs
   3. Manner in which the amount spent during the financial year is detailed below:

Sr. No.	Project Activities	Sector	Locations	Amount Outlay (₹ In Lakhs)	Amount spent (₹ In Lakhs)	Cumulative Expenditure upto Reporting period (₹ In Lakhs)	Amount spent Direct or through Agency (₹ In Lakhs)
1	Mobile Medical Dispensary	Healthcare	Rural villages near Silvassa, DNH	40.00	12.47	12.47	12.47 (through Hinduja hospital)
2	Road Safety-Drive Safely awareness program	Education	Mumbai, MH and other cities	125.00	84.83	84.83	84.83 (Direct)
3	"Kushal" Mechanic vocational training program	Vocational skill development education	Western Region (Pune) and Southern Region (Chennai)	40.00	38.17	38.17	38.17 (Direct)
4	Other Programs including Night Run for Woman safety, Gift of Life Adventure, Computer education for children	Woman Safety and Water, education for children	Mumbai	30.00	23.00	23.00	23.00 (Direct)
TOTAL				**235.00**	**158.47**	**158.47**	**158.47**

6. Reason for not spending two percent of the average net profit of the last three financial years: -

   The Company could spend only partial amount as contemplated in the guidelines and has taken up various steps to identify additional CSR projects to meaningfully spend full amount under CSR in the coming years. Some of the programs initiated by the Company mainly Road Safety and Education are multi-year projects.

7. We hereby confirm that implementation and monitoring of CSR policy, is in compliance with CSR objectives and Policy of the Company.

Place : Mumbai
Date : 7 August 2018

Ravi Chawla
Managing Director
DIN: 02808474

Kanchan Chitale
Chairperson of CSR Committee
DIN: 00007267

Annexure-B

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

(A) Conservation of Energy

The Company's Chennai facility is 70% solar powered and has rain water harvesting facility set up in addition to other nature friendly initiatives and is poised to get the Indian Green Building Council (IGBC) Gold Level Certification. Company's manufacturing facility at Silvassa continued efforts towards energy conservation in various forms like energy conservation projects, use of alternate sources & resources. The energy conservation initiatives are stated below.

Steps taken or impact on conservation of energy

Silvassa Plant

- Replaced entire plant conventional lights to energy efficient LED lights.
- Installed new drum heating ovens for charging of additives to reduce charging time thus savings in energy.
- Installed turbo air ventilators on all plant roof top to reduce use of fans for air circulation.
- Modification of PLC setup done for blending operation to reduce the batching time.

Chennai Plant

- 70% use of Solar power.
- Rain water harvesting .
- Natural lighting (almost 60 % of need) by use of clear roof panels.
- LED lighting at all installations.
- Sewage water treatment for gardening purpose.
- UV reflective glasses for reduction in Air Conditioning expenses.
- Double glazed coated glasses with low Solar Heat Gain Coefficient (SHGC) for reduction in AC expenses and High Visible Light Transmission (VLT) to enhance day lighting
- Advanced blending technology to reduce batch time and save Energy
- Implementation of Real-time Energy Monitoring System (EMS)

Proposed actions to reduce power consumption

- New setup for superclean oil filtration. This will reduce filtration time and save energy for circulation time.
- New energy efficient pump for unloading BS-150 base oil to reduce unloading and charging time thus savings in energy.
- Replacement of GI air line with new aluminium lines for air distribution to reduce the losses in air transmission.

(B) Technology Absorption

The Company established its long drain prowess in transmission oil and specialties. This included long drain Universal Transmission Fluid for tractor OEM, transmission oil HCV and LCV OEMs and coolant.

New Development

- Universal Tractor Transmission oil for an OEM with 1200hr drain interval.
- Established our long drain prowess with new environment friendly technology coolant with change period of 3,00,000 km.
- Introduced OEM co-branded axle oil for with 120,000km and 1500hr drain interval.
- Gear Oil launched for an OEM with drain interval extension up to 3000 hr.

Benefits derived from R&D

- The Company is ready for challenges posed by BS VI 2020 roll out – product validation already initiated.
- Engine oil being evaluated for further drain interval extension in BSIV engines.
- Extended Drain Interval Gear and Axle Oil - Trials are in various stages of progress.

Future Plans

- Fully Synthetic dedicated Superbike Oil.
- Coolant range to be launched for extended service intervals.
- Industrial grease through differentiated products.
- Synthetic Industrial product range.

Expenditure on Research and Development (R & D):

(₹ in Lakhs)

	2017-18
Capital	17.05
Revenue	690.30
Total Expenditure on R & D	**707.35**

Total Expenditure on R & D as percentage of Revenue from Operations (Net): 0.53%

(C) Foreign Exchange Earning and Outgo:

(₹ in Lakhs)

	2017-18
Foreign Exchange Earning	3,787.14
Foreign Exchange Outgo	39,102.51

The Company continues to strive to improve its earnings from exports.

Annexure-C

Business Responsibility (BR) Report

Section A: General Information About the Company

Sr. No.	Particulars	Information
1.	Corporate Identity Number (CIN) of the Company	L23203MH2008PLC267060
2.	Name of the Company	Gulf Oil Lubricants India Limited
3.	Registered address	IN Centre, 49/50, M.I.D.C., 12th Road, Andheri (East), Mumbai, MH 400093.
4.	Website	www.gulfoilindia.com
5.	E-mail id	secretarial@gulfoil.co.in
6.	Financial Year reported	April 1, 2017 to March 31, 2018
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Manufacturing and selling automotive and non-automotive lubricants oil , greases, two wheeler batteries. (NIC Code: 19201)
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	Manufacturing and selling of automotive and non-automotive lubricants oil, greases, two wheeler batteries.
9.	Total number of locations where business activity is undertaken by the Company	• Number of International Locations (Provide details of major 5): The Company does not have any office in International locations however, products are being exported to Bangladesh, Indonesia, Nepal and other geographies. • Number of National Locations: the Management operates from the Company's Head Office and Registered Office which is located in Mumbai, Maharashtra. Apart from this, there are four regional offices and 33 depots to cater pan India operations.
10.	Markets served by the Company – Local/State/ National/ International	The Company's manufacturing plant is located in Silvassa and the new plant commenced operations in Ennore, Chennai during the current year on December 14, 2017.

Section B: Financial Details of the Company

Sr. No.	Particulars	Information
1.	Paid up Capital (INR)	₹ 9,93,99,810
2.	Total Turnover (INR)	₹ 1,33,225.95 Lakhs (Net of Indirect Taxes)
3.	Total profit after taxes (INR)	₹ 15,855.70 Lakhs
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	The Company has spent ₹ 158.47 lakhs being 1.05% of average net profit of last three financial years towards CSR activities in current reporting year.
5.	List of activities in which expenditure in 4 above has been incurred:-	The Company has undertaken multi-year projects during the financial year 2017-18 for supporting following CSR object. 1) Promoting education including vocational skill development. 2) Promoting Healthcare. 3) Promoting road safety awareness. 4) Promoting woman safety and education for children (please refer Annexure A to the Board's Report for detailed information).

Section C: Other Details

1. **Does the Company have any Subsidiary Company/ Companies?**
   No.

2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary Company(s)**
   Not Applicable

3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities? (Less than 30%, 30-60%, More than 60%)**
   The Code of Conduct is applicable to all the business entities who do business with the Company. The business associates however do not directly participate in Business Responsibility initiatives of the Company.

Section D: BR Information

1. **Details of Director/Directors and BR head responsible for BR**
   (a) Details of the Director and BR head responsible for implementation of the BR policy/policies

Particulars	Details
DIN Number	02808474
Name	Mr. Ravi Chawla
Designation	Managing Director
Telephone Number	91-22-6648-7777
E-mail ID	secretarial@gulfoil.co.in

2. **Principle-wise (as per NVGs) BR Policy/policies**
   The principles are as follows:

Principle 1 (P1)	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
Principle 2 (P2)	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
Principle 3 (P3)	Businesses should promote the well-being of all employees.
Principle 4 (P4)	Businesses should respect the interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
Principle 5 (P5)	Businesses should respect and promote human rights.
Principle 6 (P6)	Businesses should respect, protect and make efforts to restore environment.
Principle 7 (P7)	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
Principle 8 (P8)	Businesses should support inclusive growth and equitable development.
Principle 9 (P9)	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

(a) Details of compliance (Reply in Y/N)

Sr. No.	Questions No.	P1 Business Ethics	P2 Sustainability	P3 Employees' well being	P4 Stakeholders Welfare	P5 Human Rights	P6 Environment	P7 Regulatory Policy	P8 Equitable Development	P9 Customer Responsibility
1	Do you have a policy/ policies for....	Yes								
2	Has the policy being formulated in consultation with the relevant stakeholders?	Yes								
3	Does the policy conform to any national/ international standards? If yes, specify? (50 words)	The Policies/Code of conduct of the Company are aligned with Global best practices. The Company is an ISO 9001 (QMS), ISO14001 (EMS), TS 16949:2009 & ISO 18001 (OHSAS) compliant .								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ Owner/ CEO/ appropriate Board Director?	Yes .								
5	Does the Company have a specified Committee of the Board/ Director/Official to oversee the implementation of the policy?	The implementation and adherence to the Code of conduct for employees and EHS policy are overseen by the BR Head.								
6	Indicate the link for the policy to be viewed online?	P1 Ref. $	P2 Ref #	P3 Ref $	P4 Ref*	P5 Ref $	P6 Ref $	P7 Ref $	P8 Ref $	P9 Ref $
		# Environment policy: http://www.gulfoilindia.com/about-us/safety-health-environmental-care/ *CSR policy link: http://www.gulfoilindia.com/about-us/corporate-social-responsibility/make-wish-foundation/ $ published on intranet portal								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes, as applicable.								
8	Does the Company have in house structure to implement the policy/ policies?	Yes								
9	Does the Company have a grievance redressal mechanism related to the policy/ policies?	Yes								
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Being initial period of implementation of Business Responsibility Reporting, audit/evaluation is not done. The same shall be undertaken in coming years.								

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: Not applicable.

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

The Board of Directors of the Company assesses various initiatives forming part of the BR performance of the Company annually.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Business Responsibility Report is published by the Company annually and is part of Annual Report. The hyperlink to view the said Report is: http://www.gulfoilindia.com/investors/investor-information/investor-disclosures/. The Company do not publish Sustainability Report.

Section E: Principle-Wise Performance

Principle 1

The Company is committed to adhere to the highest standards of ethical, moral and legal principles for the purpose of ensuring efficiency in the conduct of its business operations in a fair and transparent manner. The Company has adopted the code of conduct which lays down the general principles and standards that should govern the actions of the Company and its employees and lays emphasis on adoption of the highest standards of personal ethics, integrity, confidentiality and discipline in dealing with matters relating to the Company, which are covered in all our dealings with any stake holders viz., suppliers, customers etc.

The code of conduct communicates the desired standards of behaviour expected from all executives such as compliance with law, dealing with gifts, bribes, equal opportunities, action against sexual harassment, concurrent employment, generic behavioural standards, work specific behavioural standards, maintain confidentiality and information security, procedure for disciplinary process. The code of conduct is signed by all executives on joining the Company.

The Company also has a robust Vigil Mechanism/whistle blower policy for Directors and Employees to report to the management instances of unethical behaviour, actual or suspected fraud, transgression of legal or regulatory requirements or violation of the Company's code of conduct. The details of vigil mechanism are published on website of the Company. No complaints were received during the year under whistle blower policy.

The Company has set-up an investor grievance mechanism to respond to investor grievances. There were no complaints from investors pending at the beginning of the year. The Company received 122 investor related complaints during the year and all complaints were resolved satisfactorily.

If any investigation leads the Chairman of Audit Committee to conclude that an unethical or improper activity has been committed, the Chairman will recommend to the management of the Company to take such disciplinary or corrective action as deemed fit. It is clarified that any disciplinary or corrective action initiated against the subject because of the findings of an investigation pursuant to this policy would adhere to the applicable personnel or staff conduct and disciplinary procedures. A quarterly status on number of complaints received under this policy is placed by the Audit Committee to the Board. We hereby affirm that no Director/employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the reporting year.

Principle 2

The Company in order to meet growing demand, established new Chennai facility. This expected to deliver efficiency gains as well due to its locational proximity i.e. efficient sourcing and distribution due to its proximity to port, other raw material suppliers and major customers.

Chennai production facility uses:

- Simultaneous Metered Blending (SMB) which is accurate and efficient irrespective of the batch size.
- Automated Batch Blending (ABB) equipped with premixed blender, clean-in-place systems to permit automated rinsing thus avoiding the generation of "flush or slop".
- Drum Decanting Unit (DDU) which consists of a weighing platform for accurate measuring, a rinsing kettle containing hot base oil for cleaning of lance and drums thus avoiding wastage and slop generation.
- Piggable manifold for interconnecting source tanks and destination Filling Machines. Designed to eliminate the use of flushing oil, it allows space optimisation, flexibility with multidirectional connections and fast cycle time and avoid oil contamination.

Company has set up an efficient Automatic Storage and Retrieval System(ASRS) in Chennai plant with four cranes while Silvassa facility has two crane ASRS to maintain FIFO thus to minimise discard pile up and reduce repetitive work.

The Company introduced new products contributing towards resource conservation and sustainability. Company launched environment friendly OAT coolant with 50% longer service interval.

Universal Tractor Transmission oil was launched for one of the OEM with drain interval more than double compared to market practice. Axle oil was launched for an OEM with 50% increased drain interval.

Principle 3

Gulf Oil believes in creating the supporting environment for its biggest asset - Human Capital. The employee wellbeing & safety is critical along with the achievement of the business objectives. We have a large diversified workforce spread across the locations.

The Company has put "Safety First" programme to promote safety practises across plant & non plant locations.

As on 31st March 2018, the permanent employee strength is 530+. The Company has 7% of the women population. The Company consciously taking steps to improve the gender diversity through its talent acquisition & campus relationship programme. There are 175+ contractual/ temporary staff engaged mainly at the plant location& sales support. The Company does not have any employees with permanent disability. We recognise the right to freedom of association, however, there are no employee associations within the Company.

Prevention of Sexual Harassment at workplace :

The Company has put in the required policy as well as the mechanism to address the Prevention of Sexual Harassment at Workplace since 2014. The new committee has been appointed in line with the provisions of the Prevention of Sexual Harassment at workplace Act, 2013. The internal complaints committee consisting of three employees (with one women representation) & one independent external panel member is in place. The regular awareness sessions are conducted for employees.

Following statistics shows the status on the no. of complaints.

Sr. No.	Category	No. of Complaints filed during the financial year	No. of Complaints pending as on end of financial year
01	Child Labour/ Forced Labour / Involuntary Labour	Nil	Nil
02	Sexual harassment	Nil	Nil
03	Discriminatory employment	Nil	Nil

Human Capital Strategy:
The Company has put in place the Human Capital strategy in line with its vision & overall business plan. The important pillars of the strategy includes, Leadership development, Culture building, Talent Development & Organisation alignment.

Capability Building :
Employee Capability Development is one of the important pillar for our Human Capital Strategy.

- The capability building agenda is driven through defined competency framework consisting of functional & behavioural competencies & 70:20:10 principle (70% on the job, 20% through various projects & 10% through class room/ on line programmes)
- The Company also conducts organisation wide webinars covering different subjects.
- The e learning platform , "GOLD" Academy (Gulf Oil Training & Development Academy)" has rich contents & it is extended to global operations covering the distributors, key customers, licensees worldwide. The programmes are available in three languages – English, Spanish & Mandarin.

GOLD Academy has won the Brnadon Hall Excellence Award for Best Advance in Learning Management Technology for small & medium sized business.

- The Company supports various Leadership Development programmes mainly – GOAL (Gulf Oil Advanced Leadership Programme), SEP (Sales Excellence Programme), ELP (Emerging Leaders Programme)
- Capability Building through Job Rotation – The Company provides opportunities to the employees through job rotation programmes across geographies to enhance their capabilities & career.

HSSE (Health, Safety, Security & Environment):
The Company promotes safety at workplace (Plant & non plant locations) which is one of the important enabler of the Human Capital Strategy. There are specific programmes & initiatives for plant & non plant safety (primarily at offices, depot operations) are in place. The safety & fire marshals at each location ensures the implementation of the safety guidelines.

To promote the well being of the employees, various awareness programmes are organised including health talk series on the various contemporary topics, health sessions, Office Yoga. The Company has the annual medical check up policy in place to ensure the health & fitness for the employees.

The Company has introduced the critical illness cover for all its employees to support the additional medical expenses on account of the critical illness. The Company has also continued the support for the Top up medical cover for the employee & family, and for the parents of the employees in addition to the existing medical claim policy for employee family & parents. The term insurance & personal accident insurance cover continues.

The Company has committed to provide an ergonomically safe & comfortable work environment at all its offices, Depot locations & Plants.

Employee Communication:
There are regular town hall communication meetings & regular communications through various media such as e mailers, employee intranet portal helps to build the excellent teamwork & work culture.

Reward & Recognition:
The Company drives various Rewards & Recognition Programs. Recognizing the extraordinary efforts put in by the employees are rewarded through various schemes helps to boost the employee morale.

For the year FY 2017-18 total 55 employees were honoured under the long service award programme showing employee loyalty & dedication for the Company.

Principle 4
The Company recognizes the need and importance of focused and inclusive social and economic development especially in the communities and areas within which it operates. The Company engage with both internal and external stakeholders to understand their concerns and address the same with formal and informal mechanism. The Company aims to maintain cordial relationship with all its stakeholders. The Company has undertaken various CSR initiatives in the area of education, road safety awareness, rural development and promoting health care in and around its area of operations and local area at Silvassa, DNH.

The Company funded Mobile Medical unit continued its operations during the year in the remote villages near Silvassa, DNH. The unit provides free medical test, support and medicines to the tribal of remote villages near Silvassa. The state of the art facilities are available to the villagers free of cost in the mobile unit which includes diagnostic facility, laboratory test and medicine dispensing and health checkup.

Company also provides vocational skill development training to auto-mechanics in the auto industry and provides certificate for enhancement of their vocational skill, which will help them to service the industry in better and efficient manner.

Principle 5

The Company respect the laws and human rights provisions in all locations in which it operates. The Code of conduct is applicable to all Directors, employees and business partners of the Company and there were no complaints received during the year.

Principle 6

The Company continuously strives to provide quality products to its customers and seeks to adopt environment friendly technologies. The Chennai facility is 70% solar powered and has rain water harvesting facility set up in addition to other nature friendly initiatives stated below and poised to get the Indian Green Building Council (IGBC) Gold Level Certification. Company's manufacturing facility at Silvassa is Quality Management System Standard Environment Management System ISO (14001:2015) certified. It is also certified for Occupational Health and safety Management System (OHSAS 18001: 2007). Compliance to these systems has been certified by Internationally recognized and accredited body. Regular internal and external audits are carried out with an aim of adherence to QMS efficiently and work towards continual improvement.

Company has taken following measures to improve energy efficiency :

Silvassa Plant

1. Replaced entire plant conventional lights to energy efficient LED lights.
2. Installed new drum heating ovens for charging of additives to reduce charging time thus savings in energy.
3. Installed turbo air ventilators on all plant roof top to reduce use of fans for air circulation.
4. Modification of PLC setup done for blending operation to reduce the batching time.

Chennai Plant

- 70% use of Solar power.
- Rain water harvesting.
- Natural lighting (almost 60 % of need) by use of clear roof panels.
- LED lighting at all installations.
- Sewage water treatment for gardening purpose.
- UV reflective glasses for reduction in Air Conditioning expenses.
- Double glazed coated glasses with low Solar Heat Gain Coefficient (SHGC) for reduction in AC expenses and High Visible Light Transmission (VLT) to enhance day lighting
- Advanced blending technology to reduce batch time and save Energy
- Implementation of Real-time Energy Monitoring System (EMS)

Principle 7

The Company does not take part (directly or indirectly) in any political activity and does not pay any political contributions in cash or make in kind. The Company complies with all applicable laws and regulations that prohibit bribery and corruption. The Company aims to engage constructively with local government and build healthy relationship with them.

The Company is a member of the following trade/chamber/ association:.

1) Bombay Chamber of Commerce and Industry (BCCI)

2) Confederation of Indian Industry (CII)

Principle 8

The Company seeks to build cordial and constructive relationships with all the stakeholders. The Company has a policy on Corporate Social Responsibility and the focal areas being promoting healthcare, Road safety awareness and promoting education to underprivileged children. The Company has undertaken various multi-year CSR projects for achieving the above objectives.

The details of CSR projects undertaken during the year are provided in CSR Report, which is forming part of Director's Report.

Principle 9

The Company is in the business of meeting the needs of its customers in an efficient manner. The products are developed based on regular interactions, feedback and survey of consumers. For receiving and resolving customer complaints there are systems in place to record and resolve the complaints. No consumer complaints were pending at the end of the financial year. The Company displays additional information such as product benefits and technical specification used in the product, in addition to the mandatory information on the product label. There are no cases filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and /or anti-competitive behavior during the last five years and pending as on end of financial year. The Company regularly tracks consumer satisfaction scores and brand positions in different channels and amongst its distributors and take appropriate steps to improve customer satisfaction.

Annexure-D

FORM NO. MGT-9

Extracts of Annual Return as on Financial Year ended March 31, 2018

[Pursuant to Section 92(3) of Companies Act, 2013 and Rule 12(1) of Companies (Management and Administration) Rules, 2014]

I. Registration and Other Details:

1.	Corporate Identification No.(CIN)	L23203MH2008PLC267060
2.	Registration Date	July 17, 2008
3.	Name of the Company	Gulf Oil Lubricants India Limited
4.	Category / sub-category of the Company	Company Limited by share / Indian Non-government Company
5.	Address of the Registered Office and Contact details	IN Centre, 49/50, 12th Road, MIDC, Andheri (East) Mumbai – 400 093, Maharashtra, India. Telephone No. - +91-022-6648 7777 Fax No. - +91-022-2824 8232 Email ID – secretarial@gulfoil.co.in
6.	Whether listed Company	Yes
7.	Name, address & contact details of the Registrar & Share Transfer Agent, if any	Mr. Sandeep Sanghi Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32 Ganchibowli, Financial District, Nanakramaguda, Hyderabad – 500 032 Email ID: - sanghi.sandeep@karvy.com Toll Free No. – 1800-3454-001

II. Principal Business Activities of the Company

(All the business activities contributing 10% or more of the total turnover of the Company shall be stated)

Sr. No.	Name and Description of main products/ services	NIC code of the products/services	% to total turnover of the Company
	Manufacturing and selling of automotive and non automotive lubricants oils, Greases and two wheeler batteries	19201	96.73%

III. Particulars of Holding, Subsidiary and Associate Companies

Sr. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary/ Associate	% of shares Held	Applicable Section
1	Gulf Oil International (Mauritius) INC c/o JurisTax Ltd, Level 3, Ebene House, Hotel Avenue, 33 Cybercity, Ebene- 72201	Foreign Company	Holding Company	72.88%	Section 2(46)

IV. Shareholding Pattern (Equity Share Capital Breakup as Percentage to Total Equity

i) Category-wise Shareholding

	Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
		Demat	Physical	Total	% to Total Shares	Demat	Physical	Total	% to Total Shares	
A	**Promoters**									
1	Indian									
a)	Individual/HUF	0	0	0	0	0	0	0	0.00	0.00
b)	Bodies Corporate	0	0	0	0	0	0	0	0.00	0.00
	Sub-Total (A)(1)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0.00**	**0.00**
2	Foreign									
a)	NRIs – Individuals	0	0	0	0	0	0	0	0.00	0.00
b)	Other Individuals	0	0	0	0	0	0	0	0.00	0.00
c)	Bodies Corporate	3,46,71,787	0	3,46,71,787	69.86	3,62,19,224	0	3,62,19,224	72.88	3.02
d)	Banks / FIs	0	0	0	0	0	0	0	0.00	0.00
e)	Any Other	0	0	0	0	0	0	0	0.00	0.00
	Sub-Total (A)(2)	**3,46,71,787**	**0**	**3,46,71,787**	**69.86**	**3,62,19,224**	**0**	**3,62,19,224**	**72.88**	**3.02**
B	**Public Shareholding**									
1	Institutions									
a)	Mutual Funds	39,92,901	0	39,92,901	8.04	20,01,612	0	20,01,612	4.03	-4.01
b)	Banks/ FI	8,22,272	120	8,22,392	1.66	8,08,886	120	8,09,006	1.63	-0.03
c)	Central Govt.	0	0	0	0	0	0	0	0.00	0.00
d)	State Govt.	0	1,49,490	1,49,490	0.3	0	1,49,490	1,49,490	0.30	0.00
e)	Venture Capital Fund	0	0	0	0	0	0	0	0.00	0.00
f)	Insurance Companies	0	0	0	0	0	0	0	0.00	0.00
g)	FIIs & FPIs	21,60,501	0	21,60,501	4.35	44,26,440	0	44,26,440	8.90	4.56
h)	Foreign Venture Capital	0	0	0	0	0	0	0	0.00	0.00
i)	Funds Others	0	0	0	0	0	0	0	0.00	0.00
h)	Foreign Nationals	0	0	0	0	1,248	0	1,248	0.00	0.00
	Sub-Total (B)(1)	**69,75,674**	**1,49,610**	**71,25,284**	**14.35**	**72,38,186**	**1,49,610**	**73,87,796**	**14.86**	**0.52**
2	Non-Institutions									
a)	Bodies Corporate									
	i) Indian	4,97,078	18,020	5,15,098	1.04	7,28,940	18,020	7,46,960	1.50	0.46
	ii) Overseas	6,91,874	0	6,91,874	1.39	0	0	0	0.00	-1.39
b)	i) Individual Shareholders holding nominal Share Capital upto ₹ 1 Lakh	50,10,995	7,24,163	57,35,158	11.55	43,47,588	6,97,047	50,44,635	10.15	-1.40
	ii) Individual Shareholders holding nominal Share Capital in excess of ₹ 1 Lakh	5,45,283	1,19,688	6,64,971	1.34	0	1,19,688	1,19,688	0.24	-1.10
c)	Others									
	i) Clearing Members	32,315	0	32,315	0.07	12,499	0	12,499	0.03	-0.04
	ii) Non Resident Indians	1,85,806	0	1,85,806	0.38	1,56,465	3,382	1,59,847	0.32	-0.06
	iii) Trusts	7,547	0	7,547	0.02	7,994	0	7,994	0.02	0.00
	iv) Others	3,950	0	3,950	0	1,262	0	1,262	0.00	0.00
	Sub-Total B(2)	**69,74,848**	**8,61,871**	**78,36,719**	**15.79**	**52,54,748**	**8,38,137**	**60,92,885**	**12.26**	**-3.53**
	Total Public Shareholding (B)=(B)(1)+(B)(2)	**1,39,50,522**	**10,11,481**	**1,49,62,003**	**30.14**	**1,24,92,934**	**9,87,747**	**1,34,80,681**	**27.12**	**-3.02**
C)	**Shares held by Custodian for GDRs & ADRs**	0	0	0	0	0	0	0	0.00	0.00
	(Grand Total A+B+C)	**4,86,22,309**	**10,11,481**	**4,96,33,790**	**100**	**4,87,12,158**	**9,87,747**	**4,96,99,905**	**100.00**	**0.00**

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1	Gulf Oil International (Mauritius) Inc.*	34,671,787	69.86%	Nil	36,219,224	72.88%	Nil	3.02%*
	TOTAL	**34,671,787**	**69.86%**	**Nil**	**36,219,224**	**72.88%**	**Nil**	**3.02%**

* Gulf Oil International (Mauritius) Inc., Promoter has acquired additional shares during the financial year 2017- 18 through creeping acquisition from open market.

(iii) Change in Promoters' shareholding* (Please specify, if there is no change)

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	At the beginning of the year	34,671,787	69.86%	0	0
	Date wise increase / decrease if any with reasons				
	Purchase on 04/08/2017	5,00,000	0.92	3,51,71,787	70.78%
	Purchase on 10/08/2017 and 11/08/2017	3,47,437	0.70	3,55,19,224	71.48%
	Purchase on 08/09/2017	7,00,000	1.41	3,62,19,224	72.88%
	At the end of the year			3,62,19,224	72.88%

* Gulf Oil International (Mauritius) Inc., Promoter has acquired the additional shares during the financial year 2017-18 through creeping acquisition from open market.

V. Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRS and ADRS

(iv) Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs

Sr. No.	Name of the Shareholder	Date	Remark	Shareholding at the beginning of the year 01st April 2017		Cumulative shareholding during the year 31st March 2018	
				No of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	MORGAN STANLEY INVESTMENT FUNDS						
		01-04-2017	At the beginning of the year	0	0.00		
		16/06/2017	Purchase	8,78,574	1.77	8,78,574	1.77
		19/01/2018	Purchase	70,000	0.14	9,48,574	1.91
		16/03/2018	Purchase	13,624	0.03	9,62,198	1.94
		23/03/2018	Purchase	42,284	0.08	10,04,482	2.02
		31-03-2018	At the end of the year			10,04,482	2.02
2	FRANKLIN INDIA SMALLER COMPANIES FUND						
		01-04-2017	At the beginning of the year	9,36,105	1.89		
		17/11/2017	Sale	-5,844	0.02	9,30,261	1.87
		24/11/2017	Sale	-1,007	0.00	9,29,254	1.87
		01/12/2017	Sale	-4,677	0.01	9,24,577	1.86
		08/12/2017	Sale	-2,000	0.00	9,22,577	1.86
		16/02/2018	Sale	-10,398	0.02	9,12,179	1.84
		31-03-2018	At the end of the year			9,12,179	1.84

Sr. No.	Name of the Shareholder	Date	Remark	Shareholding at the beginning of the year 01st April 2017		Cumulative shareholding during the year 31st March 2018	
				No of shares	% of total shares of the Company	No of shares	% of total shares of the Company
3	WASATCH EMERGING INDIA FUND	01-04-2017	At the beginning of the year	3,36,103	0.68		
		07-04-2017	Purchase	13,420	0.02	3,49,523	0.70
		21-04-2017	Purchase	13,561	0.03	3,63,084	0.73
		28-04-2017	Purchase	18,122	0.04	3,81,206	0.77
		05-05-2017	Purchase	12,237	0.02	3,93,443	0.79
		12-05-2017	Purchase	11,354	0.02	4,04,797	0.81
		19-05-2017	Purchase	8,122	0.02	4,12,919	0.83
		26-05-2017	Purchase	12,353	0.03	4,25,272	0.86
		02-06-2017	Purchase	28,105	0.05	4,53,377	0.91
		09-06-2017	Purchase	7,602	0.02	4,60,979	0.93
		16-06-2017	Purchase	47,343	0.09	5,08,322	1.02
		28-07-2017	Purchase	16,430	0.04	5,24,752	1.06
		10-11-2017	Purchase	21,735	0.04	5,46,487	1.10
		17-11-2017	Purchase	41,044	0.08	5,87,531	1.18
		24-11-2017	Purchase	2,245	0.01	5,89,776	1.19
		05-01-2018	Purchase	50,800	0.10	6,40,576	1.29
		12-01-2018	Purchase	11,444	0.02	6,52,020	1.31
		19-01-2018	Purchase	7,834	0.02	6,59,854	1.33
		23-02-2018	Purchase	7,710	0.01	6,67,564	1.34
		16-03-2018	Purchase	4,891	0.01	6,72,455	1.35
		23-03-2018	Purchase	26,354	0.06	6,98,809	1.41
		31-03-2018	At the end of the year			6,98,809	1.41
4	THE NEW INDIA ASSURANCE COMPANY LIMITED	01-04-2017	At the beginning of the year	6,89,258	1.39		
		12/05/2017	Sale	-10,000	0.02	6,79,258	1.37
		31-03-2018	At the end of the year			6,79,258	1.37
5	BAY CAPITAL INDIA FUND LTD	01-04-2017	At the beginning of the year	0	0.00		
		27/10/2017	Purchase	2,65,500	0.53	2,65,500	0.53
		31/10/2017	Purchase	22,662	0.05	2,88,162	0.58
		10/11/2017	Purchase	14,955	0.03	3,03,117	0.61
		15/12/2017	Purchase	75,000	0.15	3,78,117	0.76
		22/12/2017	Purchase	25,000	0.05	4,03,117	0.81
		29/12/2017	Purchase	20,776	0.04	4,23,893	0.85
		09/02/2018	Purchase	9,626	0.03	4,33,519	0.87
		16/02/2018	Purchase	24,785	0.05	4,58,304	0.92
		23/02/2018	Purchase	47,239	1.00	5,05,543	1.02
		02/03/2018	Purchase	2,447	0.00	5,07,990	1.02
		09/03/2018	Purchase	45,124	0.09	5,53,114	1.11
		23/03/2018	Purchase	85,000	0.17	6,38,114	1.28
		31-03-2018	At the end of the year			6,38,114	1.28
6	ABU DHABI INVESTMENT AUTHORITY - BEHAVE	01-04-2017	At the beginning of the year	0	0.00		
		21/07/2017	Purchase	51,342	0.10	51,342	0.10
		11/08/2017	Purchase	52,329	0.11	1,03,671	0.21
		01/09/2017	Purchase	20,000	0.04	1,23,671	0.25
		08/09/2017	Purchase	24,907	0.05	1,48,578	0.30
		15/09/2017	Purchase	2,22,100	0.45	3,70,678	0.75
		22/09/2017	Purchase	1,55,450	0.31	5,26,128	1.06
		29/09/2017	Purchase	36,246	0.07	5,62,374	1.13
		31-03-2018	At the end of the year			5,62,374	1.13

Sr. No.	Name of the Shareholder	Date	Remark	Shareholding at the beginning of the year 01st April 2017		Cumulative shareholding during the year 31st March 2018	
				No of shares	% of total shares of the Company	No of shares	% of total shares of the Company
7	WASATCH INTERNATIONAL OPPORTUNITIES FUND						
		01-04-2017	At the beginning of the year	4,20,387	0.85		
		23/03/2018	Purchase	53,499	0.10	4,73,886	0.95
		31-03-2018	At the end of the year			4,73,886	0.95
8	RELIANCE CAPITAL TRUSTEE CO LTD						
		01-04-2017	At the beginning of the year	11,57,767	2.33		
		15/09/2017	Sale	-2,00,000	0.40	9,57,767	1.93
		08/12/2017	Sale	-50,589	0.10	9,07,178	1.83
		15/12/2017	Sale	-65,727	0.14	8,41,451	1.69
		22/12/2017	Sale	-80,467	0.16	7,60,984	1.53
		29/12/2017	Sale	-11,556	0.02	7,49,428	1.51
		02/03/2018	Sale	-13,320	0.10	7,36,108	1.48
		16/03/2018	Sale	-52,580	0.43	6,83,528	1.38
		23/03/2018	Sale	-2,10,552	0.03	4,72,976	0.95
		30/03/2018	Sale	-13,375	0.00	4,59,601	0.92
		31-03-2018	At the end of the year			4,59,601	0.92
9	RELIANCE VALUE SERVICES PRIVATE LIMITED						
		01-04-2017	At the beginning of the year	0	0.00		
		15-12-2017	Purchase	24,944	0.05	24,944	0.05
		22-12-2017	Purchase	45,000	0.09	69,944	0.14
		29-12-2017	Purchase	30,056	0.06	1,00,000	0.20
		05-01-2018	Purchase	20,000	0.04	1,20,000	0.24
		12-01-2018	Purchase	80,000	0.16	2,00,000	0.40
		19-01-2018	Purchase	10,000	0.02	2,10,000	0.42
		26-01-2018	Purchase	15,000	0.03	2,25,000	0.45
		16-02-2018	Purchase	75,000	0.15	3,00,000	0.60
		23-02-2018	Purchase	10,000	0.02	3,10,000	0.62
		02-03-2018	Purchase	40,000	0.08	3,50,000	0.70
		31-03-2018	At the end of the year			3,50,000	0.70
10	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C						
		01-04-2017	At the beginning of the year	2,80,751	0.56		
		26-05-2017	Purchase	73,000	0.15	3,53,751	0.71
		22-09-2017	Purchase	17,156	0.04	3,70,907	0.75
		05-01-2018	Sale	-6,700	-0.02	3,64,207	0.73
		09-02-2018	Sale	-1,000	0.00	3,63,207	0.73
		02-03-2018	Sale	-22,200	-0.04	3,41,007	0.69
		31-03-2018	At the end of the year			3,41,007	0.69

VI. Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of Director and KMP	Shareholding at the beginning of the year		Change in shareholding (no of shares) and Reasons Increase / (Decrease)	Shareholding at the end of the year	
		No of shares	% of total shares of the Company		No of shares	% of total shares of the Company
	Directors					
	Sanjay G. Hinduja	Nil	Nil	Nil	Nil	Nil
	Shom A. Hinduja	Nil	Nil	Nil	Nil	Nil
	M. S. Ramachandran	2,000	0%	@1000	3000	0%
	Ashok Kini	Nil	Nil	Nil	Nil	Nil
	Kanchan Chitale	Nil	Nil	Nil	Nil	Nil
	Ravi Chawla	13,600	0.03%	*12,000	25,600	0.05%
	Key Managerial Personnel					
	Manish K. Gangwal Chief Financial Officer	5,700	0.01%	#4,979	721	0%
	Vinayak Joshi Company Secretary	Nil	Nil	Nil	Nil	Nil

@ Change in shareholding during the year: Purchase in open market, Date of transaction and number of shares: January 24, 2018 (1,000).

* Change in shareholdings during the year : (i)Allotment of equity shares pursuant to "Gulf Oil Lubricants India Limited-Employees Stock Option Scheme-2015", Date of allotment and number of shares : July 24, 2017 (9,000) and September 15, 2017 (6,000) (ii) Sold in open market, Date of transaction and number of shares : November 17, 2017 (1000), February 16, 2018(1000) and February 28, 2018 (1,000).

Change in shareholding during the year: (i) Allotment of 6,890 equity shares pursuant to "Gulf Oil Lubricants India Limited-Employees Stock Option Scheme-2015" on July 24, 2017. (ii) Sold in open market, Date of transaction and number of shares: October 6, 2017 (990), November 10, 2017 (4,249) and November 17, 2017 (6,630).

VII. Indebtedness

(₹ Lakhs)

Indebtedness at the beginning of the financial year	Secured loans excluding deposits	Unsecured loans	Deposits	Total Indebtedness
a. Principal Amount	17,848.87	-	-	17,848.87
b. Interest due but not paid	-	-	-	-
c. Interest accrued but not due	59.90	-	-	59.90
TOTAL OF (I+II+III)	**17,908.77**	**-**	**-**	**17,908.77**
Change in Indebtedness during the financial year				
Addition	31,977.64	-	-	31,977.64
Reduction	24,979.08	-	-	24,979.08
Net Change	**6,998.56**	**-**	**-**	**6,998.56**
Indebtedness at the end of the financial year				
i) Principal Amount	24,806.37	-	-	24,806.37
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	100.96	-	-	100.96
TOTAL OF (I+II+III)	**24,907.33**	**-**	**-**	**24,907.33**

VIII. Remuneration to Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sr No	Particulars of Remuneration	Name of Managing Director	Whole-time Director / Manager	Total Amount ₹
		Ravi Chawla	Not applicable	
1.	Gross Salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,94,67,885	-	1,94,67,885
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	27,52,214	-	27,52,214
	c) Profits in lieu of salary under section 17(3) Income-tax	-	-	
2	Stock Option	66,60,570	-	66,60,570
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- As % of profit	-	-	-
	- Others - Annual Performance Pay	1,00,00,000	-	1,00,00,000
Others-Retirals		8,14,420	-	8,14,420
Total (A)		**3,96,95,089**	**-**	**3,96,95,089**
Ceiling as per the Act		5% of net profit		

B. Remuneration to other Directors (Amount in ₹)

(₹ In lakhs)

Sr. no.	Particulars of Remuneration	Name of Directors			Total Amount
1)	Independent Directors	M. S. Ramachandran	Ashok Kini	Kanchan Chitale	
	- Fees for attending Board Committee meetings	7,25,000	8,00,000	7,00,000	22,25,000
	- Commission	23,60,000	20,52,000	24,62,000	68,74,000
	- Others, please specify	-	-	-	-
	TOTAL B (1)	**30,85,000**	**28,52,000**	**31,62,000**	**90,99,000**
2)	Other Non-Executive Directors	Sanjay G. Hinduja	Shom A. Hinduja	-	Total
	- Fees for attending Board Committee meetings	9,25,000	5,00,000	-	14,25,000
	- Commission	79,00,000	10,26,000	-	89,26,000
	- Others, please specify	-	-	-	
	TOTAL B (2)	**88,25,000**	**15,26,000**	**-**	**1,03,51,000**
	Total Managerial Remuneration	₹ 1,58,00,000/- (excluding sitting fees)			
	Overall Ceiling as per the Act	1% of net profit			

C. Remuneration to Key Managerial Personnel other than Managing Director/WTD/Manager

			Chief Financial Officer	Company Secretary	Total
			Manish Kumar Gangwal	Vinayak Joshi	
1	Gross Salary				
	a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	83,99,649	35,85,888	1,19,85,537
	b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	39,600	-	39,600
	c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option		30,59,069	-	30,59,069
3	Sweat Equity		-	-	-
3	Commission				
	-	As % of profit	-	-	-
	-	Others - Annual Performance Pay	25,00,000	7,14,948	32,14,948
5	Others-Retirals		3,05,613	1,42,884	4,48,497
	Total (C)		**1,43,03,931**	**44,43,720**	**1,87,47,651**

IX. Penalties / Punishment / Compounding of Offences:

Type		Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made if any (give details
A.	**Company**					
	Penalty			Nil		
	Punishment			Nil		
	Compounding			Nil		
B.	**Directors**					
	Penalty			Nil		
	Punishment			Nil		
	Compounding			Nil		
C.	**Directors**					
	Penalty			Nil		
	Punishment			Nil		
	Compounding			Nil		

For and on behalf of the Board

Sanjay G. Hinduja
Chairman
(DIN: 00291692)

Place: Mumbai
Date: August 7, 2018

Annexure-E

Dividend Distribution Policy

Introduction

The Securities and Exchange board of India vide SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016, introduced Regulation 43A in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which requires top five hundred listed entities based on market capitalisation (calculated as on March 31 of every financial year) to formulate a dividend distribution policy, which shall be disclosed in their annual reports and on their websites.

The Company being amongst top 500 listed entities based on aforesaid criteria for the year ended March 31, 2016, has formulated this policy on dividend distribution with a view to inform the shareholders about how it aims to utilise extra profits and the parameters that shall be adopted with regard to the declaration of dividends.

Objective

The objective of the policy is to specify the external and internal factors including financial parameters that shall be considered while declaring dividend and the circumstances under which the shareholders of the Company may or may not expect dividend and how the retained earnings shall be utilised, etc.

The Board of Directors (Board) may consider declaration of interim dividend depending upon the cash flow situation of the Company. The dividend distribution shall be as per the recommendations of the Board and shall always be decided at an Annual General Meeting of shareholders in case of final dividend. Depending on the long term growth strategy of the Company and the prevailing circumstances, the Board may consider a higher dividend payout ratio, while trying to ensure that sufficient funds are retained for growth of the Company.

Definitions

(i) **"Act"** means the Companies Act, 2013 and Rules made thereunder, including any statutory amendment or modification thereof for the time being in force.

(ii) **"Dividend"** includes final and interim dividend.

(iii) **"Dividend Payout ratio"** means a fraction of net income (i.e. Profit after tax) a Company pays to its shareholders as dividend.

(iv) **"Market capitalisation"** means the aggregate value of the Company based on its current market price and the total number of outstanding shares of the Company.

(v) **"Paid-up Share Capital"** means such aggregate amount of money credited as paid-up as is equivalent to the amount received as paid-up in respect of shares issued and also includes any amount credited as paid-up in respect of shares of the Company, but does not include any other amount received in respect of such shares, by whatever name called.

(vi) **"Regulations"** shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as notified by the Securities and Exchange Board of India, as amended, from time to time.

Declaration and payment of Dividend

In compliance with Section 51 of the Act, the Company shall pay dividend proportionately, i.e., in proportion to the amount paid-up on each share. Dividend for a financial year shall be paid after the annual financial statements of the Company are finalised and the amount of distributable profits is available. The declaration and payment of dividend shall be in accordance with the provisions of Sections 123 to 128 of the Act. Pursuant to the provisions of Section 123 of the Act and the rules made thereunder, the Board shall recommend Dividend for any financial year subject to the following:

(a) out of the profits of the Company for that year arrived after providing for depreciation; or

(b) out of the profits of the Company for any previous financial year(s) arrived at after providing for depreciation and remaining undistributed; or

(c) out of both (a) and (b).

Parameters for declaration of dividend

The Board shall consider the following various circumstances like current year's profit, future outlook, reinvestment opportunities of the Company, tax benefits, Company's present and future performance for declaration and payment of dividend.

(i) Financial parameters

(a) Availability of profits;

(b) Financial feasibility of the Company;

(c) Acceptable Debt Equity ratio;

(d) Debt interest coverage ratio;

(e) Liquidity position;

(f) Business expansions, acquisitions, etc.;

(g) Acceptable state of the capital markets;

(h) Profit growth.

(ii) External Factors

(a) Shareholders' expectations;

(b) Uncertain or recessionary economic and business conditions;

(c) Restrictions imposed under the Act with regard to declaration of dividend;

(d) Sectorial performance;

(e) Future uncertainties and industrial downturn;

(f) Government policy;

(g) Clientele effect;

(h) Risk effect.

(iii) Internal Factors

(a) Growth rate of past earnings;

(b) Growth rate of predicted profits;

(c) Expansion and modernisation of existing business;

(d) Investment in research and development;

(e) Working capital requirements;

(f) Mergers and Acquisitions;

(g) Investments in subsidiaries/Joint ventures/ associates;

(h) Future uncertainities and industrial downturn;

(i) Buyback options;

(j) Approach adopted - residual, stability or hybrid.

(iv) Utilisation of retained earnings

The decision of utilisation of retained earnings of the Company shall be based on the following factors:

(a) Acquisition/Diversification of business;

(b) Long term strategic plan;

(c) High cost of debt;

(d) Market or product development/expansion plan;

(e) Increase in production capacity;

(f) Modernisation Plan;

(g) Replacement of Capital intensive assets.

Classes of Shares

The Company has issued only one class of shares viz., Equity Shares. There are no other class of shares issued or proposed to be issued by the Company. In case of issue of new class of shares in the future, the policy will be reviewed accordingly.

The circumstances under which the shareholders of the Company may or may not expect dividend:

In an event where the Company has undertaken a significant project requiring higher allocation of capital or merger or acquisition which demands higher capital allocation or in an event where the Company profits are inadequate or Company is making losses, the Company may not declare dividend or declare dividend lower than its normal rate of dividend.

Publication of Policy

This Policy, as approved by the Board, shall be disclosed in the Annual Report and on the website of the Company at http://www.gulfoilindia.com.

Amendment

In case of any subsequent changes in the provisions of the Act or Regulations or Income Tax Act, 1961 or any other regulations which makes any of the provisions of this Policy inconsistent with the Act or such other regulations, then the provisions of the Act or such other regulations would prevail over this Policy and the relevant provisions contained in this Policy would be modified accordingly in due course to make it consistent with applicable laws.

Any such amendments shall be disclosed along with the rationale for the same in the Annual Report and on the website of the Company.

Annexure-F

Report on Corporate Governance

1. Company's Philosophy On Corporate Governance

The Company will continue to be in the forefront of its diverse interests and sustain growth activities through emphasis on Total Quality Management, adoption of emerging technologies, innovation through research, good corporate governance, adherence to fair business practices and effective use of physical, technological, Research & Development (R&D), information and financial resources, thus fulfilling the aspirations of customers, shareholders, employees and financiers.

The Board of Directors has laid down Code of Conduct for all Board Members and Senior Management of the Company. The said Code of Conduct is uploaded on the website of the Company – http://www.gulfoilindia.com. The Directors and Senior Management personnel have affirmed compliance with the Code applicable to them during the year ended 31st March, 2018. The Annual Report of the Company contains a Certificate duly signed by the Managing Director in this regard.

2. Board of Directors

Your Company has a balance mix of eminent executive, non- executive and independent directors on the Board. As of 31st March, 2018, the Board consists of three Independent Directors including one woman Director, two Non-Executive Directors and one Managing Director.

During the financial year 2017-18, five meetings of the Board of Directors were held on 14th May 2017, 24th July 2017, 15th September 2017, 6th November 2017, and 6th February 2018.

The Board consists of the following Directors as on 31st March, 2018, categorized as indicated below:

Mr. Sanjay G. Hinduja	Chairman (Non Executive)
Mr. Shom A. Hinduja	Director (Non Executive)
Mr. M. S. Ramachandran	Director (Non Executive Independent)
Mr. Ashok Kini	Director (Non Executive Independent)
Mrs. Kanchan Chitale	Director (Non Executive Independent)
Mr. Ravi Chawla	Managing Director

The names and categories of the Directors on the Board, their attendance at the Board meeting and the Annual General Meeting held during the year and the number of Directorships and Committee Chairmanships/ Memberships held by them in other Companies as on 31st March, 2018 are given below:

Name of the Director	Number of Board Meetings attended during the F.Y. 2017-18	Whether attended last AGM	No. of Directorship in other Public Companies as on 31st March 2018	No. of Committee positions held in other public companies#	
				Member	Chairman
Mr. Sanjay G. Hinduja	5	Yes	-	-	-
Mr. Shom A. Hinduja	5	Yes	1	-	-
Mr. M. S. Ramachandran	5	Yes	5	2	-
Mr. Ashok Kini	5	Yes	5	2	2
Mr. Kanchan Chitale	5	Yes	8	4	4
Mr. Ravi Chawla	5	Yes	1	-	-

As per Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Membership/ Chairmanship of Audit Committee, and Stakeholders Relationship Committee have been considered for the purpose.

The Company had issued formal letter of appointment to all Independent Directors and the terms and conditions of their appointment have been disclosed on the website of the Company. As on 31st March, 2018, none of the Directors are related to each other except for Mr. Sanjay G. Hinduja and Mr. Shom A. Hinduja. The Company has not issued any convertible instruments as of date and none of the Directors are holding equity shares of the Company except Mr. M. S. Ramachandran who is holding 3,000 equity shares and Mr. Ravi Chawla who is holding 25,600 equity shares (allotted being an eligible employee under the Gulf Oil Lubricants India Limited-ESOP Scheme-2015) as on March 31, 2018.

Meeting of Independent Directors

During the year, meeting of Independent Directors was held to review the performance of the Board as a whole on parameters of effectiveness and to assess the quality, quantity and timeliness of flow of information between the management and the Board.

Familiarization Program and Training

Your Company follows a structured orientation and familiarization program through various reports/ codes/ internal policies for all the Directors with a view to update them on the Company's policies and procedures on a regular basis. The details of familiarization program have been posted on the website of the Company under the web link http://www.gulfoilindia.com/investors/investor-information/corporate-governance/

Periodic presentations are made at the Board Meetings on business and performance, long term strategy, initiatives and risks involved.

3. Audit Committee

The Audit Committee of the Board of Directors meets the criteria laid down under section 177 of the Companies Act, 2013, read with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mrs. Kanchan Chitale, Non- Executive Independent Director is the Chairperson of the Audit Committee. The other members of the Audit Committee include Mr. Sanjay G. Hinduja and Mr. Ashok Kini.

The brief terms of reference of the Audit Committee includes: The audit committee shall have, inter alia, the following powers:

a. To investigate any activity within its terms of reference.

b. To seek information from any employee. (This would be limited to Heads of functions or divisions who could choose to bring anyone else concerned for the meeting).

c. To obtain outside legal or other professional advice depending on inputs required.

d. To secure attendance of the auditors, internal auditor, if any, and the CFO and of outsiders with relevant expertise, if it is considered necessary; the committee will review and decide on who should be invited from time to time.

The role of the Audit Committee shall include the following:

a. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.

b. Recommending the appointment, remuneration and terms of appointment of auditors of the Company.

c. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

d. Reviewing with management the annual financial statements and auditors' report before submission to the Board, focusing primarily on;

- Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
- Any changes in accounting policies and practices.
- Major accounting entries based on exercise of judgment by management.
- Qualifications, if any in draft audit report.
- Significant adjustments and/or provisions arising out of audit.
- The going concern assumption.
- Compliance with accounting standards.
- Compliance with listing and legal requirements concerning financial statements.
- Any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflicts with the interests of Company at large.
- Disclosure of any related party transactions.

e. Reviewing with the management, external and internal auditors and the adequacy of internal control systems.

f. Review and monitor the auditor's independence and performance, and effectiveness of audit process.

g. Prior approval or any subsequent modification of transactions of the Company with related parties.

h. Scrutiny of inter- corporate loans and investments.

i. Valuation of undertakings or assets of the Company, wherever it is necessary.

j. Evaluation of internal financial controls and risk management systems.

k. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

l. Discussion with internal auditors any significant findings and follow up there on.

m. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.

n. Discussion with external auditors before the audit commences regarding nature and scope of audit and post-audit discussion to ascertain any area of concern.

o. Reviewing the Company's financial and risk management policies especially enterprise level risks. A separate risk management group consisting of various functional heads would review and submit summary report to the Audit Committee.

p. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.

q. Reviewing, with the management – i) the quarterly, and annual financial statements before submission to the board for approval, ii) the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

r. To affirm to the Board that no personnel have been denied access to the audit committee and to review and regulate the functioning of the Whistle Blower mechanism

s. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.

t. The Audit Committee shall inter-alia mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

u. To ensure and confirm on a quarterly basis to the Board, the compliance of the conditions of corporate governance to enable the Board to file the Quarterly Compliance Report on Corporate Governance with the Stock Exchanges.

During the financial year 2017-18, four meetings of Audit Committee were held on 13th May 2017, 24th July 2017, 5th November 2017 and 5th February 2018. The necessary quorum was present at all the meetings. The attendance of members during the financial year 2017-18 is as follows:

Name of the Audit Committee member	Position	Category	No of meetings attended
Mrs. Kanchan Chitale	Chairperson	Non-Executive Independent	4
Mr. Sanjay G. Hinduja	Member	Non-Executive	4
Mr. Ashok Kini	Member	Non-Executive Independent	4

Mr. Vinayak Joshi, Company Secretary is the Secretary to the Committee.

The Managing Director, Chief Financial Officer and Internal Auditor are invitees to the meetings of the Audit Committee. The Statutory Auditors of the Company were invited to join the Audit Committee in the meetings for discussing the quarterly unaudited financial results and the Annual / Audited Accounts before placing it to the Board of Directors.

4. Nomination and Remuneration Committee

The Nomination and Remuneration Committee (NRC) of the Board of Directors meets the criteria laid down under section 178 of the Companies Act, 2013, read with Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. Ashok Kini, Non-executive Independent Director, is the Chairman of the

Committee. The other members of the NRC are Mr. Sanjay G. Hinduja and Mr. M. S. Ramachandran. During the year two meetings were held on 13th May 2017 and 27th December 2017. The requisite quorum was present for all meetings. The attendance of the NRC members is given below:

Name of the NRC member	Position	Category	No of meetings attended
Mr. Ashok Kini	Chairman	Independent Director	2
Mr. Sanjay G. Hinduja	Member	Non-Executive Director	2
Mr. M. S. Ramachandran	Member	Independent Director	2

Mr. Vinayak Joshi, Company Secretary is the Secretary to the Committee.

The brief description of terms of reference of Nomination and Remuneration Committee is given below:

1. The Committee shall be constituted as a Board Committee and be formally empowered to ;

    a. identify persons who are qualified to become Directors and who may be appointed in the Senior Management as per criteria laid down by the Company and recommend to the Board their appointment or removal;

    b. provide the terms of engagement for Independent Directors, Non-executive Directors, Managing Director and senior management;

    c. carry out evaluation of every Director's performance

Role of the Committee shall inter alia include the following:

a. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

b. Formulation of criteria for evaluation of Independent Directors and the Board;

c. Devising a policy on Board diversity and succession planning for Board/Senior Management;

d. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

2. While formulating the policy on the basis of criterias enumerated above, the Committee shall ensure that;

    a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

    b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

    c. Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

    Further, the policy formulated taking into consideration the above, shall be disclosed in the Board's Report.

3. The Committee shall (subject to compliance of the Companies Act and other applicable regulations):

    a. Establish the KRAs and clear metrics of performance for Managing Director against which his performance shall be appraised at the end of the year.

    Review and approve KRAs and performance metrics for senior management proposed by the Managing Director.

    Document the expectations and the actual achievements for a full Board review as may be taken as an audit.

    b. Have the responsibility for a) setting the remuneration for the Managing Director and, b) review and approval of senior management (one level below MD) remuneration proposed by Managing Director. Remuneration in this context will include salary; performance based variable component and any compensation payments, such as retiral benefits or stock options.

    c. Make available its terms of reference, its role, the authority delegated to it by the Board and what it has done for the year under review to the shareholders in a separate section of the chapter on corporate governance in the Annual Report.

4. The committee shall be able to appoint external consultants for assistance on policy and compensation inputs whenever required.

5. The Nomination and Remuneration Committee shall comprise of three members, including its Chairman who shall be an independent director.

6. The Chairperson of the Committee or, in his absence, any other member of the committee authorized by him in this behalf shall attend the general meetings of the Company.

4 (a) Performance evaluation criteria for independent Directors:-

The Nomination and Remuneration Committee of the Board has laid down the criteria for performance evaluation of Independent Directors. The performance evaluation has been done by the entire Board of Directors, except the Director concern being evaluated. The criteria for performance evaluation are as follows:

Factor	Attributes
Role and Accountability	- Application of knowledge for rendering advice to Management for resolution of business issues
	- Offer constructive challenge to Management strategies and proposals
	- Active engagement with the Management and attentiveness to progress of decisions taken
Objectivity	- Non-partisan appraisal of issues
	- Own recommendations given professionally without tending to majority or popular views
Leadership and initiative	- Heading Board sub-committees
	- Supporting any function or identified initiative based on domain knowledge and experience
Participation in and contribution to effective Board meetings	- Commitment to role and fiduciary responsibilities as a Board Member
	- Attendance and active participation in Board and Committee meetings
	- Proactive, strategic and lateral thinking

4 (b) Remuneration to Directors:

The Governance policies of the Company contain policy on remuneration to Directors, KMPs, Senior Management Personnel and other employees. While deciding on the remuneration including commission if any, for Directors, the Board and Nomination and Remuneration Committee consider the performance of the Company, the current trends in the industry, the director's participation in the board and committee meetings during the year and other relevant factors.

The details of remuneration paid to the Non Executive Directors are given below.

Sr. No	Name of the Director	Category	Sitting fees	Commission#
1	Mr. Sanjay G. Hinduja	Non-Executive	925000	79,00,000
2	Mr. Shom A. Hinduja	Non-Executive	500000	10,26,000
3	Mr. M. S. Ramachandran	Independent	725000	23,60,000
4	Mr. Ashok Kini	Independent	800000	20,52,000
5	Mrs. Kanchan Chitale	Independent	700000	24,62,000

#The Commissions to the Non-executive Directors will be paid after the approval of Financial statements for the year ended 31st March, 2018, at the forthcoming Annual General Meeting.

No stock options were issued to Non-executive Directors of the Company.

The details of remuneration paid to Managing Director are given below:

The remuneration paid to Mr. Ravi Chawla, Managing Director for the FY 2017-18 is ₹ 3,96,95,089/-, which includes i) Perquisites allowances and Stock option ₹ 94,12,784/- ii) Annual Performance Pay ₹ 1,00,00,000/- and iii) Retiral benefits ₹ 8,14,420/-. As per "Gulf Oil Lubricants India Limited-Employees Stock Option Scheme-2015 ("Scheme"), 183,196 options were granted to Mr. Ravi Chawla, which will be priced, vested and exercised as per the Scheme. The salient features of the Scheme are available on the website of the Company.

4 (c) The Remuneration policy of the Company is as follows:

1. **Objective**

The objective of Gulf Oil Lubricants India Limited (GOLIL) Remuneration Policy is to attract, motivate and retain qualified and expert individuals that the

Company needs in order to achieve its strategic and operational objectives, whilst acknowledging the societal context around remuneration and recognizing the interests of GOLIL stakeholders.

2. **The Nomination & Remuneration Committee**
   The Nomination & Remuneration Committee ("Committee") is responsible for formulating and making the necessary amendments to the Remuneration Policy for the Directors, Key Managerial Personnel (KMP) and Senior Executives of GOLIL from time to time.

3. **Remuneration for Non-Executive Directors**
   Non-Executive Directors ("NED") are remunerated by way of Sitting Fee for each meeting of the Board/ Committees of the Board attended by them and an annual commission on the profits of the Company. Commission to respective NED is determined on the basis of an objective criteria discussed and agreed upon by the Committee Members unanimously. NED's are reimbursed of any out of pocket expenses incurred by them for the purpose of the Company.

4. **Remuneration for Executive Directors, Key Managerial Personnel (KMP) and Senior Executives**
   The following elements are taken into consideration for determining the Remuneration of Executive Directors, KMP and Senior Executives:

   - The remuneration policy reflects a balance between the interests of GOLIL main stakeholders as well as a balance between the Company's short-term and long-term strategy. As a result, the structure of the remuneration package for the Directors, KMP and Senior Executives is designed to balance short- term operational performance with the medium and long-term objective of creating sustainable value within the Company, while taking into account the interests of its stakeholders. GOLIL strives for a high performance in the field of sustainability and aims to maintain a good balance between economic gain, respect for people and concern for the environment.

   - To ensure that highly skilled and qualified KMP/ Senior Executives can be attracted and retained, GOLIL aims for a total remuneration level that is comparable to levels provided by other companies that are similar to GOLIL in terms of size and complexity.

   - In designing and setting the levels of remuneration for the Directors, KMP and Senior Executives, the Committee also takes into account the relevant statutory provisions and provisions of the corporate governance regulations, societal and market trends and the interests of stakeholders.

   - GOLIL's Remuneration policy is to offer the Directors, KMP and Senior Executives a total compensation comparable to the peer group.

Total Compensation

The total compensation of the Managing Director and Senior Executives consists of the following components:

1. Base salary

2. Variable income –

   - Annual Performance Pay (APP)

   - Performance-related Long-Term Incentive Plan (LTIP)

Base Salary

On joining the Company, the Managing Director, KMP and Senior Executives receive a base salary comparable to the peer group. Every year, base salary levels are reviewed by the Committee.

Variable Income

The variable income part of remuneration consists of APP and LTIP. The distribution between APP and LTIP for (on target) performance aims to achieve a proper balance between short-term result and long-term value creation. The parameters relating to the various elements of the variable income part of the remuneration are established and where necessary adjusted by and at the discretion of the Committee, taking into account the general rules and principles of the remuneration policy itself.

The targets are determined each year by the Committee in consultation with the respective Director/KMP / Executive, based on historical performance, the operational and strategic outlook of the Company in the short term and expectations of the Company's management and stakeholders, among other things. The targets contribute to the realization of the objective of long-term value creation.

With respect to KMPs and Senior Management, the Company aims to progressively increase the proportion of variable component in overall compensation.

5. **Remuneration for other Employees.**
   Remuneration of middle and lower level employees of the Company consists of fixed pay and Performance Linked Variable Pay. This is reviewed on an annual basis. Increase in the

remuneration of employees is effected based on an annual review taking into account performance of the employee and the performance of the Company also.

6. **Remuneration for Workmen.**
Remuneration of workmen employed in the factories of the Company consists of fixed pay and performance incentives, which is negotiated and agreed upon on periodical basis. Increase in the remuneration of workmen is effected based on a review of performance of the Company and increase in the general price levels/ cost of living index, etc.

7. **Employee Stock Options**
Company has introduced Employee Stock Options to inculcate a sense of ownership among the employees of the Company.

8. **Alignment of Remunerations**
The Company strives to achieve that the remunerations of the Directors, Senior Executives, Middle and lower level employees of GOLIL are aligned to each other.

9. **Term of Appointment**
Term of Managing Director and other Executive Directors is generally for a period of 3 years and renewed for similar periods from time to time. Whereas, term of the other employees, generally is upto the age of superannuation. However, Company also employs contractual employees as 'consultants' for shorter periods on need basis.

10. **Post Retirement Benefits**
All the executive directors and employees are entitled for retirement benefits such as provident fund, superannuation fund and gratuity.

11. **Severance Arrangements**
Contracts of employment with executive directors and regular employees, provide for compensation of upto three months pay or advance notice of similar period.

12. At all times the Company will be compliant with all applicable laws in the matter of compensation of Directors, KMPs and Senior Management.

5. Stakeholders Relationship Committee

The Stakeholders Relationship Committee (SRC) of the Board of Directors of the Company meets the criteria laid down under section 178 of the Companies Act, 2013, read with Regulation 20 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. M. S. Ramachandran, Independent Director is the Chairman of the Committee. Mr. Sanjay G. Hinduja and Mr. Ravi Chawla are other members of the Committee. Mr. Vinayak Joshi, Company Secretary is the Secretary to the Committee and the Compliance Officer appointed for the compliance of capital market related laws. During the year, five meetings were held on 13th May 2017, 24th July 2017, 15th September 2017, 6th November 2017 and 6th February 2018.

Terms of reference in brief: The Stakeholders Relationship Committee looks into redressal of shareholders' and investors' complaints, issue of duplicate/consolidated share certificates and transfers/transmission etc. To complete the process of transfers in time in compliance with listing agreement, the Committee has delegated authority to approve transfers/ transmissions/duplicate etc. to the Managing Director and Company Secretary. The said transactions are noted at the subsequent meeting of the Committee.

The status of complaints received and resolved during the year as under:

No of complaints pending as on 1st April, 2017	: Nil
No of complaints received during the year	: 122
No of complaints resolved during the year	: 122
No of complaints pending as on 31st March, 2018	: Nil

6. General Body Meetings

i. Location, time and venue where last three Annual General Meetings were held:

Financial Year	Location of AGM	Date & Time of AGM
2016-17	Hall of Culture, Ground Floor, Nehru Centre, Worli, Mumbai – 400 018	15th September 2017 3.00 p.m.
2015-16	Hall of Culture, Ground Floor, Nehru Centre, Worli, Mumbai – 400 018	13th September 2016 3.00 p.m.
2014-15	Hall of Culture, Ground Floor, Nehru Centre, Worli, Mumbai – 400 018	22nd September 2015 3.00 p.m.

ii. Whether any special resolutions were passed in the previous three AGMs

The details of special resolutions passed during previous three AGMs are given below.

Ninth AGM held on 15 September 2017

- There was no special resolution passed at the Ninth AGM held on 15 September 2017.

Eighth AGM held on 13 September 2016

- There was no special resolution passed at the Eighth AGM held on 13 September 2016.

Seventh AGM held on 22nd September 2015

- Pursuant to the provisions of Section 14 and other applicable provisions of Companies Act, 2013 and rules made there-under Articles of Association of the Company was amended by adding clause 33A and 49A.

iii. Whether any special resolution passed last year through postal ballot- details of voting pattern and person who conducted postal ballot exercise and its procedure and voting pattern:

The Company has not passed any special resolution through postal ballot last year and financial year ended 31st March 2018.

7. Means of Communication:

The quarterly unaudited results and annual audited results are published in nationwide English newspapers Business Standard / Economic Times and in the local newspaper (Marathi) in the district where registered office of the Company is situated and are also disseminated on the website of the Stock Exchanges i.e. www.bseindia. com and www.nseindia. com. The said financial results are also simultaneously published on the website of the Company at www. gulfoilindia.com. The Official press releases and Official media releases are sent to stock exchanges and simultaneously published on the website of the Company. The transcripts of the conference call held with Investors/ Analysts are also disseminated on the website of the stock exchanges and the website of the Company.

8. General Shareholders Information

(a) Annual General Meeting for the financial year 2017-18:

Date - September 24, 2018 (Monday)
Venue - Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai 400018
Time - 3.00 p.m.

(b) Financial Calendar for the year 2018-19 (Tentative):

Financial year of the Company : 1st April to 31st March

- Unaudited results for 1st quarter of next Financial Year – on or before August 14, 2018
- Unaudited results for 2nd quarter of next Financial Year – on or before November 15, 2018
- Unaudited results for 3rd quarter of next Financial Year – on or before February 15, 2019
- Unaudited results for 4th quarter of next Financial Year – on or before May 31 , 2019

(c) Date of Book Closure:

Tuesday, September 18, 2018 to Monday, September 24, 2018 (Both days inclusive).

(d) Date of Dividend Payment:

During the year the Company paid final dividend of ₹ 5.00 per equity share (i.e. 250% on face value of ₹ 2/- per equity share) for the financial year 2016-17 to eligible shareholders.

During the financial year 2017-18, the Company declared and paid Interim Dividend of ₹ 4.00 per equity share i.e. 200% of face value, paid on February 26, 2018. The Board of Directors have recommended a final dividend of ₹ 6.50 per equity share (i.e. 325% on face value of ₹ 2/- per equity share) for the financial year 2017-18, subject to approval of the shareholders at the ensuing Annual General Meeting of the Company. The final dividend shall be paid to the eligible shareholders on or before October 24, 2018.

Dividend for the last three years

2015-16	: Declared and paid Interim Dividend of ₹ 3/- per equity share i.e. 150% of face value during the financial year 2015-16 and final dividend of ₹ 4/- per equity shares i.e. 200% on face value of ₹ 2/- each
2016-17	: Declared and paid Interim Dividend of ₹ 3.50 per equity share i.e. 175% of face value during the financial year 2016-17 and final dividend of ₹ 5/- per equity share i.e. 250% on the face value of ₹ 2/- each
2017-18	: Declared and paid Interim Dividend of ₹ 4/- per equity share i.e. 200% of face value during the financial year 2017-18. The Board has recommended a final dividend of ₹ 6.50 per share (325% on the Face Value of ₹ 2 per share) per equity share for the year 2017-18.

(e) Listing of Equity Shares

The equity shares of the Company are listed on BSE Limited (www.bseindia.com) and the National Stock Exchange of India Limited (www.nseindia. com). The listing fees for the year 2017-18 have been paid to the Stock Exchanges.

(f) Stock (Scrip)Code :

BSE Limited	538567
National Stock Exchange of India Limited	GULFOILLUB

ISIN	INE635Q01029
Face Value per equity share	₹ 2/-
Corporate Identification No. (CIN)	L23203MH2008PLC267060

(g) There were no suspension of trading of scrip during the year.

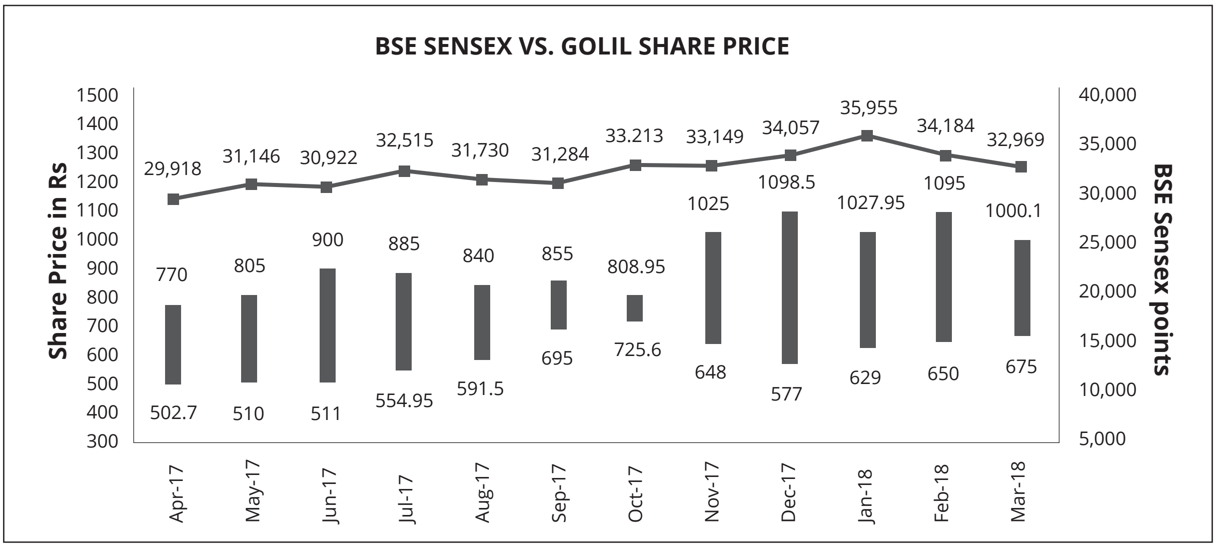
(h) Market Price Data of equity shares of the Company(in Rupees):

High and low during each month in last financial year on BSE Limited and the National Stock Exchange of India Limited.

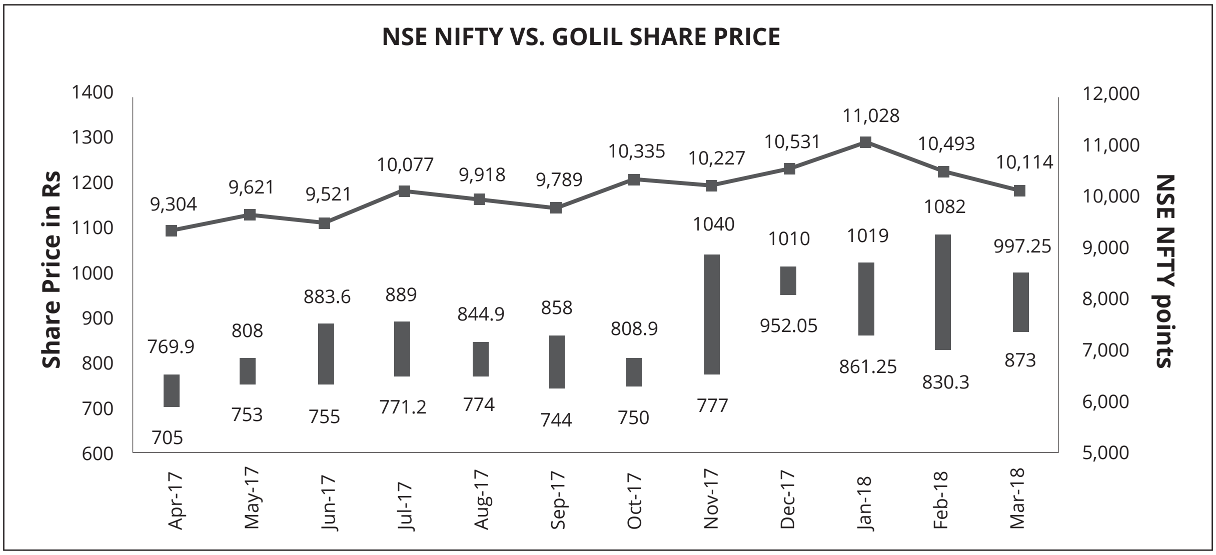
Month & Year	BSE		NSE	
	High	Low	High	Low
April 2017	770.00	502.70	769.90	705.00
May 2017	805.00	510.00	808.00	753.00
June 2017	900.00	511.00	883.60	755.00
July 2017	885.00	554.95	889.00	771.20
August 2017	840.00	591.50	844.90	774.00
September 2017	855.00	695.00	858.00	744.00
October 2017	808.95	725.60	809.90	750.00
November 2017	1025.00	648.00	1040.00	777.00
December 2017	1098.50	577.00	1010.00	952.05
January 2018	1027.95	629.00	1019.00	861.25
February 2018	1095.00	650.00	1082.00	830.30
March 2018	1000.10	675.00	997.25	873.00

(i) Performance of stock in comparison to BSE Sensex and NSE Nifty:

BSE SENSEX Vs. GOLIL Share Price



NSE NIFTY Vs. GOLIL Share Price



(j) Registrar and Share Transfer Agent:

The Company has appointed M/s Karvy Computershare Private Limited as its Registrar and Share Transfer Agent. The contact details are given below:

Karvy Computershare Private Limited,
Unit: Gulf Oil Lubricants India Limited
Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District,
Nanakramguda, Hyderabad – 500 032.
Phone No. 040-6716 1500
Fax No. 040-23420814
Toll Free No: 1800-3454-001
Contact person: Mr. Sandeep Sanghi
Email: einward.ris@karvy.com www.karvycomputershare.com

(k) Share Transfer System:

The transfer of shares in physical form are processed by the Registrar and Share Transfer Agent M/s Karvy Computershare Private Limited on weekly basis and approved by the Managing Director and Company Secretary on weekly basis under delegated authority from Stakeholders Relationship Committee. The said transfers are being noted at the subsequent meeting of Stakeholders Relationship Committee. In case of shares in electronic form, the transfers are processes by NSDL and CDSL, through respective Depository Participants. In compliance with listing agreement with Stock Exchanges, a Practicing Company Secretary carries out audit of the system of Transfer and a certificate in prescribed format is issued to the Stock exchanges.

(l) Distribution of Shareholding as on March 31, 2018:

Paid up Share Capital	Number of Shareholders		Number of Shares	
	Number	%	Number of shares	%
Up to 5000	54,673	99.49	41,81,919	8.41
5001 – 10000	147	0.27	5,08,090	1.02
10001 – 20000	53	0.10	3,77,725	0.76
20001 – 30000	29	0.05	3,51,689	0.71
30001 – 40000	5	0.01	87,028	0.18
40001 – 50000	7	0.01	1,61,670	0.33
50001 – 100000	14	0.03	4,64,419	0.93
100001 and above	23	0.04	4,35,67,365	87.66
Total	**54,951**	**100.00**	**4,96,99,905**	**100.00**

(m) Shareholding Pattern as on March 31, 2018:

Category	No. of Shareholders	No. of Shares	% of Shareholding
Promoter	1	3,62,19,224	72.88
Public:			
Institutional Investor:			
Mutual Funds, Financial Institutions/ Banks, Overseas Corporate Bodies, Foreign Nationals	72	72,38,306	14.56
State Government	1	1,49,490	0.30
Non Institutional Investors:			
Individuals	53,727	51,64,323	10.39
NBFC	3	752	0
Trusts, Non Residents, Clearing Members, Bodies Corporates, Unclaimed Suspense Account	1147	9,27,810	1.87
Grand Total	**54,951**	**4,96,99,905**	**100**

(n) Dematerialization and liquidity of equity shares:

As on March 31, 2018, 4,87,12,158 equity shares (98.01% of the total paid-up capital) were held in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). International Securities Identification Number (ISIN) in NSDL and CDSL is INE635Q01029. The stock has reasonable liquidity on NSE and BSE.

(o) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:

As on March 31, 2018, the Company did not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

(p) Disclosure of commodity price risks and commodity hedging activities:

The Company being a sizable user of Base oil, exposes it to the price risk on account of exchange fluctuations. The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to firm commitments and highly probable forecast transactions.

(q) Plant Locations

The Lubricant plants of the Company are located at Silvassa, DNH, Union Territory and at Ennore, Chennai, Tamil Nadu.

(r) Address for correspondence6

Registered Office:	IN Centre, 49/50, 12th Road, M.I.D.C Andheri (East) Mumbai 400093 Maharashtra India Tele: +91 22 6648 7777 Fax: +91 22 2824 8232
Website of the Company	www.gulfoilindia.com
Registrar and Share Transfer Agent	**Karvy Computershare Private Limited,** Unit: Gulf Oil Lubricants India Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032. Phone No. 040-6716 1500 Fax No. 040-23420814 Toll Free No: 1800-3454-001 Contact person: Mr. Sandeep Sanghi Email: einward.ris@karvy.com www.karvycomputershare.com
Designated email id for Investors	secretarial@gulfoil.co.in
For all investor related matters	**Mr. Vinayak Joshi Company Secretary & Compliance Officer** **Gulf Oil Lubricants India Limited** IN Centre, 49/50, 12th Road, M.I.D.C Andheri (East) Mumbai 400093 Maharashtra India Tele: +91 22 6648 7777 Fax: +91 22 2824 8232

9. Disclosures:

a. Disclosures on materially significant related party transactions that may have potential conflict with the interest of Company at large:

There were no materially significant related party transactions which may have potential conflict with the interests of the Company at large.

b. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to the capital markets, during the last three years:

None in last three years.

c. Details of establishment of vigil mechanism, Whistle Blower policy and affirmation that no personnel has been denied access to the audit committee:

The Company has established vigil mechanism in compliance with Regulation 22 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations 2015 and the details of establishment including contact details of Chairperson of Audit Committee are displayed on the website of the Company www.gulfoilindia.com and further confirmed that no personnel has been denied access to the Audit Committee of the Company.

d. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015:

The Company has complied with all mandatorily applicable requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The details of compliance of non-mandatory requirements are given in para no. 10 of this report.

e. The Company do not have subsidiary Company as on date.

f. The policy on related party transaction is hosted on Company's website at http://www.gulfoilindia.com.

10. Disclosure about discretionary requirements as specified in Part E of Schedule II of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 which have been adopted by the Company:-

Chairman of the Board:

The Chairman of the Board does not maintain a Chairman's office at the Company's expense. However the Company from time to time reimburse the travelling expenses and expenses in relation to the Chairman's office in connection with performance of his duties as the Chairman of the Company.

Shareholders Rights:

The quarterly and annual financial results of the Company are published in the English newspapers having nationwide circulation and in regional language newspaper. The said results alongwith press release are published on the website of the Company and hence the same are not sent to the shareholders separately.

Audit qualification:

There are no qualifications contained in the Audit Report.

Separate Post of Chairman and CEO

The posts of Chairman and Managing Director/CEO are held by two separate persons.

Reporting of Internal Auditor

The Internal Auditor reports directly to the Audit Committee.

11. The Company has complied with all corporate governance requirements of SEBI(Listing obligations and Disclosure Requirements) Regulations, 2015.

12. Disclosures with respect to demat suspense account/unclaimed suspense account

a. Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year:17 shareholders (510 shares)

b. Number of shareholders who approached listed entity for transfer of shares from suspense account during the year: Nil

c. Number of shareholders to whom shares were transferred from suspense account during the year :Nil

d. Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year:17 shareholders (510 shares)

e. That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: (510 shares)

Annexure-G

Particulars of Employees

The details pursuant to section 197(2) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year and the percentage increase in remuneration of each director, Chief Financial Officer, Company Secretary in the financial year;

Sr. No	Name of the Director / KMP	Designation	Ratio to Median Remuneration	Percentage Increase in Remuneration in the Financial Year
1	Sanjay G. Hinduja	Non-Executive Director	9.40	31.67%
2	Shom A. Hinduja	Non-Executive Director	1.22	150.86%
3	M S Ramachandran	Independent Director	2.81	15.40%
4	Ashok Kini	Independent Director	2.44	15.74%
5	Ms Kanchan Chitale	Independent Director	2.93	38.86%
6	Ravi Chawla	Managing Director	35.71	30.43%
7	Manish Kumar Gangwal	Chief Financial Officer	14.28	33.33%
8	Vinayak Joshi	Company Secretary	5.34	8.00%

(iii) The percentage increase in the median remuneration of employees in the financial year;
1.11%

(iv) The number of permanent employees on the rolls of Company:
As of 31st March, 2018 there were 545 permanent employees on the rolls of the Company.

(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;
9.5% Average Increase in Remuneration of employees and percentage increase in managerial remuneration.

(vi) Affirmation that the remuneration is as per the remuneration policy of the company.
Yes, it is as per the Remuneration Policy.

Annexure-H

FORM NO. MR-3

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

Secretarial Audit Report

For the Financial year ended 31st March, 2018

To,
The Members,
Gulf Oil Lubricants India Limited
Mumbai.

We were appointed by the Board of Directors of Gulf Oil Lubricants India Limited ("the Company") to conduct the Secretarial Audit for the financial year ended March 31, 2018.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Gulf Oil Lubricants India Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2018** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2018** according to the provisions of:

(1) The Companies Act, 2013 (the Act) and the rules made there under;

(2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(3) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(4) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment;

(5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time;

   (ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time;

   (iii) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(6) The Company has identified the following Acts specifically applicable to the Company in addition to labour and industrial laws:

   i. Environment Protection Act, 1986

   ii. Air (Prevention and Control of pollution) Act, 1981

   iii. Water (Prevention and Control of pollution) Act, 1974

   iv. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008

   v. Manufacture, Storage and import of Hazardous Chemicals Rules, 1989

   vi. Petroleum Act, 1934

   vii. Electricity Act, 2003

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act;

Adequate notice is given to all directors to schedule the Board meetings, agenda and detailed noted on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting;

During the period under review resolutions were carried through majority decisions. The minutes of the meetings held during the audit period did not reveal any dissenting members view. As confirmed by the management, there were no dissenting views expressed by any of the members or any business transacted at the meetings held during the period under review;

Based on the information, documents provided and the representations made by the Company, its officers during our audit process and also on review of the compliance reports of the Company Secretary taken on record by the Board of Directors of the Company periodically, in our opinion, there are adequate systems and processes exists in the Company to commensurate with the size and operations of the Company, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines;

The compliance by the Company of the applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed by us since the same have been subject to review by statutory auditors and other professionals;

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has:

(i) Re-appointed Mr. Ravi Chawla as the Managing Director of the Company w.e.f. 06.06.2017 for a period of 3 years.

(ii) Allotted 66,115 equity shares of ₹ 2/- each to its employees under the GOLIL Stock Option Scheme, 2015 in various tranches.

For BS & Company, Company Secretaries LLP
(Formerly BS & Company, Company Secretaries)

Date: 10 May 2018
Place: Hyderabad

A. Ravi Shankar
Designated Partner
FCS No: 5335
C P No: 4318

NOTE: This report is to be read with our letter of even date which is annexed as **'Annexure'** and forms an integral part of this report

'Annexure'

To,
The Members,
Gulf Oil Lubricants India Limited

Our report of even date is to be read with this letter.

1. Maintenance of Secretarial records is the responsibility of the Management of the Company. Our responsibility is to express as opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of applicable laws, rules and regulations etc.

5. The compliance of the provisions of Companies Act, 2013 and other applicable laws, Rules, Regulations, secretarial standards issued by ICSI is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

7. We further report that, based on the information provided by the Company, its officers, authorized representatives during the conduct of the audit and also on the review of quarterly compliance report by the respective departmental heads/ Company Secretary/ Managing Director taken on record by the Board of the Company, in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws like labour laws & Environment laws and Data protection policy.

8. We further report that the compliance by the Company of applicable fiscal laws like Direct & Indirect tax laws have not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

For BS & Company, Company Secretaries LLP
(Formerly BS & Company, Company Secretaries)

A. Ravi Shankar
Designated Partner
FCS No: 5335
C P No: 4318

Date: 10 May 2018
Place: Hyderabad

Certificate of Practicing Company Secretary on Compliance with the Conditions of Corporate Governance

[Under Regulation 34(3) read with Schedule V(E) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
Gulf Oil Lubricants India Limited

We have examined the compliance of conditions of Corporate Governance by **Gulf Oil Lubricants India Limited (the Company)**, for the year ended on **March 31, 2018**, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, of the said Company. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For JMJA & Associates LLP
Practising Company Secretaries

CS Mansi Damania
Designated Partner
FCS: 7447 | COP: 8120

Place: Mumbai
Date: 10 May 2018

Declaration on Code of Conduct

It is confirmed that all Directors and Senior Management personnel of the Company have affirmed compliance with Code of Conduct for the financial year ended March 31, 2018.

Ravi Chawla
Managing Director
DIN: 02808474

Place: Mumbai
Date : May 2, 2018

Certificate under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

02 May 2018
To,
The Board of Directors
Gulf Oil Lubricants India Limited

Dear Sirs,

We, Ravi Chawla, Managing Director and Manish Kumar Gangwal, Chief Financial Officer, of the Company, hereby certify as follows :-

A. We have reviewed financial statements and the cash flow statement for the year ended 31st March 2018 and that to the best for our knowledge and belief

    1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

    2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations

B. There are to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

D. We have indicated to the Auditors and the Audit Committee:

    1. There were no significant changes in internal control over financial reporting during the year;

    2. Significant changes in accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and

    3. There were no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Ravi Chawla
Managing Director
DIN: 02808474

Manish Kumar Gangwal
Chief Financial Officer

Independent Auditors' Report

To The Members Of Gulf Oil Lubricants India Limited

Report on the Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying financial statements of Gulf Oil Lubricants India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 included in these Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2017 and March 31, 2016 prepared in accordance with the Companies

(Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated May 14, 2017 and May 11, 2016 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

11. As required by Section 143 (3) of the Act, we report that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

    (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

    (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

    (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

        i. The Company has disclosed the impact of pending litigations as at March 31, 2018 on its financial position in its Ind AS financial statements – Refer Note 38.

        ii. The Company has long-term contracts as at March 31, 2018 for which there were no material foreseeable losses. The Company does not have long-term derivative contracts as at March 31, 2018.

        iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018.

        iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2018.

For **Price Waterhouse**
Firm Registration Number: 301112E
Chartered Accountants

Arunkumar Ramdas
Partner
Membership Number: 112433
Place: Mumbai
Date: May 19, 2018

Annexure A to Independent Auditors' Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Gulf Oil Lubricants India Limited on the Ind AS financial statements for the year ended March 31, 2018

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Gulf Oil Lubricants India Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Price Waterhouse**
Firm Registration Number: 301112E
Chartered Accountants

Arunkumar Ramdas
Partner
Membership Number: 112433
Place: Mumbai
Date: May 19, 2018

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Gulf Oil Lubricants India Limited on the financial statements as of and for the year ended March 31, 2018

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The title deeds of immovable properties, as disclosed in Note 3 on fixed assets to the financial statements, are held in the name of the Company.

ii. The physical verification of inventory excluding stocks with third parties have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees provided by it.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax with effect from July 01, 2017 and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of service-tax, duty of customs and goods and services tax with effect from July 01, 2017 which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, duty of excise and value added tax as at March 31, 2018, which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in lacs)*	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	43.34	1999-2001, 2003-2004, 2005-2006 and 2012-2014 (Assessment Year)	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	86.51	1998-1999 and 2011-2012 (Assessment Year)	High Court
Income Tax Act, 1961	Income Tax	15.05	2006-2007 (Assessment Year)	Supreme Court
Income Tax Act, 1961	Income Tax	13.26	2010-2011 (Assessment Year)	Appellate Tribunal
Local Sales Tax Act, VAT Act and Central Sales Tax Act	Sales Tax	2,111.79	2003-2005, and 2010-2011,	Appellate Tribunal
Local Sales Tax Act, VAT Act and Central Sales Tax Act	Sales Tax	2,863.55	2006-2016	Joint Commissioner of Sales Tax

* Net of amounts paid under protest.

Name of the statute	Nature of dues	Amount (₹ in lacs)*	Period to which the amount relates	Forum where the dispute is pending
Local Sales Tax Act, VAT Act and Central Sales Tax Act	Sales Tax	6.54	1999-2000	High Court
Local Sales Tax Act, VAT Act and Central Sales Tax Act	Sales Tax	11.43	1997-2000 and 2010-2011	Assistant Commissioner of Commercial Tax
Local Sales Tax Act, VAT Act and Central Sales Tax Act	Sales Tax	19.91	2011-2014	Commissioner of Sales Tax
Central Excise, Custom and Service Tax	Excise Duty	98.07	April 2007 to December 2012	Appellate Tribunal

* Net of amounts paid under protest.

viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any bank. The Company does not have any borrowings from any financial institution or government nor has it issued any debentures as at the balance sheet date.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **Price Waterhouse**
Firm Registration Number: 301112E
Chartered Accountants

Arunkumar Ramdas
Partner
Membership Number: 112433
Place: Mumbai
Date: May 19, 2018

Balance Sheet
as on March 31, 2018

₹ Lakhs

Particulars	Note No	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
ASSETS				
Non current assets				
Property, plant & equipment	3	25,845.15	11,685.39	10,599.54
Capital work in progress	3	599.88	2,918.35	190.08
Intangible assets	3	163.25	111.99	93.08
Financial Assets				
(i) Investments	4	415.23	372.11	345.36
(ii) Loans	5	146.69	129.00	155.87
(iii) Other financial assets	6	703.74	719.31	579.61
Other non current assets	7	99.32	434.52	124.68
Total non current assets		**27,973.26**	**16,370.67**	**12,088.22**
Current assets				
Inventories	8	23,680.04	14,993.04	15,688.96
Financial Assets				
(i) Trade receivables	9	13,462.08	10,961.63	11,743.21
(ii) Cash and cash equivalents	10	32,101.37	25,286.22	18,810.41
(iii) Bank balances other than (ii) above	11	517.14	3,671.06	4,841.75
(iv) Loans	12	93.45	88.25	41.08
(v) Other financial assets	13	237.85	71.92	160.27
Other current assets	14	4,827.58	2,378.77	2,539.87
Total current assets		**74,919.51**	**57,450.89**	**53,825.55**
Total assets		**102,892.77**	**73,821.56**	**65,913.77**
EQUITY AND LIABILITIES				
EQUITY				
Equity Share capital	15	994.00	992.68	991.45
Other Equity	16	45,747.90	34,420.18	26,355.83
Total equity		**46,741.90**	**35,412.86**	**27,347.28**
LIABILITIES				
Non current liabilities				
Financial liabilities				
Other financial liabilities	17	58.20	163.69	54.00
Employee benefit obligations	18	242.96	267.02	256.78
Deferred tax liabilities (net)	19	1,064.10	450.16	374.05
Deferred government grant	20	180.71	-	-
Total non current liabilities		**1,545.97**	**880.87**	**684.83**
Current liabilities				
Financial liabilities				
(i) Borrowings	21	24,806.37	17,848.87	19,471.91
(ii) Trade payables	22	22,285.79	13,307.90	12,971.74
(iii) Other Financial Liabilities	23	4,369.23	2,929.50	1,947.92
Employee benefit obligations	24	66.58	92.84	84.40
Current tax liabilities (net)	25	1,238.22	558.24	446.43
Deferred government grant	26	20.08	-	-
Other current liabilities	27	1,818.63	2,790.48	2,959.26
Total current liabilities		**54,604.90**	**37,527.83**	**37,881.66**
Total liabilities		**56,150.87**	**38,408.70**	**38,566.49**
Total equity and liabilities		**102,892.77**	**73,821.56**	**65,913.77**
Significant accounting policies	2			

For and on behalf of Board of Directors

In terms of our report attached
For **Price Waterhouse**
Chartered Accountants
Firm Registration Number: 301112E

Arunkumar Ramdas
Partner
Membership No. 112433

Manish K Gangwal
Chief Financial Officer

Ravi Chawla
Managing Director
DIN: 02808474

S. G. Hinduja
Chairman
DIN: 00291692

Place: Mumbai
Date: May 19, 2018

Vinayak Joshi
Company Secretary

Statement of profit and loss

for the year ended March 31, 2018

₹ Lakhs

Particulars	Note No	Year ended March 31, 2018	Year ended March 31, 2017
Income			
Revenue from operations	28	137,843.96	125,976.34
Other income	29	2,609.90	2,034.98
Total income		**140,453.86**	**128,011.32**
Expenses			
Cost of materials consumed	30	67,645.17	56,688.95
Purchase of stock in trade	30	3,202.06	3,013.79
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-trade	30	(1,079.84)	(268.06)
Excise duty	28	4,618.01	17,297.07
Employee benefits expense	31	8,256.22	7,077.57
Finance costs	33	853.13	982.48
Depreciation and amortisation expense	32	1,043.31	725.04
Other expenses	34	31,630.19	24,386.28
Total expenses		**116,168.25**	**109,903.12**
Profit before tax		**24,285.61**	**18,108.20**
Tax expense			
Current tax	47	7,828.37	6,267.45
Deferred tax	47	601.54	85.23
Profit for the year		**15,855.70**	**11,755.52**
Other Comprehensive income/(expense)			
Other comprehensive income/(expense) not to be reclassified to profit or loss			
Remeasurement of post employment benefit obligations		21.93	(34.44)
Income tax relating to above		(7.59)	11.92
Changes in fair value of FVOCI equity instruments		43.12	24.85
Income tax relating to above		(4.89)	(2.82)
Total other comprehensive income/(expense) for the year, net of tax		**52.57**	**(0.49)**
Total comprehensive income for the year		**15,908.27**	**11,755.03**
Earnings per share- Basic (₹)	35	**31.92**	**23.70**
Earnings per share- Diluted (₹)	35	**31.65**	**23.53**
Significant accounting policies	2		

For and on behalf of Board of Directors

In terms of our report attached
For **Price Waterhouse**
Chartered Accountants
Firm Registration Number: 301112E

Arunkumar Ramdas
Partner
Membership No. 112433

Manish K Gangwal
Chief Financial Officer

Ravi Chawla
Managing Director
DIN: 02808474

S.G. Hinduja
Chairman
DIN: 00291692

Place: Mumbai
Date: May 19, 2018

Vinayak Joshi
Company Secretary

Cash Flow Statement

for the year ended March 31, 2018

₹ Lakhs

Sr No	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit Before Tax	24,285.61	18,108.20
	Adjustments for:		
	Depreciation and amortization expenses	1,043.31	725.04
	Dividend income	(169.40)	(159.88)
	(Gain)/Loss on sale/discarding of fixed assets(net)	(22.15)	28.90
	Interest Income	(2,327.35)	(1,837.75)
	Unrealised foreign exchange loss/(Gain)-Net	42.90	(423.16)
	Finance costs	853.13	982.48
	Provision for doubtful debts	135.00	100.00
	Employee Compensation expense towards ESOP	581.46	581.33
	Operating Profit Before Working Capital Changes	**24,422.51**	**18,105.16**
	Adjustments for changes in working capital :		
	(Increase)/Decrease in Trade Receivables	(2,617.89)	673.21
	(Increase)/Decrease in Inventories	(8,687.00)	695.92
	(Increase)/Decrease in Other Non Current Assets	1.79	(7.51)
	(Increase)/Decrease in Other Current Assets	(2,448.81)	161.10
	(Increase)/Decrease in Other Financial Assets	(83.13)	(71.63)
	Increase in Trade Payables	8,969.34	356.14
	Increase/(Decrease) in Employee Benefit Obligations	(28.39)	(15.77)
	Increase/(Decrease) in Other Financial Liabilities	(399.84)	(186.67)
	Increase/(Decrease) in Other Current Liabilities	(971.85)	(168.78)
	Cash Flow Generated from Operations	**18,156.73**	**19,541.17**
	Income Tax paid	(7,148.38)	(6,155.64)
	Net Cash Flow from Operating Activities	**11,008.35**	**13,385.53**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Fixed Assets, including Capital work in progress	(10,787.02)	(4,175.54)
	Proceed from Sale of Fixed Assets	50.97	8.36
	Purchase of Non Current Investments	-	(1.90)
	Movements in other bank balances	3,153.92	1,170.69
	Dividend Received	169.40	159.88
	Interest Received	2,327.35	1,837.75
	Net Cash Flow used in Investing Activities	**(5,085.38)**	**(1,000.76)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from issue of equity shares (including securities premium)	222.23	207.94
	Proceeds/(Repayment) from Short Term Borrowings (Net)	6,815.47	(708.05)
	Dividend Paid (including Tax on dividend)	(5,333.45)	(4,437.15)
	Finance Costs	(812.07)	(971.70)
	Net Cash Flow from / (used in) Financing Activities	**892.18**	**(5,908.96)**
	Net Increase in Cash and Cash Equivalents (A + B + C)	**6,815.15**	**6,475.81**
	Cash and Cash Equivalents at the beginning of the year	**25,286.22**	**18,810.41**
	Cash and Cash Equivalents at the end of the year	**32,101.37**	**25,286.22**

Note :

1. The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS 7-"Statement of Cash Flows".

2. Cash and Cash Equivalents comprise:

₹ Lakhs

	As at March 31, 2018	As at March 31, 2017
Cash on Hand	4.08	3.52
Balances with Banks:		
In Current Accounts	32,097.29	4,581.34
In Deposit Accounts	-	20,701.36
Cash and Cash Equivalents at the end of the year (Refer Note 10)	**32,101.37**	**25,286.22**

3. Previous year's comparatives have been reclassified to conform with the current year's presentation, wherever applicable.

For and on behalf of Board of Directors

In terms of our report attached
For **Price Waterhouse**
Chartered Accountants
Firm Registration Number: 301112E

Arunkumar Ramdas
Partner
Membership No. 112433

Manish K Gangwal
Chief Financial Officer

Ravi Chawla
Managing Director
DIN: 02808474

S.G. Hinduja
Chairman
DIN: 00291692

Place: Mumbai
Date: May 19, 2018

Vinayak Joshi
Company Secretary

Statement of changes in equity

₹ Lakhs

Particulars	Share capital	Other Equity					Other reserves	Total equity
		Securities premium reserve	Retained earnings	Share options outstanding account	Capital reserves	General reserves	FVOCI equity investment	
Balance as at April 01, 2016	**991.45**	**12,139.52**	**11,136.05**	**586.12**	**5.00**	**2,461.85**	**27.29**	**27,347.28**
Profit for the year	-	-	11,755.52	-	-	-	-	11,755.52
Other comprehensive income	-	-	(22.52)	-	-	-	22.03	(0.49)
Total comprehensive income for the year	**-**	**-**	**11,733.00**	**-**	**-**	**-**	**22.03**	**11,755.03**
Final Dividend paid for FY 2015-16	-	-	(1,982.90)	-	-	-	-	(1,982.90)
Dividend distribution tax on final dividend paid for FY 2015-16	-	-	(403.67)	-	-	-	-	(403.67)
Interim dividend for FY 2016-17	-	-	(1,736.81)	-	-	-	-	(1,736.81)
Dividend distribution tax on interim dividend	-	-	(353.57)	-	-	-	-	(353.57)
Inter reserve transfers	-	-	(900.00)	-	-	900.00	-	-
Final Dividend on shares issued under employee stock option	-	-	(1.47)	-	-	-	-	(1.47)
Dividend distribution Tax on Final Dividend on shares issued under employee stock option	-	-	(0.30)	-	-	-	-	(0.30)
Discount on Issue of Employee Stock Option Scheme	-	179.08	-	(179.08)	-	-	-	-
Issue of shares under Employee Stock Option Scheme	1.23	206.71	-	-	-	-	-	207.94
Compensation for options granted during the year	-	-	-	581.33	-	-	-	581.33
As at March 31, 2017	**992.68**	**12,525.31**	**17,490.33**	**988.37**	**5.00**	**3,361.85**	**49.32**	**35,412.86**
Profit for the year	-	-	15,855.70	-	-	-		15,855.70
Other comprehensive income for the year	-	-	14.34	-	-	-	38.23	52.57
Total comprehensive income for the year	**-**	**-**	**15,870.04**	**-**	**-**	**-**	**38.23**	**15,908.27**
Final Dividend paid for FY 2016-17	-	-	(2,484.44)	-	-	-	-	(2,484.44)
Dividend distribution tax on final dividend paid for FY 2016-17	-	-	(505.77)	-	-	-	-	(505.77)
Interim dividend for FY 2017-18	-	-	(1,988.00)	-	-	-	-	(1,988.00)
Dividend distribution tax on interim dividend	-	-	(404.71)	-	-	-	-	(404.71)
Inter reserve transfers	-	-	(1,000.00)	-	-	1,000.00	-	-
Compensation for options granted during the year	-	-	-	581.46	-	-	-	581.46
Discount on Issue of Employee Stock Option Scheme	-	194.27	-	(194.27)	-	-	-	-
Issue of shares under Employee Stock Option Scheme	1.32	220.91	-	-	-	-	-	222.23
As at March 31, 2018	**994.00**	**12,940.49**	**26,977.45**	**1,375.56**	**5.00**	**4,361.85**	**87.55**	**46,741.90**

For and on behalf of Board of Directors

In terms of our report attached
For **Price Waterhouse**
Chartered Accountants
Firm Registration Number: 301112E

Arunkumar Ramdas
Partner
Membership No. 112433

Manish K Gangwal
Chief Financial Officer

Ravi Chawla
Managing Director
DIN: 02808474

S.G. Hinduja
Chairman
DIN: 00291692

Place: Mumbai
Date: May 19, 2018

Vinayak Joshi
Company Secretary

Notes to the Financial Statements

for the year ended March 31, 2018

1. Corporate information

Gulf Oil Lubricants India Limited (the 'Company') is a public limited Company incorporated in India with its registered office at IN Centre, 49/50, 12th Road, MIDC , Andheri (East), Mumbai- 400 093

The equity shares of the Company are listed on two recognised stock exchanges in India. The Company is engaged in the business of manufacturing, marketing and trading of automotive and non automotive lubricants.

2. Significant accounting policies

2.1 Basis of preparation

Statement of Compliance with Indian Accounting Standards (Ind AS): The financial statements have been prepared in accordance with Indian Accounting Standard ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as notified under Section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act and other accounting principles generally accepted in India. The date of transition to Ind AS is April 01, 2016. The financial statements have been prepared using the historical cost convention except for certain assets and liabilities that are measured at fair value, defined benefit plans -plan assets measured at fair value and share-based payments.

The Company prepared its financial statements upto March 31, 2017 in accordance with the requirements of the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and notified under Section 133 of the Act and other relevant provisions of the Act.

First-time adoption: In accordance with Ind AS 101 on First-time adoption of Indian Accounting Standards, the Company's first Ind AS financial statements include, three balance sheets viz. the opening balance sheet as at April 01, 2016 and balance sheets as at March 31, 2017 and as at March 31, 2018, and, two statements each of profit and loss, cash flows and changes in equity for the years ended March 31, 2017 and March 31, 2018 together with related notes. The same accounting policies have been used for all periods presented, except where the Company has made use of exceptions or exemptions allowed under Ind AS 101 in the preparation of the opening Ind AS balance sheet which have been disclosed in note 48.

2.2 Use of estimates and judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

2.3 Critical accounting estimates:

A. Useful lives of property, plant and equipment

Property, plant and equipment represent a material portion of the Company's asset base. The periodic charge of depreciation is derived after estimating useful life of an asset and expected residual value at the end of its useful life. The useful lives and residual values of assets are estimated by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on various external and internal factors including historical experience, relative efficiency and operating costs and change in technology.

B. Defined benefit obligations

Defined benefit obligations are measured at fair value for financial reporting purposes. Fair value determined by actuary is based on actuarial assumptions. Management judgement is required to determine such actuarial assumptions. Such assumptions are reviewed annually using the best information available with the Management.

C. Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystalising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised.

2.4 New standards/ amendments to existing standard issued but not yet adopted

Following new standards, interpretations and amendments to the existing standards have been published and are not mandatory for March 31, 2018 reporting periods and have not been early adopted by the Company. The Company is currently assessing the impact of these amendments and intends to adopt these standards when they become effective.

a. **Ind AS 115 – Revenue from contracts with customers:** Ind AS 115, Revenue from contracts with customers deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a promised good or service and thus has the ability to direct the use and obtain the benefits from the good or service in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. The standard replaces Ind AS 18 Revenue and Ind AS 11 Construction contracts and related appendices.

   A new five-step process must be applied before revenue can be recognised:

   1. identify contracts with customers
   2. identify the separate performance obligation
   3. determine the transaction price of the contract
   4. allocate the transaction price to each of the separate performance obligations, and
   5. recognise the revenue as each performance obligation is satisfied.

   The new standard is mandatory for financial years commencing on or after 1 April 2018 and early application is not permitted. The standard permits either a full retrospective or a modified retrospective approach for the adoption.

b. **Appendix B to Ind AS 21 Foreign currency transactions and advance consideration:** The MCA has notified Appendix B to Ind AS 21, Foreign currency transactions and advance consideration. The appendix clarifies how to determine the date of transaction for the exchange rate to be used on initial recognition of a related asset, expense or income where an entity pays or receives consideration in advance for foreign currency-denominated contracts.

   For a single payment or receipt, the date of the transaction should be the date on which the entity initially recognises the non-monetary asset or liability arising from the advance consideration (the prepayment or deferred income/contract liability). If there are multiple payments or receipts for one item, date of transaction should be determined as above for each payment or receipt.

   The appendix can be applied:

   1. Retrospectively for each period presented applying Ind AS 8;
   2. Prospectively to items in scope of the appendix that are initially recognized
      - on or after the beginning of the reporting period in which the appendix is first applied (i.e. 1 April 2018 for entities with March year-end); or
      - from the beginning of a prior reporting period presented as comparative information (i.e. 1 April 2017 for entities with March year-end).

c. **Amendments to Ind AS 40 Investment property - Transfers of investment property:** The amendments clarify that transfers to, or from, investment property can only be made if there has been a change in use that is supported by evidence. A change in use occurs when the property meets, or ceases to meet, the definition of investment property. A change in intention alone is not sufficient to support a transfer. The list of evidence for a change of use in the standard was re-characterised as a non- exhaustive list of examples and scope of these examples have been expanded to include assets under construction/ development and not only transfer of completed properties.

   The amendment provides two transition options. Entities can choose to apply the amendment:

   1. Retrospectively without the use of hindsight; or
   2. Prospectively to changes in use that occur on or after the date of initial application (i.e. 1 April 2018 for entities with March year-end). At that date, an entity shall reassess the classification of properties held at that date and, if applicable, reclassify properties to reflect the conditions that exist as at that date.

d. **Amendments to Ind AS 12 Income taxes regarding recognition of deferred tax assets on unrealised losses:** The amendments clarify the accounting for deferred taxes where an asset is measured at fair value and that fair value is below the asset's tax base. They also clarify certain other aspects of accounting for deferred tax assets set out below:

1. A temporary difference exists whenever the carrying amount of an asset is less than its tax base at the end of the reporting period.

2. The estimate of future taxable profit may include the recovery of some of an entity's assets for more than its carrying amount if it is probable that the entity will achieve this. For example, when a fixed-rate debt instrument is measured at fair value, however, the entity expects to hold and collect the contractual cash flows and it is probable that the asset will be recovered for more than its carrying amount.

3. Where the tax law restricts the source of taxable profits against which particular types of deferred tax assets can be recovered, the overability of the deferred tax assets can only be assessed in combination with other deferred tax assets of the same type.

4. Tax deductions resulting from the reversal of deferred tax assets are excluded from the estimated future taxable profit that is used to evaluate the recoverability of those assets. This is to avoid double counting the deductible temporary differences in such assessment.

An entity shall apply the amendments to Ind AS 12 retrospectively in accordance with Ind AS 8. However, on initial application of the amendment, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity.

2.5 Summary of significant accounting policies

a. Property, plant and equipment

Property, plant and equipment are stated at historical cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price (Net of Cenvat, VAT credit and GST input credit wherever applicable) and any directly attributable cost of bringing the assets to its working condition for its intended use. Such cost also includes the cost of replacing part of the Property, plant and equipment and borrowing costs for construction/acquisition of qualifying assets if the recognition criteria are met. When significant parts of Property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is provided on a pro-rata basis on the straight-line method over the estimated useful lives of the assets, based on technical evaluation done by management's expert in order to reflect the actual usage of the assets. The depreciation charge for each period is recognised in the Statement of Profit and Loss, unless it is included in the carrying amount of any other asset. The useful life, residual value and the depreciation method are reviewed atleast at each financial year end. If the expectations differ from previous estimates, the changes are accounted for prospectively as a change in accounting estimate. The estimates of useful lives of property, plant and equipment are as follows :

- Factory buildings	30 years
- Other than factory building	30-60 years
- Plant and Machinery (Other than Research and development equipment and electrical installation)	10-15 years
- Office Equipment	5 years
- Research and development equipment and electrical installation	10 years
- Furniture and fixtures	10 years
- Computers	3 years
- Vehicle	8 years

Leasehold improvements are amortised over the lease period on straight line basis.

b. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Intangible assets are amortised over the useful economic life based on management assessment.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the statement of profit and loss.

c. Impairment of non-financial assets

The carrying amount of assets are reviewed for impairment at the end of each reporting date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised in the statement of profit and loss wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's or cash generating unit's fair value less cost of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining fair value, recent market transactions are taken into account.

The business plans which are approved on an annual basis by senior management are the primary source of information for the determination of value in use. Impairment losses are recognised in the statement of profit and loss, except for previously revalued tangible assets, where the revaluation was taken to revaluation reserve. In this case, the impairment is also recognised in the revaluation reserve up to the amount of any previous revaluation. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment. Such reversal is recognised in the statement of profit and loss.

d. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Operating lease:

Assets taken on lease under which substantially all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments under operating lease are recognised as expense on straight line basis over the primary period of lease unless the payments are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increase.

Finance lease (as leassee):

Leases of assets where the Company, as leassee, has substantially retained all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the fair value of the leased assets or , if lower, the present value of the minimum lease payments.

e. Current versus non-current classification

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:`

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

f. Trade Receivable

Trade receivable are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment.

g. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments are at amortised cost:-

Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Equity Instruments

The Company initially recognises equity instruments at cost and subsequently measures all equity investments at fair value on each reporting date. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss statement as other income when the Company's right to receive payment is established. Changes in the fair value of financial assets at fair value through profit or loss statement are recognised in other income/expense in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairments of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Derecognition of financial assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or

- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Financial liabilities

(i) Measurement:

Financial liabilities are initially recognised at fair value, reduced by transaction costs (in case of financial liability not at fair value through profit or loss), that are directly attributable to the issue of financial liability. After initial recognition, financial liabilities are measured at amortised cost using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid, transaction cost, and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through profit or loss. Liabilities from finance lease agreements are measured at the lower of fair value of the leased asset or present value of minimum lease payments.

ii) Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability.

The difference in the respective carrying amounts is recognised in the statement of profit or loss.

h. Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

i. Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

j. Inventories

Inventories consist of raw and packing materials, stock-in-trade, work in progress and finished goods. Inventories are valued at lower of cost and net realisable value. Cost of inventories is determined on weighted average basis. Cost of manufactured finished goods and work-in-progress includes material cost determined on weighted average basis and also includes an appropriate portion of allocable overheads and other costs incurred in bringing the inventories to their present location and condition. Cost of traded goods includes cost of purchase and other cost incurred in bringing the inventories to the present location and condition. Due allowances are made in respect of slow moving, non-moving and obsolete inventories based on estimate made by management. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

k. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

l. Trade and other payable

These amounts represents obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. These payable are classified as current liabilities if payment is due within one year or less otherwise they are presented as non-current liabilities. Trade and payables are recognised initially at fair value and are subsequently measured at amortised cost using the effective interest method.

m. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

n. Government grants

Grant from Government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

o. Retirement and other employee benefits

(i). Gratuity

The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on respective employee's salary and tenure of employment with the Company.

Liabilities with regard to Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using projected unit credit method. The Company contributes all ascertained liabilities to the Gulf Oil Lubricants India Limited employees group gratuity cum life assurance Scheme ('the Trust'). Trustees administer contributions made to the Trusts and contributions are invested in insurer managed fund.

The Company recognises the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability.

Gains and losses through premeasurements of the net defined benefit liability/(asset) are recognised in other comprehensive income. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognised in other comprehensive income. The effect of any plan amendments or curtailments are recognised in net profit in Statement of Profit and Loss as past service costs.

(ii) Superannuation

Certain employees of the Company are participants in a defined contribution plan. The Company has no further obligations to the plan beyond its contributions which are periodically contributed to the Gulf Oil Lubricants India Limited employees group superannuation scheme, the corpus of which is invested in the insurer managed fund.

(iii) Provident fund

The Company pays provident fund contributions to publicly administered provident fund as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

(iv) Compensated absences

The liabilities for earned leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised as liability at the present value of liability as at Balance sheet date. Company has determined its liability using projected unit credit method based on Actuarial valuation carried out at the Balance sheet date. Actuarial gains and losses are recognized in the Statement of Profit and Loss.

(v) **Share-based payments**

Share-based compensation benefits are provided to employees under "GOLIL Employee Stock Option Plan". The fair value of equity settled employee stock options is calculated at grant date using a valuation model and recognised in the Statement of Profit and Loss, together with a corresponding increase in shareholders' equity, on a straight—line basis over the vesting period, based on an estimate of the number of options that will eventually vest. The impact of the revision to original estimates, if any, shall be recognised in profit or loss, with a corresponding adjustment to equity.

(vi) **Short term employee benefits**

Short term employee benefits that are expected to be settled wholly within 12 months from the end of the period in which employee render service are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

p. Foreign currencies

(i) **Functional currency**

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees (rounded off to lakhs).

(ii) **Transactions and balances**

Foreign currency transactions are recorded in the functional currency by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. All foreign currency monetary assets and monetary liabilities as at the Balance Sheet date are translated into the functional currency at the applicable exchange rates prevailing on that date. All exchange differences arising on translation, are recognised in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

Gain or losses upon settlement of foreign currency transactions are recognised in the Statement of Profit and Loss for the period in which the transaction is settled.

q. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognised when it is earned and no significant uncertainty exists as to its realisation or collection.

Sale of goods

Revenue from sale of goods is recognised when ownership in the goods is transferred to the buyer for a price, when significant risks and rewards of ownership have been transferred to the buyer and no effective control, to a degree usually associated with ownership, is retained by the Company. Sale of goods are stated net of trade discounts, volume rebates, Value Added Tax and Goods and Service Tax (from July 01, 2017) and include excise duty (upto June 30, 2017).

r. Interest income

Interest income is recorded using the Effective Interest Rate (EIR) for debt instruments carried at amortised cost. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument to the gross carrying amount of the financial asset.

s. Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

t. Taxes

Income tax expense comprises current income tax and deferred income tax. Income tax expense is recognised in the Statement of Profit and Loss except to the extent it relates to items recognised directly in equity, in which case it is recognised in other comprehensive income or other equity as the case may be.

Current income tax : Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Deferred tax : Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profits.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction (other than in a business combination) that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off tax assets against tax liabilities and the deferred taxes relate to the same taxation authority.

u. Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

v. Dividend Payable

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

w. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

Note 3 - Property, plant and equipment, capital work-in-progress and intangible assets

₹ Lakhs

Particulars	Land	Leasehold Improvements	Buildings	Plant and machinery	Furnitures and Fixtures	Office Equipment	Vehicles	Computers and Peripherals	Total tangibles assets	Intangible assets	Capital work-in-progress
Gross carrying amount											
As at April 01, 2016	**3,814.38**	**199.14**	**2,279.69**	**3,717.33**	**183.01**	**199.83**	**128.24**	**77.92**	**10,599.54**	**93.08**	**190.08**
Additions	319.88	-	254.38	1,023.38	3.49	51.20	44.75	108.33	1,805.41	61.67	3,455.27
Disposals	-	-	(0.97)	(14.79)	(9.36)	(2.40)	(14.99)	(0.90)	(43.41)	-	-
Transfer from capital work-in-progress	-	-	-	-	-	-	-	-	-	-	(727.00)
As at March 31, 2017	**4,134.26**	**199.14**	**2,533.10**	**4,725.92**	**177.14**	**248.64**	**158.00**	**185.36**	**12,361.55**	**154.75**	**2,918.35**
Additions	-	106.14	5,669.15	8,579.74	326.99	392.36	2.60	102.90	15,179.88	103.35	12,853.26
Disposals	-	-	(23.04)	(3.58)	(4.74)	(3.92)	-	(0.29)	(35.57)	-	-
Transfer from capital work-in-progress	-	-	-	-	-	-	-	-	-	-	(15,171.73)
As at March 31, 2018	**4,134.26**	**305.28**	**8,179.21**	**13,302.09**	**499.38**	**637.08**	**160.60**	**287.97**	**27,505.85**	**258.10**	**599.88**

₹ Lakhs

Particulars	Land	Leasehold Improvements	Buildings	Plant and machinery	Furnitures and Fixtures	Office Equipment	Vehicles	Computers and Peripherals	Total tangible assets	Intangible assets
Accumulated depreciation										
As at April 01, 2016	-	-	-	-	-	-	-	-	-	
Depreciation charge for the year	-	(22.90)	(104.33)	(391.69)	(24.99)	(64.77)	(19.83)	(53.77)	(682.28)	(42.76)
Disposals	-		0.04	2.41	1.23	0.90	1.06	0.74	6.38	-
As at March 31, 2017	**-**	**(22.90)**	**(104.29)**	**(389.28)**	**(23.76)**	**(63.87)**	**(18.77)**	**(53.03)**	**(675.90)**	**(42.76)**
Depreciation charge for the year	-	(25.85)	(163.44)	(604.14)	(26.65)	(71.27)	(23.09)	(76.78)	(991.22)	(52.09)
Disposals	-		1.75	0.40	1.46	2.50	-	0.29	6.40	-
As at March 31, 2018	**-**	**(48.75)**	**(265.98)**	**(993.02)**	**(48.95)**	**(132.64)**	**(41.86)**	**(129.52)**	**(1,660.72)**	**(94.85)**

Net carrying amount

₹ Lakhs

Particulars	Land	Leasehold Improvements	Buildings	Plant and machinery	Furnitures and Fixtures	Office Equipment	Vehicles	Computers and Peripherals	Total tangible assets	Intangible assets	Capital work-in-progress
As at April 01, 2016	**3,814.38**	**199.14**	**2,279.69**	**3,717.33**	**183.01**	**199.83**	**128.24**	**77.92**	**10,599.54**	**93.08**	**190.08**
As at March 31, 2017	**4,134.26**	**176.24**	**2,428.80**	**4,336.65**	**153.37**	**184.51**	**139.22**	**132.34**	**11,685.39**	**111.99**	**2,918.35**
As at March 31, 2018	**4,134.26**	**256.53**	**7,913.22**	**12,309.07**	**450.43**	**504.44**	**118.74**	**158.45**	**25,845.15**	**163.25**	**599.88**

Note:

(a) The company has elected to measure all its property, plant and equipment at the previous GAAP carrying amount i.e. April 01, 2016 (the date of transition to IND AS).

(b) The Company has availed the deemed cost exemption in relation to the property, plant and equipment and intangibles assets on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date.

Refer below for the gross block value and accumulated depreciation as on April 01, 2016 under the previous GAAP

₹ Lakhs

Particulars	Land	Leasehold Improvements	Buildings	Plant and machinery	Furnitures and Fixtures	Office Equipment	Vehicles	Computers and Peripherals	Total tangible assets	Intangible assets
Gross block as at April 01, 2016	3,814.38	229.08	2,991.92	5,950.99	351.01	464.09	213.14	330.53	14,345.14	345.19
Accumulated Depreciation as at April 01, 2016	-	(29.94)	(712.23)	(2,233.66)	(168.00)	(264.26)	(84.90)	(252.61)	(3,745.60)	(252.11)
As at April 01, 2016	**3,814.38**	**199.14**	**2,279.69**	**3,717.33**	**183.01**	**199.83**	**128.24**	**77.92**	**10,599.54**	**93.08**

Note 4 - Non Current Investments

₹ Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Investments in Equity Instruments (fully paid up):			
Unquoted Equity Shares at FVOCI			
203,571 Equity Shares (March 31, 2017 : 203,571, April 01, 2016 : 203,571) fully paid up Equity Shares of ₹100 each held in Gulf Ashley Motor Limited.	413.33	370.21	345.36
18,990 equity shares (March 31, 2017: 18,990) fully paid up equity shares of ₹ 10 each held in Mangalam Retail Services Limited	1.90	1.90	-
Total	**415.23**	**372.11**	**345.36**
Note:			
Aggregate amount of unquoted investments	**415.23**	**372.11**	**345.36**

Note 5 - Loans

₹ Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unsecured and considered good			
Loan to director	120.50	126.50	154.00
Loan to employees	26.19	2.50	1.87
Total	**146.69**	**129.00**	**155.87**

Note 6 - Other Financial Assets

₹ Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unsecured and considered good			
Security Deposits	591.87	607.44	574.34
Margin Money Deposits	111.87	111.87	5.27
Total	**703.74**	**719.31**	**579.61**

Note 7 - Other Non Current Assets

₹ Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unsecured and considered good			
Capital Advances	73.04	406.45	104.11
Prepayments	26.28	28.07	20.57
Total	**99.32**	**434.52**	**124.68**

Note 8 - Inventories

₹ Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Raw Material	12,833.26	5,389.78	6,245.69
(Includes goods in transit: March 31, 2018: ₹ 2,364.46 lakhs, March 31, 2017 ₹ 229.84 lakhs and April 01, 2016 ₹ 730.92 lakhs)			
Packing Materials	520.53	325.74	447.87
Work-in-Progress	753.57	520.00	365.97
Finished Goods	8,915.30	8,005.26	7,858.55
Traded Goods	597.25	690.21	728.16
Stores, Spares and Fuel	60.13	62.05	42.72
Total	**23,680.04**	**14,993.04**	**15,688.96**

Note 9 - Trade receivables

₹ Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Trade receivables	13,899.03	11,288.80	12,041.33
Less: Allowance for doubtful debts	(436.95)	(327.17)	(298.12)
Total receivables	**13,462.08**	**10,961.63**	**11,743.21**
Current portion	13,462.08	10,961.63	11,743.21
Non-current portion	-	-	-
Break up of security details			
Secured, considered good	-	-	-
Unsecured, considered good	13,462.08	10,961.63	11,743.21
Considered doubtful	436.95	327.17	298.12
Total	**13,899.03**	**11,288.80**	**12,041.34**
Allowance for doubtful debts	(436.95)	(327.17)	(298.12)
Total	**13,462.08**	**10,961.63**	**11,743.21**

Note 10 - Cash and cash equivalents

₹ Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Cash on Hand	4.08	3.52	3.26
Balances with Banks:			
In Current Accounts	32,097.29	4,581.34	5,304.83
Deposits with maturity of less than three months	-	20,701.36	13,502.32
Total	**32,101.37**	**25,286.22**	**18,810.41**

Note 11 - Other bank balances

₹ Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
In Deposit Accounts	57.85	2,002.15	2,043.62
In Earmarked Accounts			
Margin Money Deposits	326.77	1,585.86	2,756.65
Unpaid Dividend account	132.52	83.05	41.48
Total	**517.14**	**3,671.06**	**4,841.75**

Note 12 - Loans

₹ Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unsecured and considered good			
Loan to director	6.00	6.00	3.00
Loan to employees	87.45	82.25	38.08
Total	**93.45**	**88.25**	**41.08**

Note 13 - Other financial assets

₹ Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unsecured and considered good			
Security Deposits	147.71	71.92	160.27
Derivatives assets	90.14	-	-
Total	**237.85**	**71.92**	**160.27**

Note 14 - Other current assets

₹ Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unsecured and considered good			
Prepayments	507.42	349.97	364.24
Advance to creditors	703.71	567.70	646.71
Balance with Government Authorities	3,616.45	1,461.10	1,528.92
Total	**4,827.58**	**2,378.77**	**2,539.87**

Note 15 Share Capital

₹ Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Authorised:			
52,313,614 Equity Shares of ₹ 2 each (March 31, 2017: 52,313,614 Equity Shares of ₹ 2 Each and April 01, 2016: 52,313,614 Equity Shares of ₹ 2 Each)	1,046.27	1,046.27	1,046.27
Issued, Subscribed and Fully Paid-up:			
49,699,905 Equity Shares of ₹ 2 each (March 31, 2017 : 49,633,790 Equity Shares of ₹ 2 Each and April 01, 2016: 49,572,490 shares of ₹ 2 Each)	994.00	992.68	991.45
	994.00	**992.68**	**991.45**

a. Reconciliation of the Equity Shares outstanding at the beginning and at the end of the reporting period:

	As at March 31, 2018		As at March 31, 2017	
	Number of Shares	₹ Lakhs	Number of Shares	₹ Lakhs
Balance as at beginning of the year	49,633,790	992.68	49,572,490	991.45
Shares issued under equity stock options	66,115	1.32	61,300	1.23
Balance as at end of the year	**49,699,905**	**994.00**	**49,633,790**	**992.68**

b. Rights, preferences and restrictions attached to shares

The company has only one class of equity share having a par value of ₹ 2 per share (previous year ₹ 2 per share). Each shareholder is eligible to one vote per share held. The dividend proposed by the Board of directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c. Equity shares in the company held by Holding Company are as below

	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Number of Shares	₹ Lakhs	Number of Shares	₹ Lakhs	Number of Shares	₹ Lakhs
Equity Shares of ₹ 2 each						
Gulf Oil International (Mauritius) Inc.	36,219,224	724.38	34,671,787	693.44	32,193,167	643.86

d. Details of shareholders holding more than 5% of the aggregate Equity Shares in the Company:

	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Number of Shares	% holding	Number of Shares	% holding	Number of Shares	% holding
Equity Shares of ₹ 2 each						
Gulf Oil International (Mauritius) Inc.	36,219,224	72.88%	34,671,787	69.86%	32,193,167	64.94%

e. Shares allotted as fully paid up pursuant to scheme of arrangement without payment being received in cash

49,572,490 equity shares of ₹ 2 each fully paid were issued on June 12, 2014 to the shareholders of GOCL Corporation Limited pursuant to the scheme of arrangement between the Company, GOCL Corporation Limited & their Shareholders without payment being received in cash.

f. Shares reserved for issue under options

Information relating to GOLIL Stock Options Plan including details of options issued , exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 41.

Note 16 - Other Equity

₹ Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Securities premium reserve	12,940.49	12,525.31	12,139.52
Capital Reserve	5.00	5.00	5.00
General Reserve	4,361.85	3,361.85	2,461.85
Share options Outstanding Account	1,375.56	988.37	586.12
Retained earnings	26,977.45	17,490.33	11,136.05
FVOCI Equity instrument	87.55	49.32	27.29
Total	**45,747.90**	**34,420.18**	**26,355.83**

Note:
1. General reserve reflects amount transferred from Statement of profit and loss in accordance with the regulations of the Companies Act, 2013
2. Refer statement of changes in equity for movements in Reserve and Surplus.

Note 17 - Other financial liabilities

₹ Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Dealers deposit	58.20	58.20	54.00
Creditors for Purchase of Fixed Assets	-	105.49	-
Total	**58.20**	**163.69**	**54.00**

Note 18 - Employee benefit obligations

₹ Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Provision for Compensated Absences (Refer Note 40)	242.96	267.02	256.78
Total	**242.96**	**267.02**	**256.78**

Note 19 - Deferred tax liabilities (Net)

₹ Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Deferred Tax Liabilities on account of temporary differences in			
Property, Plant and Equipment	1,313.89	683.60	581.78
Fair Value of equity instrument	11.20	6.31	3.49
Other temporary differences	52.08	-	10.03
Total deferred tax liability	**1,377.17**	**689.91**	**595.30**
Deferred Tax Assets on account of temporary differences in			
Allowance for doubtful debts	151.22	113.22	103.17
Defined benefit obligations	119.04	124.54	118.08
Other temporary differences	42.81	1.99	-
Total deferred tax assets	**313.07**	**239.75**	**221.25**
Deferred tax liabilities (net) (Refer Note 47)	**1,064.10**	**450.16**	**374.05**

Note 20 - Deferred government grant

₹ Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Deferred Export Promotion Capital Goods grant	180.71	-	-
Total	**180.71**	**-**	**-**

Note 21 - Short term borrowings

₹ Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
From Banks:			
Buyers Credit (Refer note below)	24,806.37	17,848.87	19,471.91
Total	**24,806.37**	**17,848.87**	**19,471.91**

Note:

Working capital facilities from banks under multiple banking arrangement are secured by hypothecation of all current assets of the Company including raw materials, finished goods, stock-in-process, stores and spares (not relating to plant & machinery) and present and future book debts of the Company and also secured by collateral security by way of First Pari-passu charge on Land & Building, Plant & Machinery at Masat Industrial Estate, Khanvel Road, Masat Village, Silvassa within Union Territory of Dadra and Nagar Haveli and on all other Fixed Assets owned by Gulf Oil Lubricants India Limited (excluding fixed assets located at Chennai plant).

Note 22 - Trade payables

₹ Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Trade Payable	22,285.79	13,307.90	12,971.74
Total	**22,285.79**	**13,307.90**	**12,971.74**

Note 23 - Other financial liabilities

₹ Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Interest Accrued but not due on Borrowings	100.96	59.90	49.12
Creditor for Purchase of Fixed Assets	2,497.81	748.77	132.11
Employee Related liability	799.33	802.29	544.08
Channel financing liability	838.61	732.05	1,099.70
Derivatives - Forward Contracts	-	503.44	81.43
Unpaid Dividend	132.52	83.05	41.48
Total	**4,369.23**	**2,929.50**	**1,947.92**

Note:

There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at March 31, 2018.

Note 24 - Employee benefit obligations

₹ Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Provision for Gratuity (Refer Note no. 40)	33.95	49.12	48.64
Provision for Compensated Absences (Refer Note no. 40)	32.63	43.72	35.76
Total	**66.58**	**92.84**	**84.40**

Note 25 - Current tax liabilities

₹ Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Opening Balance	558.24	446.43	153.66
Add: Current tax payable for the year	7,910.60	6,345.45	5,267.27
Less: Taxes paid	7,230.62	6,233.64	4,974.50
Total	**1,238.22**	**558.24**	**446.43**

Note 26 - Deferred government grant

₹ Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Deferred Export Promotion Capital Goods grant-current	20.08	-	-
Total	**20.08**	**-**	**-**

Note 27 - Other current liabilities

₹ Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Advance from Customers	491.00	277.59	285.21
Statutory Dues	1,327.63	2,512.89	2,674.05
Total	**1,818.63**	**2,790.48**	**2,959.26**

Note 28 - Revenue from operations

₹ Lakhs

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Sale of goods		
Finished Goods		
-Lubricating Oil (Refer note below)	133,034.99	121,702.68
Traded goods		
-Greases and Lubricating Oil	802.76	1,234.79
-Car Care, Lube Equipment and Battery	3,698.04	2,794.66
(A)	**137,535.79**	**125,732.13**
Other operating revenue		
- Sale of scrap	97.70	92.63
- Miscellaneous Income	210.47	151.58
(B)	**308.17**	**244.21**
Total	**137,843.96**	**125,976.34**

Note:

₹ Lakhs

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Excise Duty on Sales	4,618.01	17,297.07
Total	**4,618.01**	**17,297.07**

Note 29 - Other Income

₹ Lakhs

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Dividend Income from Investments measured at FVTPL	169.40	159.88
Interest Income from financial assets at amortised cost	2,327.35	1,837.75
Insurance claims	91.00	37.35
Profit on sale of fixed assets	22.15	-
Total	**2,609.90**	**2,034.98**

Note 30- Cost of goods sold

₹ Lakhs

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
(A) COST OF MATERIALS CONSUMED		
Cost of Raw Materials Consumed		
Opening Stock	5,389.78	6,245.69
Add: Purchases during the year	67,180.00	49,503.73
	72,569.78	**55,749.42**
Less: Closing Stock	12,833.26	5,389.78
Cost of Raw Materials Consumed	**59,736.52**	**50,359.64**
Cost of Packing Materials Consumed		
Opening Stock	325.74	447.87
Add: Purchases during the year	8,103.45	6,207.18
	8,429.19	**6,655.05**
Less: Closing Stock	520.54	325.74
Cost of Packing Materials Consumed	**7,908.65**	**6,329.31**
Total	**67,645.17**	**56,688.95**
(B) PURCHASE OF TRADED GOODS		
Greases and Lubricating Oils	679.95	849.92
Car Care, Lube Equipment and Battery	2,522.11	2,163.87
Total	**3,202.06**	**3,013.79**
(C) CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS, AND TRADED GOODS		
Opening balance		
Work-in-Progress	520.00	365.97
Finished Goods	8,005.26	7,858.55
Traded Goods	690.21	728.16
	9,215.47	**8,952.68**
Closing balance		
Work-in-Progress	753.57	520.00
Finished Goods	8,915.30	8,005.26
Traded Goods	597.25	690.21
	10,266.12	**9,215.47**
Excise duty related to difference between closing stock and opening stock	(29.19)	(5.27)
Net (Increase) in Inventories of finished goods, work in progress and traded goods	**(1,079.84)**	**(268.06)**

Note 31 - Employee benefits expense

₹ Lakhs

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Salaries, wages and bonus	6,870.43	5,758.24
Contribution to provident and other fund	348.55	332.93
Employee share based payment expense	581.46	581.33
Staff welfare expense	455.78	405.07
Total	**8,256.22**	**7,077.57**

Note: For share options given by the company to employees under employee stock option plan, refer note 41

Note 32- Depreciation and Amortisation Expense

₹ Lakhs

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Depreciation of property, plant and equipment	991.22	682.28
Amortisation of Intangible assets	52.09	42.76
Total	**1,043.31**	**725.04**

Note 33- Finance Costs

₹ Lakhs

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Finance expenses		
Interest expense on:		
Bank borrowings	435.24	296.32
Net foreign exchange loss	267.71	450.82
Bank charges	150.18	235.34
Total	**853.13**	**982.48**

Note 34- Other Expenses

₹ Lakhs

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Consumption of Stores and Spare Parts	307.51	272.01
Processing Charges	651.93	551.47
Power and Fuel	323.57	278.55
Rent	749.13	659.13
Rates and Taxes	93.64	211.49
Insurance	223.55	200.05
Repairs and Maintenance		
Plant and Machinery	312.72	297.27
Buildings and Others	82.46	50.18
Advertising and Sales Promotion	8,730.97	7,011.76
Selling and Marketing	9,058.47	5,423.66

Note 34- Other Expenses (Contd.)

₹ Lakhs

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Selling Commission	195.90	275.53
Travelling and Conveyance	1,350.06	984.29
Freight and Forwarding expense	5,204.62	4,458.83
Postage, Telephone and Telex	172.41	168.28
Legal and Professional Fee (Refer note below)	541.38	417.84
Loss on sale/discarding of fixed assets	-	28.90
Bad Debts Written Off	25.22	70.94
Less: Provision for Doubtful Debts	(25.22)	(70.94)
Provision for Doubtful Debts	135.00	100.00
Directors' Sitting Fee	36.55	38.40
Expenditure towards Corporate Social Responsibility (Refer Note 49)	158.47	103.83
Royalty	2,423.83	2,006.03
Miscellaneous Expenses	878.02	848.78
Total	**31,630.19**	**24,386.28**

Note:

₹ Lakhs

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Legal and Professional fee include		
Payment to Auditors		
Statutory Auditors		
Audit Fee	39.00	39.00
Tax Audit Fee	4.50	4.50
Other Services	6.75	2.75
Reimbursement of Expense	0.90	1.83
	51.15	**48.08**

Note 35 -Earnings per Share (EPS)

₹ Lakhs

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Profit After Tax (₹ Lakhs)	15,855.70	11,755.52
-For Basic Earnings per Share (Nos.)	49,677,621	49,600,892
-For Diluted Earnings per Share (Nos.)	50,094,574	49,956,939
Nominal Value per Share (₹)	2.00	2.00
Basic Earning per Share (₹)	31.92	23.70
Diluted Earning per Share (₹)	31.65	23.53

Note 36- Lease

Operating Lease: Where the Company is a Leassee

The Company's significant leasing arrangements are in respect of operating leases for premises. The leasing arrangements, range generally between 11 months to 5 years and are usually renewable by mutual consent on agreed terms. All the lease agreements can be terminated as per termination clause of each individual lease agreement. The lease rents paid/payable charged to the Statement of Profit and Loss aggregate to ₹ 749.13 Lakhs (March 31, 2017 : ₹ 659.13 Lakhs).

Note 37- Segment Information

(a) Description of segments and principal activities

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

The Company has integrated its organisation structure with respect to its automotive and non-automotive business considering that the synergies, risks and returns associated with business operations are not predominantly distinct. The Company has aligned its internal financial reporting system in line with its existing organisation structure. As a result the Company's reportable business segment consists of a single segment of "Lubricants" in terms of Ind AS 108.

(b) Segment Revenue :

₹ Lakhs

Particulars	March 31, 2018	March 31, 2017
Revenue		
India	133,613.73	123,697.72
Outside India	4,230.23	2,278.62
Total	**137,843.96**	**125,976.34**

* There are no transactions with a single customer which amounts to 10% or more of the Company's revenue for the year ended March 31, 2018 and March 31, 2017.

(c) Non-Current Assets :

The total of Non-current assets other than financial instruments, investments accounted for using equity method and deferred tax assets is shown below:

₹ Lakhs

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
India	26,707.60	15,150.25	11,007.38
Outside India	-	-	-
Total	**26,707.60**	**15,150.25**	**11,007.38**

Note 38 -Contingent Liabilities

₹ Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Income Tax Matters	158.46	158.46	147.40
Sales Tax Matter	5,201.25	5,195.46	4,714.64
Excise Matters	118.85	145.14	149.58
Goods and Service Tax Matters	39.83	-	-
Total	**5,518.39**	**5,499.06**	**5,011.62**

(a) It is not practicable for the Company to estimate the timing of cash outflow, if any, in respect of the above pending resolution of the respective proceedings.

(b) The Company does not expect any reimbursement in respect of the above contingent liabilities.

Note 39 -Capital and other commitments

₹ Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Capital Commitments			
Estimated amount of Contracts remaining to be executed on Capital Account (Net of Advance)	1,098.30	5,483.13	568.48
Total	**1,098.30**	**5,483.13**	**568.48**

Note:

In December 2012, HGHL Holdings Limited, UK ['HGHL' (obligor)] wholly owned subsidiary of GOCL Corporation Limited [('GOCL'(obligor)] acquired Houghton International Inc. in USA and took a loan of USD 300 million (Outstanding as at March 31, 2018: USD 82.20 million: ₹57,484 Lakhs ; March 31, 2017: USD 126.60 million: ₹ 82,100 Lakhs) from lenders to part finance the acquisition. The said loan was extended on the basis of Letter of Comfort/Stand-By-Letter of Credit Facility Agreement between GOCL Corporation Limited (GOCL), HGHL and lenders on the strength of guarantee of Gulf Oil International Limited, Cayman and cash deficit undertaking from its specified subsidiaries and also from GOCL, wherein they were obligated to make contribution to HGHL in case of deficiencies in resources for servicing the said facilities. The said facility was also secured by specified assets of GOCL.

Pursuant to the Scheme of arrangement between GOCL, the Company and their respective shareholders and creditors, the "Lubricants Undertaking" of GOCL was demerged and transferred into the Company w.e.f. April 1, 2014 (the Appointed Date under the Scheme). Pursuant to the above scheme, the Company has issued a Deed of Undertaking to make contributions to HGHL for meeting any deficiency in the event of obligors' inability to service the said facility. However, the Company has received back to back corporate guarantee from Gulf Oil International Limited, Cayman to secure its entire obligations, if any, arising out of the said Deed of Undertaking.

Note 40 -Employee benefits

Company has classified the various benefits provided as under:-

1) Defined Contribution Plans

The Company has certain defined contribution plans. Contributions are made to Provident Fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

Company has the following contribution plans :

a) Employers' Contribution to Provident Fund

b) Employers' Contribution to Employee's Pension Scheme, 1995

c) Employers' Contribution to Superannuation Fund

During the year, the Company has incurred and recognised the following amounts in the Statement of Profit and Loss:

₹ Lakhs

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Employers' Contribution to Provident Fund and Employee's Pension Scheme	245.64	226.08
Employers' Contribution to Superannuation fund	102.91	106.85
Total Expenses recognised in the Statement of Profit and Loss (Refer Note 31)	**348.55**	**332.93**

2) Defined Benefit Plan:

A) General Description of defined benefit plans

i) Gratuity

The Company operates a gratuity plan wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service depending on the date of joining. The same is payable on termination of service, retirement or death, whichever is earlier. The benefit vests after five years of continuous service in accordance with Payment of Gratuity Act, 1972. The Company has a defined benefit gratuity plan in India (funded).

A. The net liability of Gratuity Plan is as follows :

Amounts recognised as a liability (Gratuity)

₹ Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Present value of funded obligations	543.04	499.72	399.83
Fair value of plan assets	(509.09)	(450.59)	(351.19)
Deficit of funded plans	**33.95**	**49.13**	**48.64**
Total deficit of defined benefit obligations	**33.95**	**49.13**	**48.64**
Impact of minimum funding requirement/asset ceiling	-	-	
Liability in the balance sheet	**33.95**	**49.13**	**48.64**

B. Movement of Defined Benefit Obligation

	Present value of obligations	Fair value of plan assets	Total
Balance as at April 1, 2016	399.83	(351.19)	48.64
Current service cost	44.27	-	44.27
Past service cost	-	-	
Interest expense/(income)	32.15	(28.24)	3.91
Total amount recognised in profit/loss	**76.41**	**(28.24)**	**48.18**
Remeasurements	-	-	-
Return on plan assets, excluding amounts included in interest expense/(income)	-	(0.42)	(0.42)
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	26.79	-	26.79
Experience (gains)/losses	8.07	-	8.07
Total amount recognised in other comprehensive income	**34.86**	**(0.42)**	**34.44**
Contributions			
Employers	-	(82.13)	(82.13)
Plan participants	-	-	-
Benefit payments	(11.38)	11.38	-
Balance as at March 31, 2017	**499.72**	**(450.59)**	**49.13**
Current service cost	55.60	-	55.60
Past service cost	-	-	-
Interest expense/(income)	36.43	(32.85)	3.58
Total amount recognised in profit/loss	**92.03**	**(32.85)**	**59.18**
Remeasurements	-	-	-
Return on plan assets, excluding amounts included in interest expense/(income)	-	0.82	0.82
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	(19.79)	-	(19.79)
Experience (gains)/losses	(2.96)	-	(2.96)
Total amount recognised in other comprehensive income	**(22.75)**	**0.82**	**(21.93)**
Contributions			
Employers	-	(52.43)	(52.43)
Plan participants	-	-	-
Benefit payments	(25.96)	25.96	-
Balance as at March 31, 2018	**543.04**	**(509.09)**	**33.95**

C. Amounts recognised in the statement of other comprehensive income

₹ Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Remeasurements for:			
Gratuity	(21.93)	34.44	45.71
Total	**(21.93)**	**34.44**	**45.71**

D. Major Categories of Gratuity plan assets are as follows

₹ Lakhs

Composition of plan assets	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Insurer Managed	509.09	450.59	351.19
	509.09	**450.59**	**351.19**
Percentage of Plan assets	**100%**	**100%**	**100%**

E. Significant Actuarial Assumptions

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Discount Rate (%)	7.78%	7.29%	8.04%
Salary Growth Rate (%)	4.00%	4.00%	4.00%
Attrition Rate (%)	3.00%	3.00%	3.00%

F. Sensitivity Analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is as follows

Assumptions	Impact on defined benefit obligation - Increase / (Decrease)		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
i) Discount Rate			
a) Increase by 1%	(36.96)	(35.19)	(9.82)
b) Decrease by 1%	41.69	39.87	32.07
(ii) Salary Growth Rate			
a) Increase by 1%	42.86	40.79	33.06
b) Decrease by 1%	(38.57)	(36.57)	(29.66)
(iii) Employee Turnover/Attrition Rate			
a) Increase by 1%	10.00	8.30	8.85
b) Decrease by 1%	(11.13)	(9.26)	(9.82)

The above sensitivity analysis is based on a change in an assumption while holding another assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

G. Risk Exposure

Through its defined benefit plans, the company is exposed to number of risks, the most important of which is asset volatility. The plan liabilities are calculated using a discount rate set with reference to bond yields: if plan assets underperform this yields, this will create a deficit. The plan assets are invested by the company in Insurer managed funds. The Company intends to maintain these investments in the continuing years.

H. Defined benefit liability and employers contributions

	Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2017
Expected contributions to post employment benefit plans for the year	94.07	104.73	92.91

I. The expected maturity analysis of undiscounted gratuity benefits is as follows

	Expected maturity of undiscounted gratuity benefits		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Year-1	29.10	45.44	22.97
Year-2	27.57	20.18	30.85
Year-3	35.44	25.00	34.42
Year-4	74.04	32.03	28.67
Year-5	61.84	68.25	39.33
Years-6 to 10	303.88	249.35	418.37
Years 11 and above	549.28	574.82	443.81

3) Compensated absences

The Company has a policy on compensated absences which is applicable to its executives joined upto a specified period and all workers. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the Balance Sheet date.

Liability table as compensated absences is not a defined benefit plan.

₹ Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Leave obligations not expected to be settled within the next 12 months	242.96	267.02	256.78

Note 41 -Share based payments

The Company offers equity based award plan to its employees, officers through Company's stock option plan. In respect of those options granted under the Gulf Oil Lubricants India Limited - Employees Stock Option Scheme - 2015, in accordance with the guidelines issued by Securities and Exchange Board of India [(Share Based Employees Benefits) Regulations, 2014], the fair value of options is accounted as deferred employee compensation, which is amortized on a straight - line basis over the vesting period.

The fair values were calculated using Black Scholes Model as permitted by the SEBI Guidelines and also Ind AS 102 issued by the Institute of Chartered Accountants of India in respect of stock options granted. The inputs to the model include the share price on date of grant, exercise price, expected option life, expected volatility, expected dividends, expected terms and the risk free rate of interest.

The assumptions used in the calculations of the charge in respect of ESOP granted are set out below:

Particulars	Tranche-1	Tranche-2	Tranche-3
Range of risk-free interest rate	7.69% to 7.76%	7.44% to 7.75%	6.76% to 7.06%
Range of expected term (years)	4 Years	4 Years	4 Years
Volatility	40.62%	40.03%	35.73%
Expected dividend yield	₹ 2 per share	₹ 6.50 per share	₹ 7.50 per share
Estimated fair value per option granted - service	293.84	284.15	417.82

	Tranche-1	Tranche-2	Tranche-3
ESOP scheme approved by the shareholders through postal ballot	13th May, 2015	13th May, 2015	13th May, 2015
Number of options granted	606,990	112,225	101,913
Method of Settlement	Equity	Equity	Equity
Vesting Period	10% after 1 year, 15% after 2 years, 15% after 3 years and balance 60% at the end of 4 years from grant date		
Exercise Period	Upto 5 Years from the date of vesting		

Particulars	Tranche 1		Tranche 2		Tranche 3	
	Shares	Weighted Average exercise price (in ₹)	Shares	Weighted Average exercise price (in ₹)	Shares	Weighted Average exercise price (in ₹)
Outstanding as of April 01, 2016	606,990	336	112,225	355	-	-
Granted during the year	-	-	-	-	-	-
Exercised during the year	50,578	336	10,722	355	-	-
Forfeited during the year	-	-	-	-	-	-
Expired during the year	30,384	336	-	-	-	-
Outstanding as of March 31, 2017	**526,028**	**336**	**101,503**	**355**	**-**	**-**
Granted during the year	-	-	-	-	101,913	544
Exercised during the year	65,615	336	500	355	-	-
Forfeited during the year	-	-	-	-	-	-
Expired during the year	-	-	-	-	-	-
Outstanding as of March 31, 2018	460,413	336	101,003	355	101,913	544
Exercisable, April 01, 2016	-	-	-	-	-	-
Exercisable, March 31, 2017	60,699	-	11,223	-	-	-
Exercisable, March 31, 2018	85,985	-	16,834	-	-	-

Weighted average remaining contractual life of options outstanding at the end of period (in years)	Tranche 1	Tranche 2	Tranche 3
	3.25 to 6.25	3.86 to 6.86	5.12 to 8.12

Expense arising from share - based payment transactions

₹ Lakhs

	31-Mar-18	31-Mar-17
Employee option plan	581.46	581.33
Total employee share - based payment expense	**581.46**	**581.33**

Note 42 -Financial risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the company, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purpose and not as trading or speculative instruments. This note explains the sources of risk which the company is exposed to and how the company manages the risk.

Risk	Exposure arising from	Management	Note reference No
Market Risk-Foreign Currency risk	Recognized financial assets and liabilities not determined in Rupee/INR	Forward foreign exchange contracts.	A1
Market Risk-Interest rate risk	Borrowing	Monitoring of interest rate	A2
Market Risk-Commodity Price risk	Fluctuation in base oil prices in line with commodity cycles	Operating procedures and sourcing policies	A3
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortized cost	Credit limits and letters of credit	B
Liquidity risk	Borrowings and other liabilities	Availability of committed credit lines and borrowing facilities.	C

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the Company. The primary market risk to the Company is foreign exchange risk

A Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprise of two types of risk: foreign currency risk, interest risk, and commodity price risk. Financial instruments that are affected by market risk include deposits and foreign exchange forward contracts. The sensitivity analysis in the following sections relate to the position as at March 31, 2018, March 31, 2017 and April 01, 2016.

A1 Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (primarily material costs are denominated in a foreign currency). The Company manages its foreign currency risk by hedging certain material costs that are expected to occur within a range of 2 to 4 months period for hedged purchases of base oil and additives. At March 31, 2018, March 31, 2017 and April 01, 2016 the Company hedged approximately ~ 60-65% of its expected foreign currency purchases for 2 to 4 months. This foreign currency risk is hedged by using foreign currency forward contracts. Details are as given below:

Hedged foreign currency exposure	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
No of buy contracts relating to firm commitments for Raw Material	38	33	32
Foreign Currency-USD (in Lakhs)	235.42	174.43	153.47
Rupee in Lakhs	15,248.16	11,815.47	10,413.70

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR equivalent of USD and Euro are as follows:

₹ Lakhs

Particulars	USD	EURO	Total
As at March 31, 2018			
Financial assets			
Trade receivables	2,193.30	-	2,193.30
Other financial assets	-	-	-
Total financial assets	**2,193.30**	**-**	**2,193.30**
Financial liabilities			
Trade & other payables	4,508.35	81.31	4,589.67
Borrowings	23,707.74	1,098.64	24,806.37
Other financial liabilities	99.89	1.07	100.96
Total non - derivative liabilities	**28,315.98**	**1,181.02**	**29,497.00**
Derivatives			
Foreign Exchange Forward Contracts	15,248.16	-	15,248.16
Total derivative liabilities/(Assets)	**15,248.16**	**-**	**15,248.16**

₹ Lakhs

Particulars	USD	EURO	Total
As at March 31, 2017			
Financial assets			
Trade receivables	445.44	-	445.44
Other financial assets	-	-	-
Total financial assets	**445.44**	**-**	**445.44**
Financial liabilities			
Trade & other payables	1,691.15	52.01	1,743.16
Borrowings	17,848.87	-	17,848.87
Other financial liabilities	59.90	-	59.90
Total non - derivative liabilities	**19,599.92**	**52.01**	**19,651.93**
Derivatives			
Foreign Exchange Forward Contracts	11,815.47	-	11,815.47
Total derivative liabilities/(Assets)	**11,815.47**	**-**	**11,815.47**

₹ Lakhs

Particulars	USD	EURO	Total
As at April 01, 2016			
Financial assets			
Trade receivables	746.34	-	746.34
Other financial assets	-	-	
Total financial assets	**746.34**	**-**	**746.34**
Financial liabilities			
Trade & other payables	2,808.27	43.63	2,851.90
Borrowings	19,471.91	-	19,471.91
Other financial liabilities	49.12	-	49.12
Total non - derivative liabilities	**22,329.31**	**43.63**	**22,372.93**
Derivatives			
Foreign Exchange Forward Contracts	10,413.70	-	10,413.70
Total derivative liabilities/(Assets)	**10,413.70**	**-**	**10,413.70**

₹ Lakhs

	31-Mar-18		31-Mar-17		01-Apr-16	
	USD	EURO	USD	EURO	USD	EURO
Financial Assets						
Trade Receivables	2,193.30	-	445.44	-	746.34	-
Total Exposure to foreign currency risks (assets)	**2,193.30**	**-**	**445.44**	**-**	**746.34**	**-**
Financial Liabilities						
Trade & other payables	4,508.35	81.31	1,691.15	52.01	2,808.27	43.63
Borrowings	23,707.74	1,098.64	17,848.87	-	19,471.91	-
Other financial liabilities	99.89	1.07	59.90	-	49.12	-
Total Exposure to foreign currency risks (Liabilities)	**28,315.98**	**1,181.02**	**19,599.92**	**52.01**	**22,329.31**	**43.63**
Derivative Liabilities						
Foreign exchange forward contracts	15,248.16	-	11,815.47	-	10,413.70	-
Net Exposure to foreign currency risks (liabilities)	**13,067.82**	**1,181.02**	**7,784.45**	**52.01**	**11,915.61**	**43.63**
Unhedged foreign currency exposure liabilities (net)	**10,874.52**	**1,181.02**	**7,339.01**	**52.01**	**11,169.27**	**43.63**

Sensitivity analysis

The Company is mainly exposed to changes in USD and Euro. The sensitivity analysis demonstrate as reasonably possible change in USD and Euro exchange rates with all other variables held constant. 5% appreciation/depreciation of USD and Euro with respect to functional currency of the company will have impact of the following (decrease)/increase in profit before tax.

₹ Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
USD	(420.73)	(380.63)	(525.85)
USD	420.73	380.63	525.85
Euro	(58.52)	(2.60)	(2.18)
Euro	58.52	2.60	2.18

A2 Interest rate risk

The Company had borrowed funds at floating interest rates. The Company's interest rate risk arises from short term borrowings with variable rates The exposure of the company's borrowing to interest rate changes at the end of the reporting period are as follows

₹ Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Variable rate borrowings	24,806.37	17,848.87	19,471.91
Total borrowings	**24,806.37**	**17,848.87**	**19,471.91**

Sensitivity analysis

Profit and loss is sensitive to higher/lower interest expenses from borrowings as a results of changes in interest rates.

Interest rate sensitivity

₹ Lakhs

	Impact on post tax profit for the year		
	Year ended March 31, 2018	Year ended March 31, 2017	Year ended April 01, 2016
50 basis points increase in interest rates*	(124.03)	(89.24)	(97.36)
50 basis points decrease in interest rates*	124.03	89.24	97.36

* Holding all other variables constant

A3 Commodity Price Risk

The Company's exposure to market risk with respect to commodity prices primarily arises from the fact that we are a purchaser of base oil. This is a commodity product whose prices can fluctuate sharply over short periods of time. The prices of base oil generally fluctuate in line with commodity cycles. Material purchase forms the largest portion of our operating expenses. The Company evaluates and manages commodity price risk exposure through operating procedures and sourcing policies. The Company has not entered into any commodity derivative contracts. It may also be noted that there are no direct derivatives available for base oil, but there are derivatives for crude oil.

Sensitivity: 1% increase in commodity rates would have led to approximately an decrease in profit by ₹ 34.00 lakhs (March 31, 2017 ₹ 24.75 lakhs). 1% decrease in commodity rate would have led to an equal but opposite effect

B Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations thus leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financial activities including deposits with bank, foreign exchange transactions and other financial instruments.

Trade Receivables

The Company's customer mainly consists of its distributors and Original Equipment Manufacturers (OEMs). The Company has a credit policy, approved by the Management that is designed to ensure that consistent processes are in place to measure and control credit risk. The Company has trade relationships only with reputed third parties. The receivable balances are constantly monitored, resulting in an insignificant exposure of the Company to the risk of non-collectible receivables. Credit risk is managed through credit approvals, establishing credit limits, obtaining collaterals from the customers in the form of deposits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The maximum credit exposure associated with financial assets is equal to the carrying amount.

Concentrations of credit risk with respect to trade receivables are limited, due to the Company's customer base being large and diverse. All trade receivables are reviewed and assessed for default on a quarterly basis. Our historical experience of collecting receivables, supported by the level of default, is that credit risk is low. Accordingly, our provision for expected credit loss on trade receivables is not material.

Reconciliation of provisions for doubtful debts has been provided as under

Particulars	Amount in ₹ Lakhs
Provision for Doubtful debts on 01/04/2016	298.12
Net Charge during the year 2016-17	29.06
Provision for Doubtful debts on 31/03/2017	327.18
Net Charge during the year 2017-18	109.77
Provision for Doubtful debts on 31/03/2018	436.95

Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks, investments in mutual funds. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Company's Treasury department. The Company's maximum exposure to credit risk as at March 31, 2018, March 31, 2017, and April 01, 2016 is the carrying value of each class of financial assets as disclosed in the financial statements.

C Liquidity Risk

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company has net positive cash surplus after adjusting its short term bank borrowings. Thus company believes that the working capital is sufficient to meet its current requirements and accordingly, there is no liquidity risk perceived.

Management monitors rolling forecasts of the liquidity position on the basis of expected cash flow. The company has access to the following undrawn borrowing facilities at the end of reporting period.

₹ Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Undrawn Fund Based Working Capital Limits	7,700.00	7,700.00	7,700.00
Undrawn Non Fund Based Working Capital Limits	6,521.00	9,722.00	4,625.00

The table below provides details regarding the contractual maturities of significant financial liabilities as on reporting date.

₹ Lakhs

Particulars	Less than 1 year	Above 1 year	Total
As at March 31, 2018			
Borrowings	24,806.37	-	24,806.37
Trade and other payables	22,285.79	-	22,285.79
Other financial liabilities	4,427.43	-	4,427.43
Total	**51,519.59**	**-**	**51,519.59**

₹ Lakhs

Particulars	Less than 1 year	1 to 5 years	Total
As at March 31, 2017			
Borrowings	17,848.87	-	17,848.87
Trade and other payables	13,307.90	-	13,307.90
Other financial liabilities	3,093.19	-	3,093.19
Total	**34,249.96**	**-**	**34,249.96**

₹ Lakhs

Particulars	Less than 1 year	1 to 5 years	Total
As at April 01, 2016			
Borrowings	19,471.91	-	19,471.91
Trade and other payables	12,971.74	-	12,971.74
Other financial liabilities	2,001.92	-	2,001.92
Total	**34,445.57**	**-**	**34,445.57**

Note 43 -Fair Value Measurement

The carrying value and fair value of financial instruments by categories as on March 31, 2018, March 31,2017 and April 01, 2016 were as follows

₹ Lakhs

	31-Mar-18			31-Mar-17			01-Apr-16		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial Assets									
Investments									
Equity instruments	-	415.23	-	-	372.11	-	-	345.36	-
Loans	-	-	240.14	-	-	217.25	-	-	196.95
Trade Receivables	-	-	13,462.08	-	-	10,961.63	-	-	11,743.21
Cash and cash equivalents	-	-	32,101.37	-	-	25,286.22	-	-	18,810.41
Other bank balances	-	-	517.14	-	-	3,671.06	-	-	4,841.75
Other financial assets									
Security deposits	-	-	739.58	-	-	679.36	-	-	734.61
Margin Money deposit	-	-	111.87	-	-	111.87	-	-	5.27
Derivative assets	90.14	-	-	-	-	-	-	-	-
Total Financial assets	**90.14**	**415.23**	**47,172.18**	**-**	**372.11**	**40,927.40**	**-**	**345.36**	**36,332.21**

₹ Lakhs

	31-Mar-18			31-Mar-17			01-Apr-16		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial Liabilities									
Borrowings	-	-	24,806.37	-	-	17,848.87	-	-	19,471.91
Trade Payables	-	-	22,285.79	-	-	13,307.90	-	-	12,971.74
Capital Creditors	-	-	2,497.81	-	-	854.26	-	-	132.11
Other financial liabilities									
Derivative liabilities	-	-	-	503.44			81.43		
Others	-	-	1,929.62	-	-	1,735.49	-	-	1,788.38
Total Financial Liabilities	**-**	**-**	**51,519.60**	**503.44**	**-**	**33,746.53**	**81.43**	**-**	**34,364.14**

Note 44 -Fair Value Hierarchy

Financial assets and liabilities measured at fair value as at March 31, 2018, March 31, 2017 and April 01, 2016

	31-Mar-18			31-Mar-17			01-Apr-16		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets									
Investments									
Equity instruments	-	-	415.23	-	-	372.11	-	-	345.36
Derivative assets		90.14	-	-	-	-	-	-	-
Total Financial assets	**-**	**90.14**	**415.23**	**-**	**-**	**372.11**	**-**	**-**	**345.36**
Financial Liabilities									
Derivative liabilities	-	-	-	-	503.44	-	-	81.43	-
Total Financial Liabilities	**-**	**-**	**-**	**-**	**503.44**	**-**	**-**	**81.43**	**-**

Assets and liabilities which are measured at amortised cost for which fair value are disclosed as at March 31, 2018, March 31, 2017 and April 01, 2016

	31-Mar-18			31-Mar-17			01-Apr-16		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets									
Loans	-	-	240.14	-	-	217.25	-	-	196.95
Other financial assets									
Security deposits	-	-	739.58	-	-	679.36	-	-	734.61
Total Financial assets	**-**	**-**	**979.72**	**-**	**-**	**896.61**	**-**	**-**	**931.57**
Financial Liabilities									
Borrowings	-	-	24,806.37	-	-	17,848.87	-	-	19,471.91
Total Financial Liabilities	**-**	**-**	**24,806.37**	**-**	**-**	**17,848.87**	**-**	**-**	**19,471.91**

The carrying amounts of trade receivables, trade payables and capital creditors are considered to be same as their fair value due to their short term nature. In case of non-current financial assets the difference between amortised cost and fair value is not significant and hence not disclosed.

Level 1

Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair values of all equity instruments (including mutual funds) which are traded in the stock exchanges are valued using the closing price as at the reporting period.

Level 2

The fair values of financial instruments that are not traded in an active market (mainly derivative forward contracts) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3

If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset in level 3.

i) Valuation technique used to determine fair value

Specific valuation technique used to value financial instruments include :

- the use of quoted market prices or dealer quotes for similar instruments

- the fair value if the remaining financial instruments is determined using discounted cash flow analysis.

ii) Fair value measurements using significant unobservable inputs (Level 3)

The Following table presents the changes in level 3 items as on March 31, 2018, March 31, 2017 and April 01, 2016

₹ Lakhs

Particulars	Unlisted equity securities
As at April 01, 2016	345.36
Acquisition during the year	1.90
Gains/(Losses) recognized in the other comprehensive income	24.85
As at March 31, 2017	372.11
Gains/(Losses) recognized in the other comprehensive income	43.12
As at March 31, 2018	415.23

Note 45-Capital Management

A Risk Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company is capital management is to maximise the shareholder value.

The Company monitors capital using a gearing ratio and is measured by net debt divided by total capital plus net debt. The Company's net debt includes short term borrowings less cash and bank balances. The Company did not have any long term borrowings at any time during the year.

₹ Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Total borrowings	24,806.37	17,848.87	19,471.91
Less: Cash and bank balances	(32,618.51)	(28,957.29)	(23,652.16)
Net debt (A)	-	-	-
Total equity (B)	**46,741.90**	**35,412.86**	**27,347.28**
Gearing ratio (A/B)	**0%**	**0%**	**0%**

B Dividends

Dividends recognised for the year and review

₹ Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017
a) Final dividend	2,484.44	1,982.90
b) Interim dividend	1,988.00	1,736.81

Dividends are not recognised at the end of the reporting period in line with IND AS requirement.

Note 46 -Related party disclosures

(A) Name of the related parties and nature of relationship:

(i) Where control exists:

Ultimate Holding Company	Amas Holdings SPF
	(Holding Company of Gulf Oil International Limited)
Holding Company	Gulf Oil International (Mauritius) Inc.
	Gulf Oil Middle East Limited (Cayman)
	[Holding Company of Gulf Oil International (Mauritius) Inc.]
	Gulf Oil International Limited (Cayman)
	[Holding Company of Gulf Oil Middle East Limited (Cayman)]

(ii) Other related parties with whom transactions have taken place during the year:

Fellow subsidiaries:	Ashok Leyland Limited
	D.A.Stuart India Private Limited
	Gulf Ashley Motor Limited
	Gulf Oil Bangladesh Limited
	Gulf Oil China Limited
	Gulf Oil Marine Limited
	Gulf Oil Philippines Inc.
	HGHL Holdings Limited
	Gulf Oil Supply Company Limited
	Houghton Deutschland Gmbh
	IDL Explosives Limited
	GOCL Corporation Limited
	Gulf Oil Argentina SA
	PT. Gulf Oil Lubricants Indonesia
(iii) Key Managerial Personnel	Ravi Chawla - Managing Director
(iv) Non-Executive Independent Director	Kanchan Uday Chitale
	M S Ramachandran
	Ashok Kini
(v) Non-Executive Director	Sanjay Hinduja
	Shom Hinduja
(vi) Other Related Parties	Gulf Oil Lubricants India Limited Employees Group Gratuity Cum Life Assurance Scheme
	Gulf Oil Lubricants India Limited Employees Group Superannuation Scheme

(B) Disclosure in respect of transactions which are more than 10% of the transactions of the same type with related parties and outstanding balances

(₹ Lakhs)

Nature of transaction	Name of the Party	Year ended March 31, 2018	Year ended March 31, 2017
Dividend on Equity Shares	Gulf Oil International (Mauritius) Inc.	3,224.73	2,552.27
	Dividend	**3,224.73**	**2,552.27**
Royalty	Gulf Oil International (Mauritius) Inc.	2,423.83	2,006.03
	Royalty	**2,423.83**	**2,006.03**
Sales of Goods and Other Income	Ashok Leyland Limited	10,475.59	10,592.83
	D.A.Stuart India Private Limited	1,690.32	1,241.35
	Others	2,340.95	1,548.34
	Sales of Goods	**14,506.86**	**13,382.52**
Purchase of Goods	Houghton Deutchaland Gmbh	148.11	156.98
	Others	-	1.61
	Purchase of Goods	**148.11**	**158.59**
Recovery of Expenses	Gulf Oil International Limited	792.98	666.04
	Others	34.05	230.52
	Recovery of Expenses	**827.03**	**896.56**
Reimbursement of Expenses	Gulf Oil International Limited	5.45	61.52
	Other	0.98	-
	Reimbursement of Expenses	**6.43**	**61.52**
Guarantee Commission	GOCL Corporation Limited	-	172.50
Contribution to Gratuity Fund	Gulf Oil Lubricants India Limited Employees Group Gratuity Cum Life Assurance Scheme	52.43	82.13
Contribution to Superannuation Fund	Gulf Oil Lubricants India Limited Employees Group Superannuation Scheme	102.91	106.86

Key management personnel compensation

(₹ Lakhs)

	Year ended 31-Mar-18	Year ended 31-Mar-17
Short - Term Employee Benefits	314.27	242.34
Post Employment Benefits	16.07	16.07
Long-Term Employee Benefits	-	-
Termination Benefits	-	-
Employee Share-Based Payment	66.61	32.81
Total Compensation	**396.95**	**291.23**

Payments to Non Whole time directors

(₹ Lakhs)

	Year ended 31-Mar-18	Year ended 31-Mar-17
Sitting Fees	36.55	38.40
Commission	158.00	122.00

(₹ Lakhs)

Outstanding Balances	Name of the Party	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Trade Receivable	Ashok Leyland Limited	2,033.94	1,187.00	990.89
	Gulf Oil International Limited	355.28	239.46	367.98
	D.A.Stuart India Private Limited	416.70	244.41	-
	Others	419.16	-	250.18
	Trade Receivable	**3,225.08**	**1,670.87**	**1,609.05**
Trade Payable	Gulf Oil International (Mauritius) Inc.	561.34	464.47	1,554.57
	Others	-	26.59	94.41
	Trade Payable	**561.34**	**491.06**	**1,648.98**
Loan to Director	Ravi Chawla	126.50	132.50	157.00
Deed of Undertaking Received	Gulf Oil International Limited	57,484.35	82,100.10	1,01,370.00
(Refer Note 39)	**Deed of Undertaking Received**	**57,484.35**	**82,100.10**	**1,01,370.00**
Deed of Undertaking Given	HGHL Holding Limited	57,484.35	82,100.10	1,01,370.00
(Refer Note 39)	**Deed of Undertaking Given**	**57,484.35**	**82,100.10**	**1,01,370.00**

Note 47 - Current Tax

a. Movement of Deferred Tax Liabilities

Particulars	Property, Plant and Equipment	Fair Value of equity instrument	Other temporary differences	Total
As at April 01, 2016	**581.78**	**3.49**	**10.03**	**595.30**
Charged/(credited)				
to profit or loss	101.82	-	(10.03)	91.79
to other comprehensive income	-	2.82	-	2.82
to equity	-	-	-	-
As at March 31, 2017	**683.60**	**6.31**	**-**	**689.91**
Charged/(credited)				
to profit or loss	630.29	-	32.75	663.04
to other comprehensive income	-	4.89	19.33	24.22
to equity	-	-	-	-
As at March 31, 2018	**1,313.89**	**11.20**	**52.08**	**1,377.17**

b. Movement in Deferred Tax Assets

Particulars	Allowance for doubtful debts	Defined benefit obligations	Other temporary differences	Total
As at April 01, 2016	**103.17**	**118.08**	**-**	**221.25**
Credited /(Charged)				
to profit or loss	10.05	(5.45)	9.11	13.71
to other comprehensive income	-	11.91	-	11.91
to equity	-	-	(7.12)	(7.12)
As at March 31, 2017	**113.22**	**124.54**	**1.99**	**239.75**
Credited /(Charged)				
to profit or loss	38.00	(5.50)	53.22	85.72
to other comprehensive income	-	-	-	-
to equity	-	-	(12.40)	(12.40)
As at March 31, 2018	**151.22**	**119.04**	**42.81**	**313.07**

c. The major components of income tax expense for the year ended March 31, 2018

₹ Lakhs

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Current tax		
Current tax	7,828.37	6,267.45
Adjustments for current tax of prior periods	-	-
Total Current Tax	**7,828.37**	**6,267.45**
Deferred Tax	601.54	85.23
Decrease/(increase) in deferred tax assets	(85.72)	(9.38)
(Decrease)/increase in deferred tax liabilities	687.26	94.61
Total deffered tax expense/(benefits)	**601.54**	**85.23**
Total tax expense	**8,429.91**	**6,352.68**

d. Reconciliation of tax expense

₹ Lakhs

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Profit before income tax expense	24,285.61	18,108.20
Tax at the Indian tax rate 34.608%	8,404.77	6,266.89
Tax effect of amounts which are not deductible (taxable) in calculating taxable income (Permanent differences)	-	-
Effect of non - deductible expenses	25.14	85.79
Income Tax Expense	**8,429.91**	**6,352.68**

Note - 48 First time adoption of Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS balance sheet as at April 1, 2016 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in the financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (Previous GAAP).

An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

I Deemed cost for property and equipment and intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38. Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

II Designation of previously recognised financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS. The Company has elected to apply this exemption for its investment in equity investments of Gulf Ashley Motors Limited.

B. Mandatory exceptions

I Estimates

Under Ind AS 101, an entity's estimates in accordance with Ind AS at 'the date of transition to Ind AS' or 'the end of the comparative period presented in the entity's first Ind AS financial statements', as the case may be, should be consistent with estimates made for the same date in accordance with previous GAAP unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies.

Ind AS estimates as at April 01, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date transition as these were not required under previous GAAP:

(a) Investment in equity instruments carried at FVPL or FVOCI

(b) Impairment of financial assets based on expected credit loss model.

II Classification and measurement of financial assets

Ind AS 101 provides exemptions to certain classification and measurement requirements of financial assets under Ind AS 109, where these are impracticable to implement and hence, classification and measurement needs to be done on the basis of facts and circumstances existing as on the transition date. Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the transition date.

III Impairment of financial assets

Ind AS 101 requires an entity to use reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised and compare that to the credit risk at the date of transition to Ind AS.

IV De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first time adopter to apply the de-recognition requirements in Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition of Ind AS.

V Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

C. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires reconciliations of its equity reported in accordance with previous GAAP to its equity in accordance with Ind AS, a reconciliation to its total comprehensive income and cash flow in accordance with Ind AS for the latest period in the entity's most recent annual financial statements

Reconciliation of equity as at April 1, 2016

(₹ Lakhs)

Particulars	Notes to first time adoption	Amount as per IGAAP	Effects of transition to Ind AS	Amount as per Ind AS
ASSETS				
Non-current assets				
Property, Plant and Equipment		10,599.54	-	10,599.54
Capital work-in-progress		190.08	-	190.08
Intangible assets		93.08	-	93.08
Financial Assets				
(i) Investments	1	314.58	30.78	345.36
(ii) Loans		155.87	-	155.87
(iii) Other financial assets		579.61	-	579.61
Other non-current assets		124.68	-	124.68
Total non-current assets		**12,057.44**	**30.78**	**12,088.22**
Current Assets				
Inventories		15,688.96	-	15,688.96
Financial Assets				-
(i) Trade receivables	11	10,643.51	1,099.70	11,743.21
(ii) Cash and cash equivalents		18,810.41	-	18,810.41
(iii) Bank balance other than above		4,841.75	-	4,841.75
(iv) Loans		41.08	-	41.08
(v) Others financial assets		160.27	-	160.27
Other current assets	7	2,615.76	(75.89)	2,539.87
Total current assets		**52,801.74**	**1,023.81**	**53,825.55**
TOTAL ASSETS		**64,859.18**	**1,054.59**	**65,913.77**
EQUITY AND LIABILITIES				
Equity				
Share capital		991.45	-	991.45
Reserve and surplus	2	23,862.28	2,493.55	26,355.83
Total equity		**24,853.73**	**2,493.55**	**27,347.28**
Non-current liabilities				
Financial liabilities				
Other financial liabilities		54.00	-	54.00
Employee benefit obligations		256.78	-	256.78
Deferred tax liabilities (net)	8	328.38	45.67	374.05
Total non-current liabilities		**639.16**	**45.67**	**684.83**
Current liabilities				
Financial liabilities				
(i) Borrowings		19,471.91	-	19,471.91
(ii) Trade payables	7	13,060.32	(88.58)	12,971.74
(iii) Other financial liabilities	2,11	3,343.97	(1,396.05)	1,947.92
Employee benefit obligations		84.40	-	84.40
Current tax liabilities		446.43	-	446.43
Other current liabilities		2,959.26	-	2,959.26
Total current liabilities		**39,366.29**	**(1,484.63)**	**37,881.66**
Total liabilities		**40,005.45**	**(1,438.96)**	**38,566.49**
TOTAL EQUITY AND LIABILITIES		**64,859.18**	**1,054.59**	**65,913.77**

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

Reconciliation of equity as at March 31, 2017

(₹ Lakhs)

	Notes to first time adoption	Amount as per IGAAP	Effects of transition to Ind AS	Amount as per Ind AS
ASSETS				
Non-current assets				
Property, Plant and Equipment		11,685.39	-	11,685.39
Capital work-in-progress		2,918.35	-	2,918.35
Intangible assets		111.99	-	111.99
Financial Assets				
(i) Investments	1	316.48	55.63	372.11
(ii) Loans		129.00	-	129.00
(iii) Other financial assets		719.31	-	719.31
Other non-current assets		434.52	-	434.52
Total non-current assets		**16,315.04**	**55.63**	**16,370.67**
Current Assets				
Inventories		14,993.04	-	14,993.04
Financial Assets				
(i) Trade receivables	11	10,229.58	732.05	10,961.63
(ii) Cash and cash equivalents		25,286.22	-	25,286.22
(iii) Bank balance other than above		3,671.06	-	3,671.06
(iv) Loans		88.25	-	88.25
(v) Others financial assets		71.92	-	71.92
Other Current assets	7	2,471.59	(92.82)	2,378.77
Total current assets		**56,811.66**	**639.23**	**57,450.89**
TOTAL ASSETS		**73,126.70**	**694.86**	**73,821.56**
EQUITY AND LIABILITIES				
Equity				
Share capital		992.68	-	992.68
Reserve and surplus	7,8	34,374.61	45.57	34,420.18
Total equity		**35,367.29**	**45.57**	**35,412.86**
Non-current liabilities				
Financial liabilities				
Other financial liabilities		163.69	-	163.69
Employee benefit obligations		267.02	-	267.02
Deferred tax liabilities (net)	8	445.83	4.33	450.16
Total non-current liabilities		**876.54**	**4.33**	**880.87**
Current liabilities				
Financial liabilities				
(i) Borrowings		17,848.87		17,848.87
(ii) Trade payables	7	13,401.28	(93.38)	13,307.90
(iii) Other financial liabilities	7,11	2,191.16	738.34	2,929.50
Employee benefit obligations		92.84	-	92.84
Current tax liabilities		558.24	-	558.24
Other current liabilities		2,790.48	-	2,790.48
Total current liabilities		**36,882.87**	**644.96**	**37,527.83**
Total liabilities		**37,759.41**	**649.29**	**38,408.70**
TOTAL EQUITY AND LIABILITIES		**73,126.70**	**694.86**	**73,821.56**

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

Reconciliation of total comprehensive income for year ended March 31, 2017

(₹ Lakhs)

	Notes to first time adoption	Amount as per IGAAP *	Effects of transition to Ind AS	Amount as per Ind AS
Revenue				
I. Revenue from Operations (Gross)	3,4	113,105.67	12,870.67	125,976.34
II. Other income	7	2,153.76	(118.78)	2,034.98
III. Total Income (I+II)		**115,259.43**	**12,751.89**	**128,011.32**
IV. Expenses				
Cost of materials consumed		56,688.95	-	56,688.95
Purchase of stock in trade		3,013.79	-	3,013.79
Changes in inventories of finished goods, work-in-progress and stock-in-trade		(268.06)	-	(268.06)
Excise duty	3		17,297.07	17,297.07
Employee Benefits Expenses	6	6,820.70	256.87	7,077.57
Depreciation and Amortization Expenses		725.04	-	725.04
Other Expenses	4	28,812.68	(4,426.40)	24,386.28
Finance costs	7	973.69	8.79	982.48
Total Expenses (IV)		**96,766.79**	**13,136.33**	**109,903.12**
V. Profit/(loss) before Tax		**18,492.64**	**(384.44)**	**18,108.20**
VI. Tax expense:				
1. Current Tax		6,267.45		6,267.45
2. Deferred Tax	8	117.46	(32.23)	85.23
VII. Profit for the year		**12,107.73**	**(352.21)**	**11,755.52**
VIII. Other comprehensive income				
A. Items that will not be reclassified to profit or loss	10	-	(0.49)	(0.49)
IX. Total comprehensive income for the year		**12,107.73**	**(352.70)**	**11,755.03**

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

Reconciliation of total equity as at March 31, 2017 and April 01, 2016

(₹ Lakhs)

Particulars	Notes to first time adoption	As at March 31, 2017	As at April 01, 2016
Total equity as per previous GAAP		**35,367.29**	**24,853.73**
Adjustment:			
Proposed dividend on equity shares reversed to retained earnings	2	-	2,386.57
Fair valuation of derivatives	7	(5.72)	121.85
Fair Valuation of investment	1	55.61	30.78
Deferred tax impact on above Ind AS adjustment	8	(4.32)	(45.65)
Total equity after Ind AS adjustments		**35,412.86**	**27,347.28**

(₹ Lakhs)

Particulars	Year ended March 31, 2017	Year ended March 31, 2017
Profit as per the previous GAAP		12,107.73
Adjustment:		
- Remeasurments of post-employment benefits obligations	34.44	
- Employee stock option expense recognised based on fair value method	(291.31)	
-Fair valuation of derivatives	(127.57)	
-Deferred Tax impact on account of above adjustments	32.23	
		(352.21)
Net Profit as per Ind AS		**11,755.52**
Other Comprehensive Income (OCI)		
- Remeasurments of post-employment benefits obligations	(34.44)	
-Deferred Tax Impact on above	11.92	
-Fair Valuation of investment	24.85	
-Deferred Tax Impact on above	(2.82)	
		(0.49)
Total Comprehensive Income for the year as per Ind AS		**11,755.03**

Reconciliation of statement of cash flow as on April 01, 2016

(₹ Lakhs)

Particulars	IGAAP	INDAS	Difference
Cash flow from operating activities #	11,782.96	13,665.02	(1,882.06)
Cash flow (used) in investing activities #	(327.14)	(2,209.20)	1,882.06
Cash flow (used) in financing activities	(7,874.80)	(7,874.80)	-
Net increase/(decrease) in cash and cash equivalents	**3,581.02**	**3,581.02**	**-**
Cash and Cash Equivalents at the beginning of the year	**15,229.39**	**15,229.39**	**-**
Cash and Cash Equivalents at the end of the year	**18,810.41**	**18,810.41**	**-**

Other bank balances have been regrouped from cash flow from operating activities to cash flow used in investing activities

Notes to first time adoption

Note 1: Fair valuation of investments

Under the previous GAAP, investments were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. Fair value changes with respect to investments in equity instruments designated as FVOCI have been recognised in FVOCI – Equity investments as at the date of transition and subsequently in the other comprehensive income for the year ended March 31, 2017. This increased FVOCI – Equity investments by ₹ 55.63 lakhs as at March 31, 2017 (April 1, 2016 - ₹ 30.78 lakhs).

Note 2: Proposed dividend

Under the previous GAAP, dividends proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events (upto March 31, 2016). Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend of ₹ 2,386.57 lakhs as at April 01, 2016 included under provisions has been reversed with corresponding adjustment to retained earnings. Consequently, the total equity increased by an equivalent amount.

Note 3: Excise duty

“Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented as part of expenses. This change has resulted in an increase in total revenue and total expenses for the year ended March 31, 2017 by ₹ 17,297.07 lakhs. There is no impact on the total equity and profit.

Note 4: Variable Consideration

Under previous GAAP, certain discounts and rebates paid to customers were recorded as part of expenses in the Statement of Profit and Loss. However, under Ind AS, these expenses are netted off against Revenue. This change has resulted in decrease in total revenue and total expenses for the year ended March 31, 2017 by ₹ 4,426.40 lakhs. There is no impact on the total equity and profit.

Note 5: Re-measurements of post-employment benefit obligations

Under Ind AS, re-measurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these re-measurements were forming part of the profit or loss for the year. As a result of this change, the profit for the year ended March 31, 2017 increased by ₹ 34.44 lakhs . There is no impact on the total equity as at March 31, 2017.

Note 6: Employee stock option expense

Under the previous GAAP, the cost of equity-settled employee share-based plan were recognised using the intrinsic value method. Under Ind AS, the cost of equity settled share-based plan is recognised based on the fair value of the options as at the grant date. Consequently, the amount recognised in share option outstanding account increased by ₹ 291.31 lakhs as at March 31, 2017 (April 01, 2016: ₹ 298.12 lakhs). There is no impact on total equity. Also corresponding increase in employee based payment expense by ₹ 291.31 lakhs for the year ended March 31, 2017 and ₹ 298.12 lakhs for the year ended March 31, 2016.

Note 7: Financial instruments- derivatives

Under the previous GAAP, forward contracts were accounted for as prescribed under AS 11 " The Effects of Changes in Foreign Exchange Rates", under which forward premium was amortised over the period of forward contract and forward contracts were restated at the closing spot exchange rate. Under Ind AS 109, all derivative financial instruments are to be marked to market and any resultant gain or loss is to be charged to the statement of profit and loss. Accordingly, the marked to market has been recognised and forward premium unamortised balance has been derecognised.

As a result of this adjustment, total equity as at March 31, 2017 decreased by ₹ 5.72 lakhs (April 01, 2016 increased by ₹ 121.85 lakhs). The profit for the year ended March 31, 2017 is lower by ₹ 127.59 lakhs.

Note 8: Deferred tax

Deferred taxes impact of the above adjustments, wherever applicable have been recognised on transition to Ind AS.

Note 9: Retained Earning

Retained earnings as at April 1, 2016 has been adjusted consequent to the above Ind AS transition adjustments

Note 10: Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes re-measurements of defined benefit plans, foreign exchange differences arising on translation of foreign operations or fair value gains/(losses) on FVOCI equity instruments. The concept of other comprehensive income did not exist under previous GAAP.

Note 11: Channel Financing Liabilities

The company offers its distributors a channel financing facility under which customer can discount bills drawn on them by the company using the company's line of credit. The interest will be borne by the distributors. This facility has 100% recourse to the company. Under previous GAAP, limits utilized against Guarantees issued by the Company to the banks under Channel financing program were disclosed as contingent liability. Under Ind AS, trade receivables should be derecognized only if it meets the de-recognition requirements of Ind AS. Accordingly, trade receivables have been increased by ₹ 732.05 lakhs (April 01, 2016: ₹ 1,099.70 lakhs) with corresponding increase of equal amount in other financial liabilities as at March 31, 2017.

Note 49 Expenditure towards Corporate Social Responsibility

Gross amount required to be spent by the Company during the year ended March 31, 2018 under section 135 of the Companies Act, 2013 is ₹ 303.08 Lakhs (March 31, 2017 ₹ 250.36 Lakhs) against which Company has actually spent ₹158.47 Lakhs during the year (March 31, 2017 ₹ 103.83 Lakhs) for purposes other than the construction/acquisition of any asset.

Note 50

Prior year comparatives have been reclassified to conform with the current year's presentation, wherever applicable.

For and on behalf of Board of Directors

In terms of our report attached
For **Price Waterhouse**
Chartered Accountants
Firm Registration Number: 301112E

Arunkumar Ramdas
Partner
Membership No. 112433

Manish K Gangwal
Chief Financial Officer

Ravi Chawla
Managing Director
DIN: 02808474

S.G. Hinduja
Chairman
DIN: 00291692

Place: Mumbai
Date: May 19, 2018

Vinayak Joshi
Company Secretary

Notice of 10th Annual General Meeting

NOTICE is hereby given that the 10th Annual General Meeting (AGM) of the members of Gulf Oil Lubricants India Limited (the Company) will be held on Monday, September 24, 2018 at 03.00 p.m. at Hall of Culture, Ground Floor, Nehru Centre, Worli, Mumbai- 400 018 ("Notice"), to transact the following businesses:

Ordinary Business:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2018 and the Reports of the Board of Directors and the Auditors thereon.

2. To declare dividend on equity shares for the financial year ended March 31, 2018.

3. To appoint a Director in place of Mr. Shom A. Hinduja (DIN: 07128441), who retires by rotation and being eligible, offers himself for re-appointment.

Special Business:

4. To consider and if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactments, thereof, for the time being in force), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of cost records of the Company for the financial year ended March 31, 2019, be paid the remuneration as set out in the Statement annexed to the Notice convening this 10th Annual General Meeting;

   FURTHER RESOLVED THAT the Board of Directors of the Company be and are hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By order of the Board of Directors

Vinayak Joshi
Company Secretary

Date: August 7, 2018
Place: Mumbai

Gulf Oil Lubricants India Limited
Registered Office:
IN Centre, 49/50, 12th Road
M.I.D.C., Andheri (East)
Mumbai 400 093, Maharashtra
Tel: +91-22-66487777;
Fax: +91-22-28248232
CIN: L23203MH2008PLC267060
Email: secretarial@gulfoil.co.in
www.gulfoilindia.com

Notes:

1. The Final Dividend of ₹ 6.50 per equity share (325% of the face value of 2/-per equity share) has been recommended by the Board of Directors for the year ended March 31, 2018, subject to approval of shareholders. Final Dividend, if approved at this Annual General Meeting (AGM), shall be paid within 30 days from the date of AGM.

2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

   A person can act as a proxy on behalf of not exceeding fifty members and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of total share capital of the Company carrying voting rights, may appoint a single person as a proxy and such person shall not act as a proxy for any other person or member.

3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

4. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Businesses to be transacted at the Meeting is annexed hereto.

5. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.

6. In case of joint holders attending the Meeting, only such

joint holder who is higher in the order of names will be entitled to vote.

7. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturday and Sunday, between 11.00 a.m. to 2.00 p.m. up to the date of the Meeting.

8. The Register of Members and share transfer books of the Company shall remain closed from Tuesday, September 18, 2018 to Monday, September 24, 2018 (Both days inclusive).

9. Final Dividend on Equity shares as recommended by the Board of Directors of the Company for the year ended March 31, 2018, if approved at the meeting, will be payable to those members who hold shares:

   a. In dematerialized mode, based on the beneficial ownership details to be received from National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at the close of business hours on September 17, 2018.

   b. In physical mode, if their names appear in the Register of Members of the Company after giving effect to all valid share transfers in physical form lodged with the Company and its Registrar and Share Transfer Agent before close of business hours on September 17, 2018.

10. In support of the "Green Initiative" announced by the Government of India, an electronic copy of the Annual Report and this Notice, inter alia indicating the process and manner of remote e-voting along with attendance slip and proxy form are being sent by e-mail to those Members whose e-mail addresses have been made available to the Company / Depository Participants unless the Member has requested for a hard copy of the same. For Members who have not registered their e-mail addresses, physical copies of this Notice inter-alia indicating the process and manner of remote e-voting along with attendance slip and proxy form, will be sent to them in the permitted mode. The Notice of 10th Annual General Meeting of the Company and copy of Annual Report 2017-18 are also available on the Company's website http://www.gulfoilindia.com

11. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices and Circulars etc., from the Company electronically.

12. The Company hereby request Members who have not updated their email IDs to update the same with their respective Depository Participant(s) or the Karvy Computershare Private Limited, Registrar and Transfer Agent (R&T) of the Company ("Karvy"). Further, Members holding shares in electronic mode also requested to ensure to keep their email addresses updated with the Depository Participants / R&T Agent of the Company. Members holding shares in physical mode are also requested to update their email addresses by writing to the R&T Agent of the Company quoting their folio number(s).

    KIND ATTENTION OF THE MEMBERS HOLDING SHARES IN PHYSICAL FORM

    SEBI HAS MANDATED SUBMISSION OF PERMANENT ACCOUNT NUMBER (PAN) BY EVERY PARTICIPANT IN THE SECURITIES MARKET. MEMBERS HOLDING SHARES IN ELECTRONIC FORM ARE, THEREFORE, REQUESTED TO SUBMIT THEIR PAN DETAILS TO THEIR DEPOSITORY PARTICIPANTS. MEMBERS HOLDING SHARES IN PHYSICAL FORM ARE REQUESTED TO SUBMIT THEIR PAN DETAILS TO THE COMPANY'S RTA.

    SECURITIES OF LISTED COMPANIES WOULD BE TRANSFERRED IN DEMATERIALISED FORM ONLY, EFFECTIVE FROM DECEMBER 5, 2018. IN VIEW OF THE SAME MEMBERS HOLDING SHARES IN PHYSICAL FORM ARE REQUESTED TO CONSIDER CONVERTING THEIR HOLDINGS TO DEMATERIALIZED FORM TO ELIMINATE ALL RISKS ASSOCIATED WITH PHYSICAL SHARES AND FOR EASE OF PORTFOLIO MANAGEMENT.

    MEMBERS CAN CONTACT THE COMPANY'S RTA FOR ASSISTANCE IN THIS REGARD AT FOLLOWING ADDRESS

    M/S KARVY COMPUTERSHARE PVT. LTD.
    UNIT : **GULF OIL LUBRICANTS INDIA LIMITED**
    KARVY SELENIUM TOWER B, PLOT 31-32,
    GACHIBOWLI, FINANCIAL DISTRICT, NANAKRAMGUDA,
    HYDERABAD - 500 032
    TOLL FREE NO.: 1800-3454-001
    EMAIL : EINWARD.RIS@KARVY.COM

13. A route map showing directions to reach the venue of the 10th AGM is given at the end of the Notice.

14. Additional information, pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, on Directors recommended by the Board for appointment / re-appointment at the Annual General Meeting is given at the end of the Notice.

15. Information and other instructions relating to e-voting are as under:

    Pursuant to the provisions of section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company has provided to its Members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The Members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ("remote e-voting").

a. The facility for voting through ballot paper shall be made available at the Meeting and the members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting through ballot paper.

b. The Members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.

c. The Company has engaged the services of Karvy Computershare Private Limited ("Karvy") as the Agency to provide e-voting facility.

d. The Board of Directors of the Company has appointed Mr. Adusumilli Ravi Shankar, Practicing Company Secretary (M. No: FCS 5335, CP No. 4318) as scrutinizer to scrutinize the ballot paper and remote e-voting process in a fair and transparent manner.

e. Voting rights shall be reckoned on the paid-up value of shares registered in the name of Member/ Beneficial owner (in case of electronic shareholding) as on the cut- off date i.e. Monday, September 17, 2018.

f. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. Monday, September 17, 2018 only shall be entitled to avail facility of remote e-voting.

g. Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. Monday, September 17, 2018, may obtain the User ID and password by sending email to Karvy at evoting@karvy.com or may call Karvy's toll free number 1-800-3454-001

h. The remote e-voting facility will be available during the following period:

   Commencement of remote e-voting: from 9.00 a.m. (IST) on Thursday, September 20, 2018.

   End of remote e-voting: upto 5.00 p.m. (IST) on Sunday, September 23, 2018

i. The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by Karvy upon expiry of the aforesaid period. The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting, will, not later than 48 hours of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The result declared along with the consolidated scrutinizer's report shall be placed on the website of the company www.gulfoilindia.com. The results shall be simultaneously communicated to the stock exchanges. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the Annual General Meeting i.e. September 24 , 2018.

j. Instructions and other information relating to remote e-voting:

   1.A. In case a member receives an e-mail from Karvy [for members whose e-mail addresses are registered with the Company /Depository Participant(s)]:

   (a) Launch internet browser by typing the URL: https:// evoting.karvy.com.

   (b) Enter the login credentials (i.e. User ID and password) which will be sent separately. The E-Voting Event Number + Folio No. or DP ID Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote. If required, please visit https://evoting.karvy.com or contact toll free number 1-800-3454-001 for your existing password.

   (c) After entering these details appropriately, click on "LOGIN".

   (d) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a- z), one numeric (0-9) and a special character (@, #, $, etc.). The system will prompt you to change your password and update your contact details like mobile number, email address, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

   (e) You need to login again with the new credentials.

   (f) On successful login, the system will prompt you to select the E-Voting Event Number for Gulf Oil Lubricants India Limited.

(g) On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/ AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/ AGAINST" taken together should not exceed your total shareholding as on the cut- off date. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.

(h) Members holding shares under multiple folios/ demat accounts shall choose the voting process separately for each of the folios / demat accounts.

(i) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.

(j) You may then cast your vote by selecting an appropriate option and click on "Submit".

(k) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify.

Once you confirm, you will not be allowed to modify your vote. During the voting period, members can login any number of times till they have voted on the Resolution(s).

(l) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/ Power of Attorney / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: mail@rsfcs.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name EVENT NO."

1.B. In case a member receives physical copy of the Notice by Post [for members whose e-mail addresses are not registered with the Company / Depository Participant(s)]:

a) User ID and initial password - These will be sent separately.

b) Please follow all steps from Sr. No. (a) to (l) as mentioned in (A) above, to cast your vote.

2. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently or cast the vote again.

3. In case of any query pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website https:// evoting.karvy.com.

The Company has provided an option to Members who do not have access to the e-voting facility, to cast their votes by way of a ballot at the Annual General Meeting.

Statement Pursuant to Section 102(1) of the Companies Act, 2013 ("The Act")

The following statements sets out all material facts relating to the Special business mentioned in the accompanying Notice:

Item No. 4:

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company.

The Board has approved the appointment of M/s Dhananjay V. Joshi & Associates, Cost Accountants (Firm Registration No.000030) to conduct audit of cost accounting records maintained by the Company for the year ending on March 31, 2019 at a remuneration of ₹ 2,75,000/- (Rupees Two Lakhs Seventy Five Thousands only) plus applicable Goods and Service Tax and out-of-pocket expenses if any, subject to the ratification of remuneration by the Members of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice, for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2019. None of the Directors/ Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice. The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Shareholders.

By order of the Board of Directors

Vinayak Joshi
Company Secretary

Date: August 7, 2018
Place: Mumbai

Gulf Oil Lubricants India Limited
Registered Office:
IN Centre, 49/50, 12th Road M.I.D.C., Andheri (East)
Mumbai 400 093, Maharashtra
Tel: +91-22-66487777; Fax: +91-22-28248232
CIN: L23203MH2008PLC267060
Email: secretarial@gulfoil.co.in
www.gulfoilindia.com

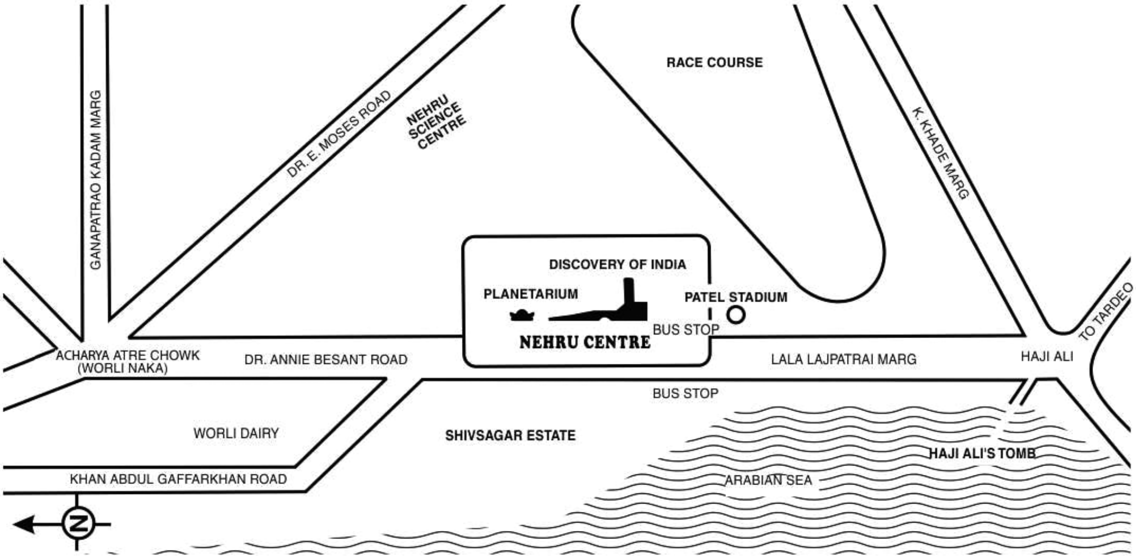
Information of Directors seeking appointment /re- appointment at ensuing 10th Annual General Meeting of the Company.

Mr. Shom A. Hinduja, (DIN: 07128441), age: 28 years is the President - Alternative Energy and Sustainability Initiatives at the Hinduja Group. He is architecting the group's foray into the alternative energy sector. His key function is to introduce the sustainability strategy for the group. Prior to joining the offices in Mumbai, Mr. Shom A. Hinduja, worked in the Financial Due Diligence practice at KPMG, New York, as part of the M&A team. He holds a B.A. in Sustainable Development and an M.S. in Sustainability Management from Columbia University, NY. Apart from being green at heart, he is a food enthusiast and a certified deep sea diver. He is not related to any Director except Mr. Sanjay G. Hinduja and does not hold any shares of the Company.

Name of the Director	Mr. Shom A. Hinduja
Date of Birth and Age	29 October 1990, 28 years
Date of Appointment	3 August 2016
Qualifications	B.A. in Sustainable Development and an M.S. in Sustainability Management from Columbia University, NY.
Expertise in Specific functional areas	Alternative Energy and Sustainability Initiatives at the Hinduja Group
Board Membership of other Companies as on 31 March 2018	1. Aasia Imports and Exports Pvt. Ltd.
	2. Hinduja Finance Ltd.
	3. Hinduja Renewables Pvt. Ltd.
	4. Aasia Enterprises LLP
	5. Impeccable Imagination LLP
	6. Tabula Rasha Music LLP
	7. Cyqurex Systems Private Limited
	8. Cyqurex Technologies Private Limited
	9. Cyqure India Private Limited
	10. Fonroche Saaras Energy Private Limited
Chairmanship(s)/ Membership(s) of Committees of other Companies as on 31 March 2018	–
For other details in respect of number of Board Meetings attended during the year and remuneration, refer the Report on Corporate Governance.	

Location Map for venue of 10th Annual General Meeting

Date: September 24, 2018
Time: 03.00 p.m.
Venue: Hall of Culture, Ground Floor, Nehru Centre, Worli, Mumbai- 400 018.



GULF OIL LUBRICANTS INDIA LIMITED

Quality Endurance Passion

Registered Office: IN Centre, 49/50, 12th Road, M.I.D.C., Andheri (East), Mumbai 400093

Tele: +91 22 66487777, **Fax:** +91 22 28248232, **Email:** secretarial@gulfoil.co.in, **Website:** www.gulfoilindia.com, **CIN:** L23203MH2008PLC267060

ADMISSION SLIP

10TH ANNUAL GENERAL MEETING ON MONDAY, SEPTEMBER 24, 2018

Registered Folio No. / DP ID & Client ID
Name and Address of the Member

Please complete this Attendance Slip and hand it over at the entrance of the meeting hall.

Joint holders

No of shares

I hereby record my presence at the 10th Annual General Meeting of the Company at Hall of Culture, Ground Floor, Nehru Centre, Worli, Mumbai – 400 018 at 3.00 p.m. on Monday, September 24, 2018.

Name of the shareholder/ proxy* : ....

Signature of the shareholder / proxy : ....

* Strikeout whichever is not applicable

ELECTRONIC VOTING PARTICULARS

EVEN (E-voting Event Number)	User ID	Password

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10TH ANNUAL GENERAL MEETING ON MONDAY, SEPTEMBER 24, 2018
PROXY FORM (FORM NO. MGT-11)

Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014

Name of the Member(s) :

Registered Address :

Folio No/Client ID, DPID :

I/we, being the member(s) of .... shares of above named Company, hereby appoint

1. Name ....
   Address ....
   Email id ....
   Signature .... , or failing him
2. Name ....
   Address ....
   Email id ....
   Signature .... , or failing him
3. Name ....
   Address ....
   Email id ....
   Signature ....

as my/our proxy to attend and vote(on a poll) for me/us and on my/our behalf at the 10th Annual General Meeting of the Company, to be held on Monday, September 24, 2018 at 3.00 p.m. at Hall of Culture, Ground Floor, Nehru Centre, Worli, Mumbai – 400 018 and at any adjournment thereof in respect of such resolutions, as are indicated below.

Signed this __________________ day of _____________2018

Affix Revenue Stamp of Re. 1/-

....
Signature of Member

....
Signature of Proxy holder(s)

Note: This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement.

Sr No.	Resolutions
Ordinary Business	
1	To receive, consider and adopt, the audited financial statements of the Company for the financial year ended March 31, 2018 and the Reports of the Board of Directors and the Auditors thereon.
2	To declare dividend on equity shares for the financial year ended March 31, 2018.
3	To appoint a Director in place of Mr. Shom A. Hinduja (DIN: 07128441), who retires by rotation and being eligible, offers himself for re-appointment.
Special Business	
4	To ratify the remuneration to the Cost Auditors for the FY 2018-19.

Corporate Information

(as on August 7, 2018)

Committees of the Board

Audit Committee

Kanchan Chitale
Chairperson

Sanjay G. Hinduja
Member

Ashok Kini
Member

Nomination and Remuneration Committee

Ashok Kini
Chairman

Sanjay G. Hinduja
Member

M. S. Ramachandran
Member

Stakeholders Relationship Committee

M. S. Ramachandran
Chairman

Sanjay G. Hinduja
Member

Ravi Chawla
Member

Corporate Social Responsibility Committee

Kanchan Chitale
Chairperson

Sanjay G. Hinduja
Member

Ravi Chawla
Member

Key Managerial Personnel

Ravi Chawla
Managing Director

Manish Kumar Gangwal
Chief Financial Officer

Vinayak Joshi
Company Secretary

Leadership Team

Nagendra Pai
Sr. Vice President – Channel Sales,
Marketing & Allied Business

Sunil S. Jambavdekar
Sr. Vice President – Supply Chain

Somesh Sabhani
Vice President – Industrial Sales

Nilesh Garg
Vice President – Channel Sales

Dipnarayan K Tiwari
Sr. General Manager – Infrastructure,
Mining & Fleet

Anand Sathaye
Sr. General Manager – HR & Administration

Swaminathan K.
General Manager - Technical Services

Anuradha Bose
Strategic - Brand & Marketing Officer

Shiva Raj Mehra
Head - Automotive,
OEM Business Operation

Auditors

M/s Price Waterhouse
Chartered Accountants
(Firm Reg. No. 301112E)

M/s Dhananjay V. Joshi & Associates
Cost Accountants (Cost Auditors)

M/s BS & Company Company
Secretaries LLP (Secretarial Auditor)

Bankers

ICICI Bank
Yes Bank
Kotak Mahindra Bank
Standard Chartered Bank
IDBI Bank
CITI Bank N.A.

Registrar and Share Transfer Agent

Karvy Computershare Private Limited,
Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial
District, Nanakramguda, Hyderabad - 500 032.
Toll Free No.: 1800-3454-001
Email: einward.ris@karvy.com

Registered Office & Corporate Office

IN Centre, 49/50, 12th Road,
M I D C Andheri (East), Mumbai - 400093.
Website: www.gulfoilindia.com
CIN: L23203MH2008PLC267060

Quality Endurance Passion

Gulf Oil Lubricants India Limited.

Registered and Corporate Office:
IN Centre, 49/50, M I D C, 12th Road,
Andheri (East), Mumbai – 400093, India.
CIN: L23203MH2008PLC267060

Email: info@gulfoil.co.in
www.gulfoilindia.com

/concept, content and design at AICL (hello@aicl.in)

HINDUJA GROUP