



Gulf Oil Lubricants India Limited

September 21, 2017

BSE Limited

Phiroze Jeejeebhoy Towers

Dalal Street

Mumbai- 400001

Tele.: 91-22-22721233/4, 91-22-66545695

Fax : 91-22-22721919

Email: corp.relations@bseindia.com

Scrip Code:538567

Scrip ID: GULFOILLUB

Dear Sir

Sub.: Annual Report for FY 2016-17

Ref.: - Regulation 34 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

In compliance with Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report of the Company for financial year 2016-17.

Request you to kindly take the same on record and acknowledge.

Thanking you

Yours faithfully

For Gulf Oil Lubricants India Limited


Vinayak Joshi
Company Secretary &
Compliance Officer

Encl.: as above

**Gulf Oil Lubricants India Limited
Registered & Corporate Office:**

IN Center, 49/50,
12th Road, M.I.D.C.,
Andheri (E)

Mumbai - 400 093, India

CIN: L23203MH2008PLC267060

Tel: +91 22 6648 7777

Fax: +91 22 2824 8232

Email: info@gulfoil.co.in

www.gulfoilindia.com



HINDUJA GROUP

THINK
ACT
MOVE **AHEAD**



Quality Endurance Passion



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Forward Looking Statements

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

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

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



THINK AHEAD ACT AHEAD MOVE AHEAD

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

- Shiv Khera

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

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

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

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



THINK AHEAD



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

– Henry Ford

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

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

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



ACT AHEAD



“THE SECRET OF GETTING AHEAD IS GETTING STARTED.”

– Mark Twain

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

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

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

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

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



MOVE AHEAD



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

- Arnold Schwarzenegger

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

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

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

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

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

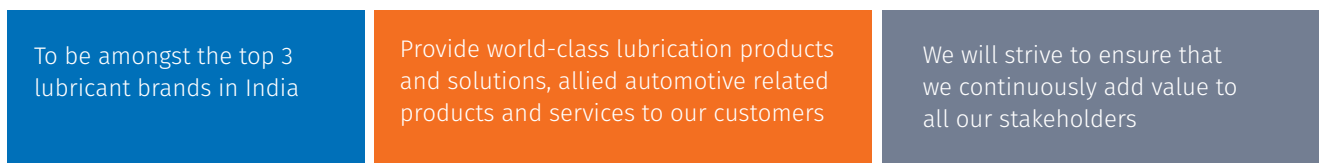


THE WORLD OF GULF OIL

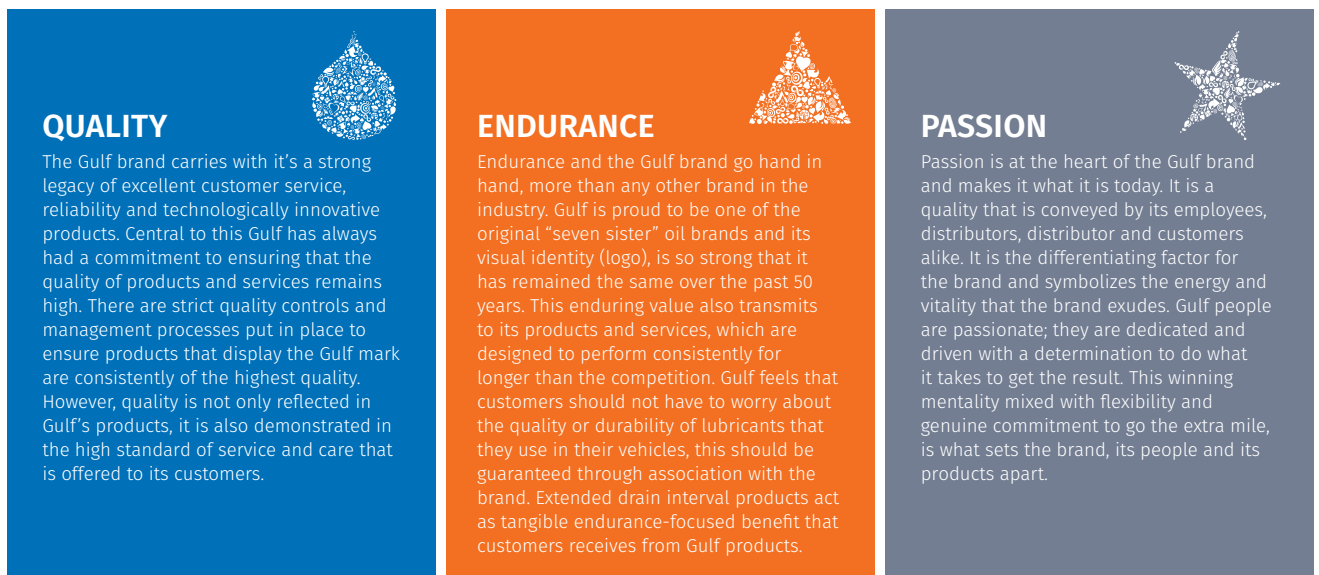
GULF OIL LUBRICANTS INDIA LIMITED IS ONE OF THE LEADING LUBRICANT BRANDS IN INDIA WITH SIGNIFICANT PRESENCE ACROSS AUTOMOTIVE AND INDUSTRIAL SEGMENTS. AS INDIA, THE 3RD LARGEST LUBE MARKET IN THE WORLD, CONTINUES TO BE THE FASTEST GROWING AMONGST MAJOR ECONOMIES, OUR GROWTH STORY CONTINUES THROUGH OUR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



OUR VISION



OUR CORE VALUES



OUR PRODUCT PORTFOLIO

Our key segments include high quality automotive lubricants such as diesel engine oils for commercial vehicles and tractors, two wheeler oils for motor cycles & scooters, passenger car motor oils, greases, gear oils, coolants, AdBlue solutions and a range of lubricants used in industrial applications, infrastructure, mining, fleet and marine applications.



MANUFACTURING & DISTRIBUTION ASSETS

CHANNEL NETWORK

300+

Auto Distributors

55,000+

Retailers

35

Depots



B2B INDUSTRIAL

200+

Direct Industries

50+

Industrial Distributors

10+

State Transport Undertakings

INFRASTRUCTURE, MINING & FLEET

350+

Customers

OUR KEY OEM TIE-UPS

 ASHOK LEYLAND			
 BHARATBENZ	 BAJAJ <i>Distinctly Ahead</i>	VOLVO PENTA	SWARAJ
 SCHWING Stetter	TOSHIBA	 WHITMORE	Mahindra Gujarat Tractor Limited

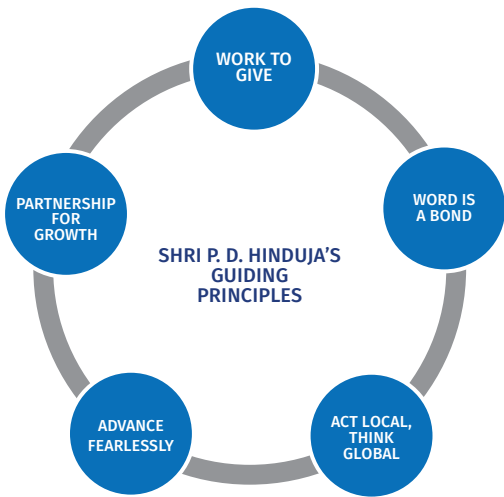
OUR PARENTAGE:

PROUD TO BE A PART OF THE WORLD RENOWNED HINDUJA GROUP



**“MY DHARMA (DUTY) IS TO WORK,
SO THAT I CAN GIVE”**

Shri Parmanand Deepchand Hinduja,
Founder, Hinduja Group



Shri P. D. Hinduja founded the Hinduja Group in 1914. The Group's guiding principles formed through his lifetime experience serves as the cultural cornerstone of its diversified businesses. It fosters the Group companies towards synergistic and creative partnership of professional management and entrepreneurship.

Gulf Oil is a part of the iconic Hinduja Group, which is one of the most diversified groups in the world, spanning across all the continents. The Group acquired Gulf from Chevron in the late 1980s and owns the rights of the brand worldwide, except Portugal, Spain & USA.



Being a multi-billion dollar transnational conglomerate, the Hinduja Group employs over 1,25,000 people worldwide across 38 countries. It has always adapted to free-market reforms, moving quickly into the new markets that have opened, and has capitalised on new economic opportunities. The Group companies are focused on delivering exceptional value banking on its 'human capital' strengths, collective ability to build industry and market leadership, and by remaining committed to its core principles. The Group cares about its people's aspiration and has created a healthy environment for its 'human capital' to realise its full potential.

MEDIA	HEALTHCARE	POWER
REAL ESTATE	HINDUJA GROUP'S BUSINESS INTERESTS	AUTOMOTIVE
PROJECT DEVELOPMENT		OIL & GAS
TRADING		BANKING & FINANCE

In 1944, the Hinduja Group began its charitable and philanthropic activities through the Hinduja Foundation. The foundation strives to bring transformation in the society through Healthcare, Education, Arts & Culture, Social Welfare and Sports.

KEY HIGHLIGHTS 2016-17

- ◆ Ashok Leyland continued to be Gulf's pillar of growth, with double digit volume gain in Dealership/ Franchisee Work Shop (FWS) segment
- ◆ Entered into a strategic OEM tie-up with Bajaj Auto Limited to manufacture and supply lubricants
- ◆ Continued focus on relationship with Mahindra & Swaraj Tractors through distribution expansion initiatives & BTL engagements
- ◆ Big focus on strengthening the reach of our distribution network by increasing the Retail Touch Points, Independent Work Shop channel (Bike Stops & Car Stops) and Rural distribution
- ◆ New recasted PCMO range launched, which gained more traction in the market, leveraged through Manchester United global association
- ◆ Introduced Gulf Unnati, an exclusive reward Loyalty Program, for our trade partners
- ◆ Extending the association with our brand ambassador M. S. Dhoni, your Company associated with the highly successful Bollywood feature film 'M. S. Dhoni – The Untold Story' with smart in-film & multiplex product & brand placement
- ◆ Successfully leveraged the association with IPL team Rising Pune Supergiant with a 360 degree campaigns targeting Retailers, Mechanics, Consumers, Using Social Media, Digital and an innovative concept of a FAN BUS
- ◆ For fuelling future growth, extensive training initiatives were undertaken by the human resources department. Gulf Oil Learning & Development (GOLD) program was launched globally
- ◆ Construction of Chennai Plant is on track with a capex of ₹ 75 Crore already incurred



FINANCIAL HIGHLIGHTS

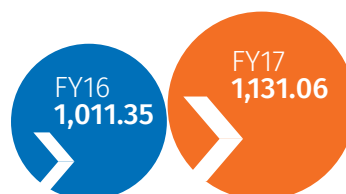
VOLUME

(in KKL)

Growth **11%**

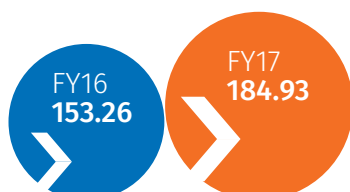
NET REVENUES

(₹ in Cr)

Growth **11.80%**

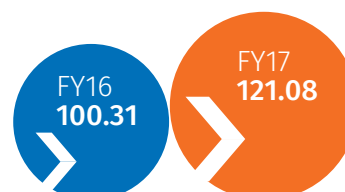
PBT

(₹ in Cr)

Growth **20.70%**

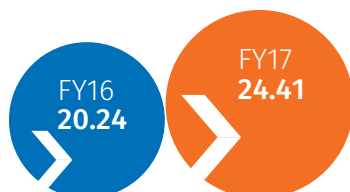
PAT

(₹ in Cr)

Growth **20.70%**

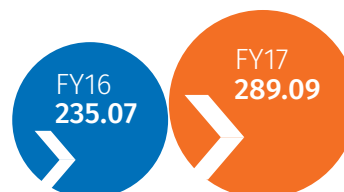
EPS (BASIC)

(in ₹)



CASH & BANK BALANCES

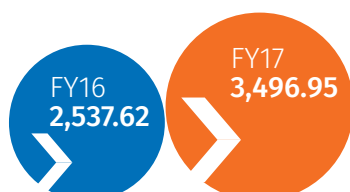
(₹ in Cr)



MARKET CAPITALISATION

AS ON 31ST MAR

(₹ in Cr)



CHAIRMAN'S COMMUNIQUÉ



Dear Shareholders,

The Indian economy continues to grow strongly and remains a bright spot in the global landscape. While the global GDP growth slipped to 3.1% in 2016, shedding 30 basis points over 2015; the Indian economy grew by 7.1% in the fiscal year 2016-17, in spite of demonetisation.

It's a matter of great pride and privilege for all of us to be a part of a promising 'India story' unfolding. Your Company has delivered yet another successful year in 2016-17 in terms of both financial and operational performance. With volumes reaching 84,000 KL in FY17, your Company is on course to be amongst the top three private sector lubricant players in India. During the year, your Company increased its market share across segments with a healthy improvement in product mix aiding a strong top-line and bottom-line growth. In FY17 the net revenue stood at ₹ 1,131 Crore, growing by 11.8% as compared to the previous year. The net profit reached ₹ 121 Crore, increasing by 20.7% as compared to FY16. The Company also continued to strengthen its balance sheet and financial position.

During the year, your Company disbursed an interim dividend of ₹ 3.50 per equity share (175% on face value of ₹ 2 per equity share) to reward the shareholders. Additionally, the Board has recommended a final dividend of ₹ 5 per equity share (250% on face value of ₹ 2 per equity share) aggregating to ₹ 8.50 per equity share (425% on face value of ₹ 2 per equity share) subject to your approval at the Annual General Meeting.

With the combined might of Gulf Oil's global and Indian assets and initiatives, brand 'Gulf' continues to raise its equity and acceptance across the length and breadth of the country, as evident from its steadily improving brand recall in the minds of Indian consumer. Your Company has successfully leveraged its global partnerships and associations in India. Be it the successful partnership with Manchester United or sponsorship of the World Superbike Championship Teams Aprilia Milwaukee and Alethea BMW, all the associations have enhanced Gulf Oil's brand visibility and consumer

engagements in India. In addition, your Company's India centric brand initiatives and campaigns featuring its brand ambassador M. S. Dhoni and sponsorship of IPL Team Rising Pune Supergiant further supported the brand enormously in last year.

Your Company worked closely with our OEM partners – Ashok Leyland, Mahindra and others to achieve significant growth in volumes and product usages. We also expanded our customer base in the Industrial, Infrastructure, Mining, Fleet and Marine segments and won many new marquee customers. Our Strategic OEM tie-up with Bajaj Auto Limited as announced last year, for the two wheeler segment was an important milestone for your Company. The growing number of OEM tie-ups reflect these companies' confidence in not only the Gulf brand, product technology and distribution prowess but also in your Company's ability to support their longer term growth journey in India and export markets. The thrust on R&D and innovation further helps your Company to offer differentiated value propositions and forge strategic partnerships with leading OEMs and technology providers.

Looking ahead, your Company, with a strong business model, is well placed to capture healthy growth in a market that is poised to witness steady growth. Stimulus from the Indian economy through Infrastructure growth projects, with activities like expansion, construction and modernisation of roadways, metro networks and ports through the Bharat Mala & Sagar Mala programmes, demonstrate confidence and positive sentiment towards the Indian economy. Huge focus on systematic growth in manufacturing through initiatives like 'Make in India', transition towards an organised, tax compliant, transparent and less cash dependent economy, smooth roll out of GST, implementation of BS IV emission norms and the resolve to adopt BS VI emission norms by 2020 amongst other things, augurs well for your Company's future growth in both Automotive and Industrial lubricant segments.

Your Company stands committed and well prepared to consistently deliver all round growth. Gulf Oil is well set to leverage the strong platform of superior product portfolio and

mix, efficient and growing distribution reach, strengthening brand appeal and enhanced manufacturing base in India.

Happy to share, your Company's new greenfield plant in south India, near Chennai, shall commence operations in the next few months. Additional capacity of about 40,000-50,000 MTPA from the new plant, with its ability to roll out value-added premium lubricants, positions your Company to meet its immediate and near term growth needs.

The management team and all employees of Gulf Oil India are fully geared up to achieve the next levels of performance. I congratulate and thank them for a commendable performance in FY17. In addition, I would like to thank all our distribution partners, OEM and B2B customers, our suppliers, financial institutions and bankers for their continued trust in us. Above all, I would like to, most sincerely, thank all you shareholders for your belief and confidence in our ability to create value.

Yours Sincerely,



Sanjay G Hinduja

Chairman

(DIN: 00291692)



MD'S SPEAK



1. How do you see the Company's performance in the year gone by?

In FY17, our net revenue grew by 11.8% to ₹ 1,131 Crore against FY16 due to healthy improvement in the overall product mix. During FY17, the EBITDA increased by 13.4% at ₹ 181.9 Crore. Our net profit grew by 20.7% at ₹ 121 Crore as against FY16. In spite of many challenges, we continued to grow faster than the market in all three key automotive segments of Commercial vehicles, Passenger Cars & Motorcycle Oils. In personal mobility segment, we experienced higher growth in Synthetic and Premium grades. In our B2B, OEM, Industrial & Infrastructure segment we grew double-digit as our strategies & focused execution paid off.

2. What is helping Gulf Oil deliver ahead of the market growth year-after-year?

Our carefully selected segment-wise approach has strongly positioned our brands, products and services. It has fortified our pure-play lubricant propositions. We have penetrated into new segments with our strategic OEM tie-ups. Our passionate teams have been delighting our customers with world-class lubrication products backed by our superior quality products with differentiated product offerings.

3. How do you see the lubricant industry shaping up for coming 2-3 years?

We expect the overall lubricant industry to grow by 2-3% as the automobile industry's growth continues and the demand in the medium term from each vehicle segment is catching up with global trends. Additionally, fuel economy is expected to be a key driver in determining future lubricant specifications. India's economy, currently is placed at an interesting cusp of rising disposable income, the Government's thrust on infrastructure development, implementation of GST, declining interest rates & inflation, strong rural demand, etc. would boost overall lubricant demand.

4. What steps are you undertaking to support Gulf Oil's growth in future?

As we are a global brand, our portfolio is ready to meet the requirements of BS VI emission norms. Our products have approvals from the leading global OEMs. We plan to increase exposure to the B2B segment for tapping the benefit from the reviving road construction, industrial & OEM activities. In order to sustain our growth momentum, our Chennai plant would help in increasing our capacity by 40,000 MTPA to 130,000 MTPA. Additionally, we plan to ramp up our retail presence rapidly in next two years. We will also continue our brand initiatives to leverage our global & India specific brand associations.

5. What would be your few strategic priorities for Gulf Oil going forward?

We look forward to forge more strategic tie-ups with Indian OEMs. Our association with the world of sports has been quite rewarding. We plan to leverage the interesting mix of football, motorsports and cricket partnerships for increasing our consumer engagement with the brand, creating new & exciting communication platforms to emphasise the customer value propositions. We strongly believe we can grow sustainably in future with our innovative and people-driven customer-centric initiatives.

BOARD OF DIRECTORS



Standing Left to Right :

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



CORPORATE INFORMATION

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

Satyabrata Das

Sr. Vice President – OEM Business
Operations

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

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
IDBI Bank
Kotak Mahindra Bank
Standard Chartered Bank
Yes Bank

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

OUR JOURNEY OF LONG DRAIN PROWESS 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.

2006

Launched Gulf Superfleet LE Max 15W-40
Co-branded Engine Oil with **36,000 km** Drain Interval. Extended to **40,000 km** drain interval in 2010

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 **100,000 km** drain interval

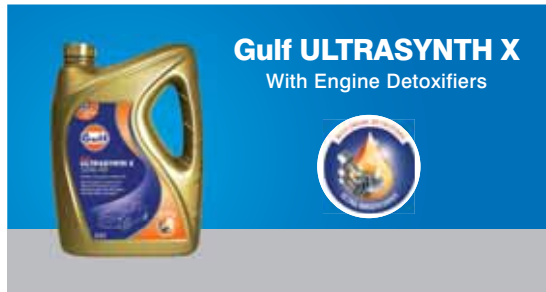


ASHOK LEYLAND



BRAND GULF'S LEGACY CONTINUES

CREATING A BUZZ



Launched diversified new products with varied value propositions

PARTNERING FOR GROWTH



Forayed into the two-wheeler segment with Bajaj Auto Limited. Mr. Ravi Chawla, Managing Director, Gulf Oil Lubricants India Limited & Mr. Eric Vas, President, Motorcycle Business, Bajaj Auto Limited pleasantly exchanging the contracts.

A GOOD STOP TO KICK-START



Empowering and engaging the independent workshop owners with the Bike Stops & Car Stops initiative

LOYAL IS INDEED ROYAL



Launch of All India Gulf Unnati Retailer Loyalty Program at New Delhi & Ghaziabad



Gulf
Unnati
Har Boondharaqi



DRIVEN BY SPEED & ENDURANCE



Celebrating 50 years of Gulf's global association with motorsports at Le Mans Endurance 2017 Endurance Race. A proud moment as Indian driver Karun Chandhok joins Gulf team, seen along with Mr. Frank Rutten, Gulf Oil International in the photo above

ADVENTURE IS LIFE



Conquering the mud with Gulf Monsoon Scooter Rally 2017, which garnered an amazing response from the scooter enthusiasts, as we notched up record entries this year



GOING THE EXTRA MILE



PROUD TO BE AN IPL 2017 FINALIST!



Successful 360° Campaign with IPL Team Rising Pune Supergiant - Gulf GO FAR HAR BAAR. A Fan Bus (photo above) keeping the fans engaged enroute to the stadium in Pune

GOAL MATTERS



Manchester United Football Club team launching new products and unveiling the new 'Gulf' Jersey

TRIP OF A LIFETIME



Mr. Sunil Gugale one of our top distributor - The lucky winner of our first global football promotion got an opportunity to travel to Ukraine to watch a Manchester United Match

CATCH THEM YOUNG



Dwight Yorke, Manchester United legend shares his experience with young Manchester United Fan Club members at Kolkata



ACCELERATION MATTERS



A Glimpse of Vento Cup 2016



LIFE@GULF

T.E.A.M. MEANS TOGETHER EVERYONE ACHIEVES MORE



Sharpening the 'human capital' through learning, development & team building


**POWER OF
SELF-BELIEF &
PASSION**



CEO'S DAY OUT



Top management team posing the 'Hai Dum' theme at All India Sales Conference, Goa



Gulf's brand ambassador M. S. Dhoni becomes CEO for 1 day on April 3, 2017



EXHIBITING STRENGTHS



Gulf participated in various leading industrial trade fairs during the year. Stall in Industrial Maintenance Expo, 2016 to showcase your Company's diversified product portfolio

GEARING FOR GROWTH



Our new plant near Chennai - Construction work is in progress and completion is expected in the current financial year



GOLIL honoured to feature in ET NOW's BSE Day - Trading bell ringing ceremony on December 27, 2016

BEING A GOOD SAMARITAN

We endorse the charitable and philanthropic virtues of the Hinduja Group. We live up to our Group's founder Shri. Parmanand Deepchand Hinduja's belief, 'My dharma (duty) is to work, so that I can give'. We attempt to make conscious and continual efforts to uplift marginalised sections of the society through numerous programs and projects. Our CSR activities are focused on providing medical, educational and other support to the communities.

PROTECTING OUR AMBASSADORS OF SAFETY



Hon'ble Minister Shri. Diwakar Raote, Ministry of Road transport at Helmets distribution and awareness program, Nagpur. We distributed 3,000 helmets to traffic police at multiple cities while promoting road safety campaign.



Traffic Police promoting the road safety drive

HEALTH ON WHEELS



Conducting free OPD session for the underprivileged through Mobile Medical Unit at Silvassa

NURTURING DREAMS



Providing educational support to children through Mukul Madhav Foundation

TECHNICALLY ASTUTE



Partnering with MITCON for conducting training, skill development workshops and certifying two-wheeler mechanics through Kushal Mechanic Program

RUN FOR HER



Renowned Actor Shabana Azmi and Mr. Ravi Chawla, MD Gulf Oil Lubricants India Limited flagging off 'Urban Feet', a marathon for promoting women's freedom and safety at public spaces

SOME WISHES DO COME TRUE



Undertaking community development activities for children through 'Make-A-Wish Foundation'

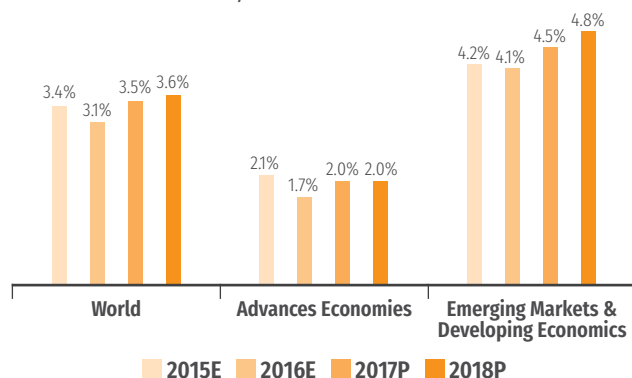
MANAGEMENT DISCUSSION AND ANALYSIS

1. ECONOMIC OVERVIEW

♦ Global Economic Overview

From 3.4% in 2015, the global economic growth is estimated to have come down to 3.1% in 2016. Thanks to the sustained improvement in activities, the second half of 2016, global growth forecast for 2017 and 2018 is pegged at 3.5% and 3.6% respectively, according to the World Economic Outlook, April 2017 released by the International Monetary Fund. The acceleration was visible among the advanced economies, especially in the United States, United Kingdom, Japan, Germany and Spain.

World Economic Growth, %



Source: World Economic Outlook, April 2017

Emerging Markets and Developing Economies (EMDE) once again demonstrated their resilience in recording a moderate 10 basis point drop by clocking a growth rate of 4.1% in 2016. The agreed restrictions on oil supply drove the recovery of global commodity prices from their troughs at the start of the year.

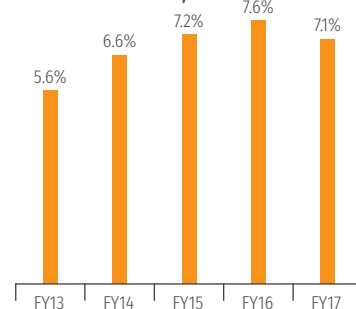
♦ Indian Economic Overview

Following an April-March financial year (FY), India continued to be topping the growth chart of major global economies. According to the estimates of country's Central Statistics Office, Indian economy recorded a GDP growth of 7.1% in FY17. But for the sobering effect of the monumental step of recalling high denomination currency (demonetisation) in the third quarter, the GDP growth could have been even higher. Agriculture sector was one of the key drivers of growth, aptly aided by a normal South West monsoon of 97% to Long Period Average which led to an all-time high food grain production of 272 million tonnes. The Government's thrust on infrastructure creation continued to grow the Gross Value Added (GVA) in the Construction Industry and its momentum is expected to accelerate in FY18.

With Consumer Price Inflation contained within the target range, Reserve Bank of India responded with a 50 basis point reduction in Repo Rate undertaken in two parts during the year. The structural strengthening of the economy reflected in a favourable exchange rate, strengthening the Rupee (INR) by 2.1% to US Dollar.

The country continued to march ahead on the path of policy reforms with passage of Insolvency and Bankruptcy Code (IBC), Real Estate Regulation Act (RERA) and the most significant tax reforms of all times, Goods and Services Tax (GST). The net impact of all these reforms is expected to become

India GDP Growth, %



Source: CSO

visible on the ground with a lag effect. The country is undergoing a steady transition towards an organised, tax compliant, transparent and less cash economy. There is an equal focus on rural economy and inclusion of the less privileged sections of the society, a factor that would make the economic growth distributed and sustainable over a longer period of time. The fiscal discipline, coupled with higher accrual of tax revenues should further strengthen the health of sovereign exchequer.

2. INDUSTRY OVERVIEW

India, the third largest lubricant market after the US & China, remains one of the fastest growing lubricant markets globally. The Indian lubricant market can be classified into three segments viz., automotive, industrial and process/white oils. Along with the long established dominance of national oil distribution behemoths, the Indian lubricant market comprises of more than 20 organised players including the MNCs and a few domestic companies.

The lubricant industry's prospects are directly linked with the overall economic growth of the country and that of its user segments such as automobile, chemicals, energy, railways, steel, industrial manufacturing, marine, etc. Over the past decades, the industry's growth has steadily been transitioning more towards value-led than volume-led. The untapped rural markets, rising consumer awareness and brand consciousness, evolving engine technology and focus on energy efficiency and meeting evolving environment norms are key drivers of the lubricants market in India.

The lubricant industry growth in 2016-17 is estimated to be positive at 2-3% in terms of overall volumes.

♦ Automotive Segment

Automotive lubricants command a lion's share in the Indian lubricant industry, with specialised applications for Commercial Vehicles, Passenger Vehicles, Tractors and Two-wheelers. Constituting a dominant 60% share, the Diesel Engine Oil segment leads the Indian automotive lubricant market, followed by Motor Cycle Oils (MCO) and Passenger Car Motor Oils (PCMO). The demand for automotive lubricants in the country is primarily dependent on the growth of vehicle population, which has continued to grow at a steady pace.

Domestic Automobile Sales: India

Category	Domestic Sales		
	April-March		
Segment/Sub-segment	2016-17	2015-16	% Change
Passenger Vehicles (PVs)	3,047,338	2,789,678	9.24%
Commercial Vehicles (CVs)	714,230	685,704	4.16%
Three Wheelers	511,512	538,092	(4.94)%
Two Wheelers	17,589,407	16,455,911	6.89%
Grand Total of All Categories	21,862,487	20,469,385	6.81%

Source: SIAM

Weathering the shock of demonetisation, the Indian automobile industry returned a healthy growth in FY17, riding on the improved consumer sentiments emanating from the benefits of Seventh Pay Commission, a good monsoon, lower cost of credit and fuel and a strong replacement demand in the aftermath of restrictions on diesel fueled cars. Recording an overall growth of 6.8% in FY17, the domestic vehicle sales volume reached 21.86 million vehicles, up from 20.47 million units in FY16.

At 9.2%, the highest growth was recorded in the passenger vehicles segment. Besides favourable macro-economic factors, a spate of new launches and tremendous growth in cab aggregator providers also contributed in this sharp growth. This growth in Passenger vehicle population is well reflected in growth of PCMO last year.

Two-wheeler, the traditional volume driver of the industry grew by 6.9% in FY17. Rural demand got dampened by demonetisation, leading to its below expectation growth. While motorcycles were severely impacted, the scooter segment registered a huge 11% growth. For the lubricant industry, two-wheeler oils registered a positive growth.

Commercial Vehicle segment grew positively at 4.1%. The growth was largely driven by light commercial vehicles (LCV) whereas medium and heavy commercial vehicles (MHCV) returned a muted growth after a record growth of about 30% in FY16.

The spell of good monsoon has always augured well for growth of tractor demand. With an estimated 18% volume growth, FY17 proved to be a year of bumper harvest for the Indian tractor industry. Tractor Manufacturers Association has estimated the tractor sales volume to be around 5,82,000 units in FY17.

Besides the overall growth in the sales of commercial vehicles, improved commercial vehicle movement at the back of pick up in construction and buoyant tractor sales led to a positive volume growth in DEO sales.

♦ Industrial Segment

Industrial automation remains the prime driver of growth for industrial lubricants. The ever-increasing focus on productivity enhancement in the manufacturing sector continues to lead the rise in demand of better maintenance lubricant products.

Industrial lubricants segment comprises of hydraulic fluids, metal working fluids, greases and industrial gear oil and find its application in construction industry, manufacturing, textile, power generation, mining, food processing, light heavy engineering, marine operations and metal working.

The demand for high performance lubricants in the industrial segment is driven by criticality of the application in which it is used such as compressors, textile machinery windmills, captive power plants and other such applications. The demand from power generation, automotive, infrastructure and construction sectors continues to lead the demand growth of industrial lubricants.

3. GULF OIL – THE YEAR IN BRIEF

Gulf Oil Lubricants India Limited (GOLIL) manufactures and markets a complete range of lubricants and oils for automotive and industrial applications. During FY17, the Indian lubricant industry grew by about 2-3% in terms of overall volumes, with a slightly higher growth in personal mobility segment. However, with its focused segment wise strategies, suitably backed by differentiated customer value propositions, superior services, OEM tie-ups, brand/distribution building initiatives, your Company has once again been able to consistently deliver overall volume growth of 11%, at a rate which is more than three times the industry growth rate.

AUTOMOTIVE SEGMENT

Automotive lubricants segment accounts for close to two-third of your Company's volumes. The Company distributes its range of automotive lubricants through various channels in the open market, namely Bazaar, which includes spare parts stores, exclusive lubricant stores, Independent Workshops/Garages, and OEM Franchise Workshops.

♦ Bazaar

Your Company is one of the key players in the open market (Bazaar channel) through the distributor channel. Last year, your Company continued its growth momentum in all the 3 key automotive segments of Commercial Vehicles, Passenger Cars & Motorcycle Oils. Your Company has a strong network of more than 55,000 retailers, 300 auto distributors and 30+ depots across India.

Personal Mobility Segment – Two Wheeler & Passenger Car Motor Oils

Personal Mobility Segment continued its growth momentum at the back of growing vehicle population of Passenger Cars and Two Wheelers, especially Scooters. Your Company also recorded a growth in the segment, and the Synthetic and Premium grades launched by your Company gained traction in the market.

Your Company engaged in a range of customised promotions aimed at various customer segments and geographies during the year. A host of innovative brand promotion campaigns and activities helped brand Gulf to be amongst the leading Lube brands in terms of brand visibility and recognition. Gulf's global association with Manchester United Football Club was leveraged in strengthening affiliation with the upwardly mobile youth as well as channel partners. As a result, your Company clocked a high double-digit growth in Gulf Branded Passenger Car Motor Oils volumes.

Your Company continued to invest in its clutter breaking television campaign 'Pick up your Ride' featuring M. S. Dhoni and his gang of bikers. This film that served the MCO category well for your Company was run both on Television & Digital Media during the year. Through its association with 'M. S. Dhoni – The Untold Story', your Company garnered good visibility with its smart in-film product and brand placement. Your Company's continued association with IPL franchise Rising Pune Supergiant team with an extensive 360 degree campaign was a big success across India.

The Company's mechanic engagement program, with the focus on incentivising range selling, yielded good results. The first phase of retail transformations in top 10 cities got completed, yielding significant jump to the brand visibility in the bazaar market. At the close of FY17, the Company's Gulf branded distribution assets included more than 6,000 bike stops, 850 car stops and 300 rural stockists.

Commercial Vehicle Oils

The year witnessed a 4.16% growth in sales of commercial vehicles. With the uptick in mining and infrastructure activities and the resultant movement in equipment led to an increase in consumption of Diesel Engine Oils (DEO). Your Company grew its DEO volumes by working together with its existing OEM tie-ups which resulted in a high single digit growth in OEM factory fill volumes and double digit growth in New Gen DEO. The Company carried out a slew of initiatives aimed at the channel partners and influencers of the CV segment.

♦ OEM Franchise Workshops

OEM Franchise Workshops is fast emerging as a strong business segment for your Company. In FY17, doubling the growth of last three years, it recorded a strong growth in the OEM dealership business across all product categories. Forging a new OEM tie-up with Bajaj Auto Limited for 2-Wheeler Oils helped augment this growth further in the later part of the year. Ashok Leyland dealership business continued to remain a strong pillar of growth in the segment.

INDUSTRIAL SEGMENT

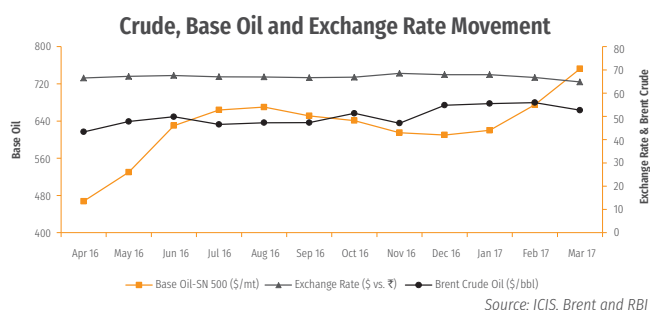
Your Company serves its industrial customers through direct B2B supplies and also through a dedicated distribution channel. The Company expanded its base of B2B customers during the year, resulting into higher sales of industrial lubricants. Sales through industrial distributor channel, which primarily serves the small and medium industries, recorded a very good growth during the year.

The Company's strategic tie-up with Whitmore had further helped widen the Company's customer base across construction, mining, steel, cement and power sector.

Infrastructure, Mining and Fleet continued to be a focus sub segment in the Company's B2B segment. In line with the uptick in country's infrastructural growth, the Company recorded a healthy growth in this segment.

Your Company also gained good traction in the Marine lubricants segments during the year.

♦ Impact of Crude Oil and Foreign Exchange



Crude Oil prices saw an upsurge from FY16 levels to end FY17 at above \$50 per barrel. This upward trend resulted in an increase in Base Oil prices, with a lag, throughout the year. Base Oil is a significant raw material for Lubricants. Additives on the other hand, which constitute 30-35% of Raw Material Cost, also saw an increase in later half of the year. The Industry as well as your Company had to respond to these market dynamics by taking price hikes in order to pass on the rising input costs to the consumers in later part of the year. Increase in raw material cost was partially offset by the Indian Rupee appreciation.

♦ Demonetisation

Other than factory fill, OEM franchisee and B2B distribution, most of the retail distribution of lubricants including the Bazaar channel used to witness a significantly higher portion of cash transactions. The sudden nationwide recall of currency notes of higher denomination created a major cash crunch in the third quarter of the financial year 2016-17. Faced with severe scarcity of cash, consumers curtailed all the discretionary expenditure as the essential purchases of household items gained prominence. Consequently, the entire lubricant industry got impacted in the third quarter and partially in the fourth quarter by this temporary speed breaker called demonetisation.

Company's sales too were adversely impacted during this phase and recovered slowly towards the end of the financial year 2016-17.

Key growth and brand building initiatives during FY17

- Ashok Leyland continued to be Gulf's pillar of growth, with double digit volume gain in Dealership/Franchisee Work Shop (FWS) segment
- Entered into a strategic OEM tie-up with Bajaj Auto Limited to manufacture and supply lubricants

- Continued focus on relationship with Mahindra & Swaraj Tractors through distribution expansion initiatives & BTL engagements
- Big focus on strengthening the reach of our distribution network by increasing the Retail Touch Points, Independent Work Shop channel (Bike Stops & Car Stops) and Rural distribution
- New recasted PCMO range launched, which gained more traction in the market, leveraged through Manchester United global association
- Introduced Gulf Unnati, an exclusive reward Loyalty Program, for our trade partners
- Extending the association with our brand ambassador M. S. Dhoni, your Company associated with the highly successful Bollywood feature film 'M. S. Dhoni – The Untold Story' with smart in-film & multiplex product & brand placement
- Successfully leveraged the association with IPL team Rising Pune Supergiant with a 360 degree campaigns targeting Retailers, Mechanics, Consumers, Using Social Media, Digital and an innovative concept of a FAN BUS
- For fuelling future growth, extensive training initiatives were undertaken by the human resources department. Gulf Oil Learning & Development (GOLD) program was launched globally
- Construction of Chennai Plant is on track with a capex of ₹ 75 Crores already incurred

Manufacturing Plant

♦ Silvassa Plant

Your Company has a world-class blending plant with a capacity of 90,000 MTPA, located in Silvassa. It is equipped with the latest PLC-controlled blending facilities and also houses a Quality Control laboratory. It has ISO 9001:2015 & Technical Specification ISO/TS 16949:2009 certification for Quality Management System and ISO 14001:2004 certification for Environmental Management System.

The Quality Control Lab at Silvassa supports Indian as well as worldwide operations. The Lab is fully equipped with the latest instruments and is manned by highly skilled technicians for testing a wide range of products. These tests are carried out as per the guidelines of Bureau of Indian Standards (B.I.S.), American Society for Testing and Materials (A.S.T.M.) and other Global Standards.

♦ Chennai Green Field Project Updates

During the year, your Company started the construction of its second plant at Ennore (Chennai). Envisaged to have a capacity of 40,000 to 50,000 MTPA, the plant will have the most modern blending, filling, material movement, material storage and retrieval systems along with an international standard safety practices, a high-tech fire-fighting and disaster management system. The plant will have a high degree of environment-friendly design with 100% provision for solar power, rain-water harvesting, and natural lighting throughout the day and natural air circulation. The main structural works for Pre-Engineered Buildings has been completed, and sheeting and floor concreting works are in progress. Besides, MS storage tanks fabrication work is also going on. The fire hydrant system work has already started. The equipment foundation work for installation of Plant & Machinery is in advanced stage of completion. Your Company aims to start the commercial production from third quarter of FY18. This will strengthen your Company's presence in South India.

4. OPPORTUNITIES, THREATS & OUTLOOK

Opportunity

- Steady increase in number of automobiles shall continue to drive growth of the Company's automotive lubricants segment
- The Company is closely working with OEMs to meet the future needs such as new emission norms, increased demand for fuel efficiency, evolving technology & consumer needs
- Increasing rural penetration of automobiles offers significant and steady growth opportunity to the Company
- Growth opportunity in the Passenger Car & Tractor segments where the Company has a relatively lower market share
- Growing brand strength provides an opportunity to your Company to increase the thrust on distribution across categories pan India

Threats

- Aggressive pricing and discount strategies from the competitors may affect the Company whereas the intense competition is expected to continue in the sector
- Rising cost of the raw materials may affect the margins of the Company
- Forex volatility and fluctuations in oil prices may also impact the industry as well as the Company

Outlook

Your Company is fully geared up to tap these opportunities with well-defined strategies and thus expects to continue to outperform the industry growth by at least two to three times. Your Company will continue to further strengthen its strategies around segment-wise focus, investments in the brand and take initiatives to increase distribution reach and retain/acquire OEMs & other B2B customers.

Personal Mobility Segment – Two Wheeler & Passenger Car Motor Oils

The growth in two wheeler vehicle population is expected to continue in FY18. This, along with expansion of gearless scooter market, rapid shift to synthetic & semi-synthetic grades and increasing penetration in rural segment are the major growth drivers for demand in Personal Mobility Segment lubricants. Your Company will continue to focus on increasing its market share in consumer lubricant space of PCMOs & MCOs.

Commercial Vehicle Oils (Diesel Engine Oils)

Your Company is bullish on the demand of lubricant for Tractor, MHCV, LCV & construction equipment segment as the government is continuously focusing on increasing the investment in infrastructure sector. Increase in government's investments in Infrastructure & economic growth augurs well for growth of DEOs across segments. Your Company is well poised to grow in the Bazaar Channel & OEM related consumer/distributor channels.

Industrial Segment

The Central Government's initiative, 'Make in India', is driving the growth in the manufacturing sector across auto component, machinery manufacturing, power equipment, etc. Manufacturing foray of Global OEMs in India for catering the domestic and international market will add fuel to the growth in the near future.

Impact of GST

The nationwide rollout of GST from July 1, 2017 is expected to consume additional management bandwidth of Indian businesses towards aligning with the new tax regime. Resultant changes in the effective tax rates are likely to spur a drive of inventory liquidation towards the end of the first quarter, whereas the replenishment of inventory positions to the pre-GST levels is likely to happen at a slower pace. The Company is likely to benefit from the implementation of GST as the effective tax rates and

consequently the consumer prices are expected to come down, thereby creating a favourable opportunity for premium superior grade products. The impact of GST, like demonetisation from previous year, is expected to be fairly temporary with the overall impact being positive in the longer run.

GST's impact on the automobile industry too is likely to be positive, which can further add to the Industry's accelerated pace of growth across all vehicle classes. The expected good spell of monsoon this year with an even distribution across geographies augurs well for rural income. A slew of government initiatives including the increasing budgetary support towards rural economy shall add to rural demand for two-wheelers and agricultural equipment including tractors.

The implementation of 7th pay commission coupled with accompanying disbursement of arrears, softening interest rates and a slew of new launches in personal mobility segment shall add fillip to automobile sales.

The Government's infrastructure program shall augur well for construction equipment sector. Various support policies under Make in India mission program e.g. steel and defence sector shall accelerate investment in industrial assets and activities. The resultant positive of GST for the logistics sector shall mark a new phase of investments for enhancing fleets.

In the light of all these supporting factors, the outlook for automotive as well as industrial lubricants appears positive in FY18. The Company's continued investment in market development and expansion by way of its range, reach and connect should continue to yield good results in FY18.

5. RISK MANAGEMENT AND CONCERNS

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

Your Company has put in place a comprehensive Risk Management Policy, which is framed around a common as well

as industry specific understanding of various type of risks - Corporate Risk (Strategic and Residual Risk), Operational Risk (specific Business and Functional, risks including Economic, Market risks) Financial, Human resources, Legal and Compliance Risks, etc. Your Company has documented key identified risks in all of these and also put in place an effective Mitigation plan for the same. In order to ensure a widespread understanding, board members and all operational/business unit heads and managers are made familiar with and all staff aware of, the principles of Risk Management Policy and framework.

Your Company continued with the key risk mitigation actions identified in earlier years like putting in additional resources for recently launched PCMO range including synthetic oils, widening its distribution base to reach to more consumers on the back of improving brand recall, etc. Getting new OEMs and maintaining existing OEMs in a more structured is one of the key factors to success and this continues to be a focus area for your Company.

Your Company follows a structured forex hedging policy as per 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 to mitigate its compliance risk more effectively.

6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company's internal Control System has been designed to provide for accurate recording of transactions with internal checks and prompt reporting, adherence to applicable Accounting Standards and Policies, Compliance with applicable statutes, policies and procedures, guidelines, and authorisations.

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

Your Company through its own Internal Audit department carries out periodic audits at all locations and functions based on the plan approved by the Audit Committee and brings out any deviation to 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 are submitted to the audit committee every quarter for its review and concerns, if any, are reported to the Board.

7. HUMAN CAPITAL, AWARDS AND RECOGNITION

♦ Salient features of 'human capital' strategy

- i. Attract Talent
- ii. Instill Leadership
- iii. Develop a Culture
- iv. Drive the Organisation Ahead

Your Company places highest importance in 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 the programs to promote various initiatives including awareness of 'The Prevention of Sexual Harassment at Work Place Policy'. There has been no complaint of the sexual harassment at workplace in FY17. Your Company also consciously develops gender diversity through its campus relationship program. It takes pride to have complied with all the legal requirements. The continuous process of audits & gap analysis helps your Company to have better compliance.

It keeps its 'human capital' engaged with regular communication through town hall, various media such as e-mailers and CSR initiatives. The employee intranet portal has helped build an excellent work culture and a spirit of teamwork.

♦ Rewards & Recognition

Your Company drives various Rewards & Recognition Programs. The human capital's extraordinary efforts are recognised and appreciated through various rewards and recognition aimed at boosting their morale. In FY17, total 100 employees were honoured under the 'Long Service Award Programme' for their loyalty and dedication towards the Company.

♦ 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 Policy and an optional Top Up cover of Employees, their families and parents. The term insurance & personal accident cover also continues to be in place.

♦ Capability Building

Employee capability enhancement is of great importance to the Company. Launch of "GOLD" Academy (Gulf Oil Training & Development Academy) has helped to deliver the capability development initiatives with the blended approach.

Functional competencies are defined for all the roles of the organisation & integrated with various other HR processes. Specific capability development programs are also designed & implemented with the help of this competency framework.

Your Company continues to implement 'New Ways of Working' which helped the sales organisation and the channel partners to have a better alignment and process. Development of the internal trainers has also been the focus. The new ways of working modules have been successfully driven by such internal trainers.

Total 2700+ man-days were clocked during the year for training. Specific post-programme initiatives are planned so as to sustain the capability building initiatives.

Your Company plans to enhance its productivity across the Organisation through its new performance management system "ASPIRE" (Align: Strive: Perform: Inspire: Reward: Enable) to drive the required business growth.

♦ Employee Stock option Scheme (GOLIL ESOP 2015)

Your Company believes that equity based compensation schemes is an effective tool to motivate and reward the employees. It creates employee ownership, attract new talents and retain the key resources in the organisation. It offers significant benefits to the present and future employees. In view of the above, the Company has instituted the 'Gulf Oil Lubricants India Limited Employee Stock Option Scheme 2015' for its eligible employees last year. The Company has granted options as per the following vesting schedule –

Completion of Tenure	Total grant of the eligible employees
1 Year	10%
2 Years	15%
3 Years	15%
4 Years	60%

The options granted under the scheme shall vest 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 Plant remained cordial. This has helped to build a healthy relationship and resolve issues through mutual dialogue. The regular communication with the plant employees helps to create excellent team work & work culture.

♦ Awards and Accolades

- One of the first Companies to adopt the new Quality Management System from ISO 9001:2008 to ISO 9001:2015
- Featured in D&B Top 500 Company List in 2017

Your Company's total 'human capital' strength comprised of 475 passionate resources for FY17.

8. FINANCIAL PERFORMANCE

Key Highlights:

- Revenue (Net) grew by 11.8 % to reach ₹ 1,13,106 Lakhs, up from ₹ 1,01,135 Lakhs in FY16
- EBITDA reached ₹ 18,194 Lakhs, recording a growth of 13.4 % over ₹ 16,042 Lakhs in the previous year
- PAT grew by 20.7% to reach ₹ 12,108 Lakhs from ₹ 10,031 Lakhs in FY16
- Final Dividend of ₹ 5 per equity share recommended for shareholders' approval, over and above the already paid interim dividend of ₹ 3.50 per equity shares

(₹ Lakhs)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Growth %
Revenue (Net)	1,13,106	1,01,135	11.80%
EBITDA	18,194	16,042	13.40%
PBT	18,493	15,326	20.70%
PAT	12,108	10,031	20.70%
EPS (Basic) FV- ₹ 2 per equity share	24.41	20.24	

♦ Revenues

Revenue (Net) grew to ₹ 1,13,106 Lakhs from ₹ 1,01,135 Lakhs in FY16. A double-digit growth in overall Revenues was well supported by volume and revenue growth across all key segments.

♦ Breakup of various cost items as a % of Revenue (Net)

Particulars	Year ended March 31, 2017		Year ended March 31, 2016	
	₹ Lakhs	%	₹ Lakhs	%
Revenue (Net)	1,13,106	100%	1,01,135	100%
Cost of goods sold	59,434	52.50%	55,090	54.50%
Employee Benefit Expenses	6,821	6.00%	5,744	5.70%
Manufacturing & Other Expenses	28,813	25.50%	24,385	24.10%
Total Expenses	95,068	84.00%	85,219	84.30%
Other Income	2,154	1.90%	1,793	1.80%
Reported EBITDA	20,192	17.90%	17,709	17.50%
Operational EBITDA	18,194	16.10%	16,042	15.80%
Finance Costs	974	0.90%	1,779	1.80%
Depreciation/Amortisation	725	0.60%	604	0.60%
PBT (Profit before Tax)	18,493	16.40%	15,326	15.10%
Tax Expenses	6,385	5.70%	5,295	5.20%
PAT (Profit after Tax)	12,108	10.70%	10,031	9.90%

♦ **Cost of goods sold**

Cost of goods sold increased by 7.9% to ₹ 59,434 Lakhs, up from ₹ 55,090 Lakhs in FY16 in line with volume growth. Cost of goods sold as a percentage to Net Revenue has decreased from 54.5% to 52.5% on account of continuous margin management efforts.

♦ **Manufacturing and other expenses**

Manufacturing & other expenses increased by 18.2% to ₹ 28,813 Lakhs in FY17 from ₹ 24,385 Lakhs in FY16. Increase is mainly on account of increase in Advertising and Sales Promotion by ₹ 555 Lakhs, increase in Selling and Marketing Expenses by ₹ 2,285 Lakhs, increase in Royalty by ₹ 263 Lakhs and increase in freight & forwarding expenses by ₹ 627 Lakhs, which is in line with increase in volume/value additions.

♦ **Employee Benefit Expenses**

Employee Benefit Expenses increased by 18.8% to ₹ 6,821 Lakhs mainly on account of increase in head count, usual increments resulting in increase in payroll cost by ₹ 985 Lakhs.

♦ **Finance Costs**

Finance costs decreased significantly to ₹ 974 Lakhs in FY17 from ₹ 1,779 Lakhs in FY16 mainly due to net loss on foreign currency transactions and translations of ₹ 734 Lakhs accounted in FY16.

♦ **Depreciation/Amortisation charge**

Depreciation/amortisation charges increased to ₹ 725 Lakhs in FY17 from ₹ 604 Lakhs in FY16 mainly on account of additions to fixed asset during the current year ended March 31, 2017.

BALANCE SHEET

(₹ Lakhs)			
Particulars	As at 31.03.17	As at 31.03.16	Change
Sources of Funds			
Share Holder's funds/ Net Worth	35,367	24,854	10,513
Non-current liabilities	873	639	234
Current liabilities (including Short Term Borrowings)	36,887	39,366	(2,479)
Total	73,127	64,859	8,268
Application of Funds			
Fixed Assets	14,716	10,883	3,833
Other Non-current assets	1,599	1,175	424
Cash and Bank balances	28,909	23,506	5,403
Current assets	27,903	29,295	(1,392)
Total	73,127	64,859	8,268

♦ **Capital Employed**

During FY17, capital employed increased from ₹ 64,859 Lakhs in FY16 to ₹ 73,127 Lakhs mainly due to increase in Fixed Assets by ₹ 3,833 Lakhs on account of capex spent at upcoming plant at Chennai and also increase in Cash and Bank balances by ₹ 5,403 Lakhs.

♦ **Net Worth**

Net Worth at the end of FY17 increased by ₹ 10,513 Lakhs to ₹ 35,367 Lakhs from ₹ 24,854 Lakhs as at FY16.

The increase in Share Capital by ₹ 1 Lakh in FY17 at ₹ 993 Lakhs from ₹ 992 Lakhs as at FY16 is mainly due to issue of 61,300 equity shares under equity stock options. The Reserves and Surplus of your Company has increased by ₹ 10,512 Lakhs in FY17 at ₹ 34,375 Lakhs from ₹ 23,863 Lakhs as at FY16.

♦ **Non-Current Liabilities**

Non-Current liabilities at the end of FY17 marginally increased by ₹ 234 Lakhs to ₹ 873 Lakhs from ₹ 639 Lakhs as at FY16.

♦ **Current Liabilities (including Short Term Borrowings)**

Trade payables have increased by ₹ 341 Lakhs to ₹ 13,401 Lakhs in FY17 from ₹ 13,060 Lakhs in FY16.

Short term borrowings were down by ₹ 1,623 Lakhs at the end of FY17 at ₹ 17,849 Lakhs over previous year of ₹ 19,472 Lakhs.

The Company has net cash (net of short term debts) of ₹ 11,060 Lakhs as at March 31, 2017 as against net cash balance of ₹ 4,034 Lakhs as of March 31, 2016. This demonstrates that the Company is Net Debt free as at March 31, 2017.

Short Term provisions decreased by ₹ 2,266 Lakhs mainly on account of proposed dividend & Dividend tax of ₹ 2,387 Lakhs accounted during FY16, increase in provision for employee benefits of ₹ 9 Lakhs and increase in Income Tax provision of ₹ 112 Lakhs.

♦ **Fixed Assets**

Net block of fixed assets (including CWIP) increased by ₹ 3,833 Lakhs to ₹ 14,716 Lakhs in FY17 from ₹ 10,883 Lakhs in FY16, mainly on account of capex spent at upcoming plant at Chennai and also few assets capitalised at Silvassa factory as a regular capex plan.

♦ **Other Non-Current Assets**

Other Non-Current Assets at the end of FY17 marginally increased by ₹ 424 Lakhs to ₹ 1,599 Lakhs from ₹ 1,175 Lakhs at the end of FY16. Increase is partly on account of additional non-current investments of ₹ 2 Lakhs.

♦ **Cash and Bank Balances**

Cash and Bank Balances increased significantly by ₹ 5,403 Lakhs and stood at ₹ 28,909 Lakhs at the end of FY17 as compared to ₹ 23,506 Lakhs at the end of FY16.

♦ **Current Assets**

The overall inventory decreased by ₹ 696 Lakhs to ₹ 14,993 Lakhs in FY17 from ₹ 15,689 Lakhs in FY16.

Trade Receivables marginally decreased by ₹ 413 Lakhs from ₹ 10,643 Lakhs in FY16 to ₹ 10,230 Lakhs in FY17.

♦ **Liquidity**

We broadly define liquidity as our ability to generate sufficient funds from both internal and external sources to meet our obligations and commitments. Our primary liquidity requirements have been to finance our working capital requirements for our

operations and for capital expenditures and investments. We have financed our capital requirements primarily through funds generated from our operations.

♦ **Cash Flows**

The table below summarises our cash flow for the periods indicated: (Please refer cash flow statement for more details)

	(₹ Lakhs)	
Particulars	March 31, 2017	March 31, 2016
Net cash generated from operating activities	14,403	11,783
Net cash used in investing activities	(2,062)	(327)
Net cash used in financing activities	(5,865)	(7,875)
Net change in Cash and Cash Equivalents	6,476	3,581

BOARD'S REPORT

Your Directors are pleased to present the 9th Annual Report and Audited Accounts for the financial year ended March 31, 2017.

1. FINANCIAL RESULTS:

	₹ Lakhs	
Particulars	For the Year ended 31.03.2017	For the Year ended 31.03.2016
Revenue from Operations (Net)	113,105.67	101,135.42
Profit before finance cost, depreciation & tax	20,191.37	17,709.33
Less: Finance Cost	973.69	1,778.92
Profit before depreciation & tax	19,217.68	15,930.41
Less: Depreciation/Amortization	725.04	604.15
Profit Before Taxation	18,492.64	15,326.26
Taxation:		
Current Tax	6,267.46	5,224.27
Deferred Tax	117.45	70.52
Profit After Taxation	12,107.73	10,031.47
Balance brought forward from previous year	8,967.92	3,862.94
Balance available for appropriation	21,075.65	13,894.41
Appropriations:		
Interim Dividend paid on Equity Shares for the year	1,736.81	1,487.17
Dividend distribution Tax on Interim Dividend	353.57	302.75
Proposed Final Dividend on Equity Shares for the year	----	1,982.90
Dividend distribution Tax on Final Dividend	----	403.67
Final Dividend on shares issued under employee stock option scheme	1.47	----
Dividend distribution Tax on Final Dividend on shares issued under employee stock option scheme	0.30	----
Transfer to General Reserve	900.00	750.00
Balance Carried to Balance Sheet	18,083.50	8,967.92

PERFORMANCE HIGHLIGHTS:

The Company has continued its growth trajectory by outperforming the industry and has delivered a Net Revenue growth of 11.8%, EBITDA growth of 13.4%, PBT growth of 20.7% and PAT growth of 20.7% for the year over the last financial year.

Net revenues for the year 2016-17 was ₹ 113,105.67 lakhs (Previous year ₹ 101,135.42 lakhs), Profit before tax for the year 2016-17 was ₹ 18,492.64 lakhs (Previous year ₹ 15,326.26 lakhs). EBITDA has shown healthy growth of 13.4% YOY with EBITDA margins at 16.1% an improvement of 22 bps for the year over previous year.

Profit after tax for the year was ₹ 12,107.73 lakhs (Previous year ₹ 10,031.47 lakhs) resulting in an Earnings Per Share (Basic) of ₹ 24.41 (Previous year ₹ 20.24). During the year under review, there was no change in the nature of business.

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

2. DIVIDEND:

During the year, the Board of Director 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/upload/pdf/dividend-distribution-policy17.pdf>.

In line with the Policy, the Board has recommended a final dividend of ₹ 5/- per equity share (250% on the Face Value of ₹ 2/- per share) for the year 2016-17. The final dividend of ₹ 2,481.69 lakhs, if approved by the Shareholders at the ensuing Annual General Meeting, will be paid out of the profits for the current year to all the Shareholders of the Company whose names appear on the Register of Members as on the date of the Book Closure. The Board at their meeting held on February 3, 2017, declared an Interim Dividend of ₹ 3.50 per share i.e. 175% of the Face Value of ₹ 2/- per share. The said Interim Dividend was paid to all eligible shareholders on February 23, 2017.

With this, the total dividend for the full year 2016-17 shall stand at ₹ 8.50 per share (425% on Face Value of ₹ 2/- per share).

3. TRANSFER TO RESERVE:

During the year, Board has appropriated ₹ 900 lakhs to General Reserves. (Previous year ₹ 750 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, 2017 was ₹ 992.68 lakhs (previous year ₹ 991.45 lakhs). The authorized capital of the Company as on March 31, 2017 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:

Company's Research & Development (R&D) and quality control facility located at Silvassa has comprehensive testing facilities for testing and development of automotive and industrial lubricants. It is staffed with well qualified & experienced scientists and technologists for development of product formulations.

Although Company receives global product formulations from Gulf Oil International under the license agreement, the R&D Centre located at Silvassa adopts the global product formulations based on local raw materials and operating conditions meeting the specific needs of local OEM's and lubricants market in India.

9. SUBSIDIARIES/JOINT VENTURE/ASSOCIATES:

The Company does not have any subsidiary/Joint Venture/ Associates as on March 31, 2017.

10. HUMAN RESOURCES / INDUSTRIAL RELATIONS, ESOP SCHEME:

The Company successfully grew its talent acquisition, retention and development plans during the year, Cordial industrial relation and low absenteeism contributed to higher output levels. 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 61,300 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, 2017 are 6,27,531. 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/upload/pdf/golil-esop.pdf>.

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, 2017.

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 initiated activities under CSR initiatives in the area of education, vocational training, rural development 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 details 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. During the year, more than 8,400 villagers were treated under the project free of cost. The state of the art 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, Pune, Thane, Nagpur, Nasik, Aurangabad, Solapur and Amravati. The Company also supported a road safety rally and awareness programs initiated by Mukul Madhav Foundation at Pune jointly with Pune city police and other corporates. The Company distributed more than 3,000 safety helmets to traffic police in various cities of Maharashtra.
- c) **Primary Education to Children:** For last two years, the Company is focusing on one of the critical area of community as educational support to economically challenged children through Mukul Madhav Foundation. During the year, initiatives were taken to develop primary education infrastructure for economically challenged children in Wagholi, Pune and village Gholap, Ratnagiri.
- d) **Kushal Mechanic Program:** In this year, the Company initiated two wheeler mechanic vocational training program known as "Kushal Mechanic Program" for two wheeler mechanics who are lacking of formal education and training. Two wheeler mechanic vocational training was provided through MITCON Centre for CSR and Skill Development, Pune and the participants were awarded training completion certificate jointly by Mitcon and Company. During the financial year more than 150 mechanics were benefited with this program. This being a multi-year program, which will be further implemented in other regions in future.

- e) **Other Programs:** Few other programs were undertaken during the year in the area of Community development (through Make-A-Wish Foundation, Woman safety (through U-Active) and water conservation (through Bhagwat Foundation)

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. Sanjay G. Hinduja (DIN: 00291692) retires by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers his candidature for re-appointment as a Director.

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.

On recommendation and approval of Nomination and Remuneration Committee, the Board of Directors of the Company at their meeting held on May 14, 2017, re-appointed Mr. Ravi Chawla as Managing Director of the Company for further period of 3 (three) years effective from June 6, 2017 and the terms of his re-appointment including the remuneration, subject to approval of the Members of the Company at AGM.

The resolutions seeking approval of the members of the Company for the re-appointment of Mr. Sanjay G. Hinduja, Chairman and re-appointment of Mr. Ravi Chawla, Managing Director have been incorporated in the Notice of the Annual General Meeting of the Company alongwith their brief Profile about them.

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. 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 applicable for the first time to the company and provided separately in the Annexure- C forming 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.

20. CORPORATE GOVERNANCE:

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

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, 2017 under Section 186(4) of the Companies Act, 2013 are provided in Note 11 and 25 to the Financial Statements.

22. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN MARCH 31, 2017 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, 2017) and the date of this Report.

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 financial 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, there are 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:

The details of number of meetings of the Board held during the Financial year 2016-17 are provided in Corporate Governance Report (Annexure F).

26. RELATED PARTY TRANSACTIONS:

All related party transactions were placed before the Audit Committee and the Board for their approval. Omnibus approval was obtained on a yearly basis for transactions which were of routine and repetitive nature. The transactions entered into pursuant to omnibus approval were placed before the Audit Committee and Board on quarterly basis. The policy on Related party transactions as approved by the Board of Directors has been uploaded on the website of the Company, www.gulfoilindia.com/upload/pdf/policy-on-materiality-and-dealings.pdf. 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, 2017. None of the 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 31 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:

To the best of our knowledge and belief and according to the information and explanations obtained by us, your Directors make the following statements in terms of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the Board had 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 that period;
- c) the Board had taken 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 Board had prepared the annual accounts on a going concern basis; and
- e) the Board had 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 had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

29. AUDITORS INCLUDING COST AUDITORS, SECRETARIAL AUDITOR:

At the Annual General Meeting held on June 4, 2014, M/s Price Waterhouse, Chartered Accountants, were appointed as statutory auditors of the Company to hold office till the conclusion of the 11th Annual General Meeting of the Company subject to ratification of appointment at every Annual General meeting of the Company. Accordingly, the appointment of M/s. Price Waterhouse, Chartered Accountants, as statutory auditors of the Company, is placed for ratification by the shareholders. The Audit Committee and the Board of Directors have recommended their appointment for the financial year 2017-18. The necessary resolution is being placed before the Members for approval. As required under the provisions of section 139 and 141 of the Companies Act, 2013, the Company has obtained written confirmation from M/s Price Waterhouse, that their appointment, if made, would be in conformity with the limits specified in the said section. The Auditor's Report to the shareholders on standalone financials for the year ended March 31, 2017 does not contain any qualification, observation or adverse comments.

Cost Auditors:

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.

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 2017-18 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 9th Annual General meeting of the Company.

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 G 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),5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the separate annexure forming part of the Board's Report. Having regard to the provisions of Section 136(1), the Annual Report excluding the aforesaid information 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 thank the various Government and other statutory bodies for the continued help and co-operation extended by them to your Company. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. 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)

Mumbai
Date: July 24, 2017

ANNEXURE-A

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

- 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. Web-link: www.gulfoilindia.com/upload/pdf/corporate-social-responsibility.pdf.
- 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).
- Average net profit of the Company for last three financial years: ₹ 12,518.06 Lakhs
- Prescribed CSR Expenditure (Two percent of the amount as in item 3 above): The Company is required to spend for the financial year : ₹ 250.36 lakhs.
- Details of CSR spent for the financial year:
 - Total amount spent for the financial year: ₹ 103.83 Lakhs
 - Amount unspent, if any: ₹ 146.53 Lakhs
 - Manner in which the amount spent during the financial year is detailed below:

Sr. No.	Project activities	Sector	Locations	Amount Outlay (₹ Lakhs)	Amount Spent (₹ Lakhs)	Cumulative expenditure upto reporting period (₹ Lakhs)	Amount spent: Direct or through agency * (₹ Lakhs)
1	Mobile Medical Dispensary	Healthcare	Rural villages near Silvassa, DNH	30.00	30.00	30.00	30.00 (through Hinduja Foundation)
2	School Expansion project	Education for Children	Village: Golap, Ratnagiri, MH	13.43	13.43	13.43	13.43 (through Mukul Madhav Foundation)
3	Road Safety-Drive Safely awareness program	Education	Mumbai and other metro cities	37.97	37.97	37.97	37.97 (Direct)
4	"Kushal" Mechanic vocational training program	Vocational skill development education	Maharashtra Western Region including Pune	12.23	12.23	12.23	12.23 (Through Mitcon Training Institute)
5	Other Programs including Make-A-Wish Foundation, U-Active and Bhagwat Foundation	Community development, Woman Safety and Water Conservation	Silvassa, DNH	10.20	10.20	10.20	10.20 (Direct)
TOTAL				103.83	103.83	103.83	103.83

- Reason for not spending two percent of the average net profit of the last three financial years: -
The Company could spend only partial amount during the year 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 are multi-year projects.
- We hereby confirm that implementation and monitoring of CSR policy, is in compliance with CSR objectives and Policy of the Company.

Place : Pune
Place : May 13, 2017

Ravi Chawla
Managing Director
DIN: 02808474

Kanchan Chitale
Chairperson of CSR Committee
DIN: 00007267

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

(A) CONSERVATION OF ENERGY:

Silvassa Manufacturing plant continued their efforts in conserving energy in various forms like energy conservation projects, use of alternate sources & resources, continuous monitoring etc.

STEPS TAKEN TO REDUCE POWER CONSUMPTION

- Installed LED lights in all the new office area during renovation phase to reduce energy consumption
- Air audit is done and attended all the air leakages to utilise 100% air utilisation of generated air. This has reduced use of one air compressor.
- Repaired and started all the capacitor banks to maintain power factor at 0.99 all the time.
- Savings of ₹45000 on average per month for maintaining power factor at 0.99.
- Replaced new energy efficient air conditioners at QC lab and office area.
- Installed separate small air compressor for R&D Lab for the additional tests. This has reduced running of bigger compressor thus savings on 27KWH per hour on holidays.
- Replaced all the low capacity pumps with new pumps with higher capacity for charging to kettles as well as for unloading of tankers. This has reduced charging time and also saved on energy.
- Converted one 300KL tank into blending kettle to produce fast moving grades to reduce energy consumption for small batches.

PROPOSED ACTIONS TO REDUCE POWER CONSUMPTION

- Proposed for replacement of entire plant conventional lights to energy efficient LED lights.
- Proposed for new drum heating ovens for charging of additives to reduce charging time thus savings in energy.
- Proposed for turbo air ventilators to install on main plant roof top to reduce use of fans for air circulation.
- Proposed for replacement of GI air line with new aluminium lines for air distribution to reduce the losses in air transmission.

(B) TECHNOLOGY ABSORPTION:

Gulf Oil focused on newly emerging segments and revived current portfolio to keep abreast with changing market requirements. Synthetic products were developed for Two wheeler vehicle segment for premium two wheelers. Catering to major tractor OEM requirement, dedicated product was developed. OEM portfolio too was revived as per respective requirements. Existing product portfolio for mass market was expanded to suit various consumer requirements.

Various developmental activities were focused on Industrial segments.

New development

- Synthetic Motorcycle oil was launched for premium two wheelers. New economy product in Two wheeler segment will help us cater to the requirements of mass consumers with low capacity engine bikes.
- Existing Heavy commercial vehicle portfolio was extended by exports to neighboring countries.
- Customised Farm tractor engine oil, developed for overseas market of major tractor OEM, supplied to neighboring countries.
- Engine Oil launched for Fishing Trawlers, with a view to bring proven technology for often ignored consumer segment. Thus offering double the market drain interval and reducing operational costs & downtime.
- Association with new Two Wheeler OEM has helped strengthen our hold in this segment, further strengthening our long drain prowess. Gulf is authorized as exclusive supplier to select overseas market, spanning upto 55 countries, for this OEM in addition to catering Indian market.

Benefits derived from R&D

- Fully Synthetic product with Advanced technology for Superbikes will help establish Gulf Oil as premium brand among niche customers.
- Rust preventive portfolio was expanded and two new products established which will open new business prospects.

Future Plans

- Commercial Vehicle Diesel Engine Oil meeting latest specifications
- Developing CVPs for various products across the portfolio
- Synthetic motorcycle oil in other viscosity grades
- Passenger Car Motor Oils with latest OEM and technology specifications
- Synthetic Gear Oil specially for Wind turbine applications

(C) FOREIGN EXCHANGE EARNING AND OUTGO:

Details of earnings accrued and expenditure incurred in foreign currency are given in Note 27 and 26 respectively of the financial statements. The Company continues to strive to improve its earnings from exports.

ANNEXURE-C

BUSINESS RESPONSIBILITY REPORT

[See Regulation 34(2)(f)]

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., 12 th Road, Andheri (East), Mumbai, Mumbai City, MH 400093.
4.	Website	www.gulfoilindia.com
5.	E-mail id	secretarial@gulfoil.co.in
6.	Financial Year reported	April 1, 2016 to March 31, 2017
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 do not have its office in International locations however products are being exported to Bangladesh, Indonesia 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 five regional offices and 35 depots to cater pan India operations. The Company's manufacturing plant is located in Silvassa and the new plant is expected to be in operations in Ennore, Chennai during the current year.
10.	Markets served by the Company – Local/State/National/ International	The Company's products are sold at pan India locations and are also sold in few International markets such as Bangladesh and Phillipines etc.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

Sr. No.	Particulars	Information
1.	Paid up Capital (INR)	₹ 992.68 Lakhs
2.	Total Turnover (INR)	₹ 130,402.74 Lakhs (Gross)
3.	Total profit after taxes (INR)	₹ 12,107.73 Lakhs
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	The Company has spent ₹ 103.83 lakhs being 0.83% of average net profit of last three financial years towards CSR activities in current reporting year.

Sr. No.	Particulars	Information
5.	List of activities in which expenditure in 4 above has been incurred:-	The Company has undertaken multi-year projects during the financial year 2016-17 for supporting following CSR object. 1) Promoting education including vocational skill development 2) Promoting Healthcare 3) Promoting road safety awareness 4) Promoting and building educational infrastructure (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	P1	P2	P3	P4	P5	P6	P7	P8	P9
		Business Ethics	Sustainability	Employees' well being	Stakeholders Welfare	Human Rights	Environment	Regulatory Policy	Equitable Development	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	P2	P3	P4	P5	P6	P7	P8	P9
		Ref. \$	Ref #	Ref \$	Ref*	Ref \$	Ref \$	Ref \$	Ref \$	Ref \$
		# Environment policy: www.gulfoilindia.com/about-us/emiroment-care.htm								
		*CSR policy link: www.gulfoilindia.com/upload/pdf/corporate-social-responsibility.pdf								
		\$ 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 first year 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: (Tick up to 2 options): 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 applicable for the first time to the Company and is part of Annual Report. The hyperlink to view the said Report is: www.gulfoilindia.com/stakeholders/miscellaneous.html
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 117 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

Thanks to our recent enhancements of our product portfolio, we can offer an oil for virtually every truck, bus or other heavy-duty vehicle on the road today. Your company has been a pioneer and a flag bearer for longer drain Interval lubricant products for commercial, consumer and Industrial segments with mineral oil based technology. Your company has successfully achieved leadership status and reputation for Longer drain interval lubricants on account of its technology selection, OEM & technology partners, robust infrastructure and established testing & manufacturing practices. The Company is committed to provide sustainable products offering benefits to consumers in terms of superior performance and extended drain interval for its certain product categories. The Company launched Gulf Superfleet Trawler Oil for Fishing Trawlers, with a view to bring proven technology for often ignored consumer segment, thus offering double the market drain interval and reducing operational costs and downtime.

High performance superior performance synthetic gear oil introduced for Industrial customers.

To help OEMs to meet and sustain countries emission requirements, we have set up a dedicated manufacturing and testing facility and our distribution network caters to the consumers across India. We are one of the leading manufacturers of Aqueous Urea Solution,(AUS) which is used for reducing the CO2 omission in the SCR technology vehicles.

Company enhanced its rural distribution channel to cater to rural customer base efficiently.

We regularly procure raw material from small local manufacturers/suppliers to boost local enterprises. Flushing oil is reused with an aim to conserve natural resources. Moved some big customers from barrels to bulk. Added larger blending kettles to cut down on processing time. Adopted barrel to IBC for raw material imports to reduce transportation and handling costs Company has set up an efficient Automatic Storage and Retrieval System to increase the productivity.

Principle 3

Human capital is our greatest asset in achieving our vision & business strategy. Our objective is to attract, build & retain the talent for the organisation. Today, we are large, diversified workforce & we continuously design, deploy various initiatives & programmes to foster leadership development, employee development, training, skill development & wellbeing.

As on 31st March, 2017, the permanent employee strength is around 475, out of which 6% are women employees. The Company is consciously taking steps to improve the gender diversity through its campus relationship programme. There are 160+ contractual/ temporary staff engaged mainly at the plant location. 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.

The Company believes in providing the safe & conducive working environment to the employees. We have Sexual harassment prevention & grievance handling policy & mechanism such as 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.

There were no complaints relating to Child Labour, forced labour, Involuntary labour, discriminatory employment or sexual harassment during the current financial year and no complaints were pending as on end of the financial year.

Human Capital Strategy:- The performance management programme "ASPIRE" helps to drive the performance culture for the company.

There are various events organised for employees & their families annually to foster the employee engagement. The focused group discussions (FGD's) are conducted to capture employee views on the specific pointers.

Capability Building :-

The functional competencies are defined all the roles of the organization and it has been integrated with the various other HR processes. The specific capability development programs are designed & implemented with help of the competency framework.

The e-learning platform, "GOLD" Academy (Gulf Oil Training & Development Academy)" has been extended to global operations covering the distributors, key customers, licensees worldwide.

Employee Capability enhancement is given the top most importance. The new ways of working has helped the sales organization & the channel partners to have the alignment & establishing the new ways of working.

There are specific post programme interventions planned so as to sustain the capability building initiatives.

More than 2,700 man-days training has been achieved in FY- 2016-17.

HSSE (Health, Safety, Security & Environment):-

The Company promotes safety at workplace & is one of the important enabler & part of the business 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.

The Company has been regularly providing the annual health preventive checks for all employees. Also to address the employee wellbeing, various awareness sessions, fitness programmes are organised. 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 this support by providing Top up medical cover for the employee & family, and for the parents of the employees in addition to the existing mediclaim 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 & plant.

Employee Communication:-

There are regular town hall communications & regular communications through various media such as e-mailers, employee intranet portal which helps to build the excellent teamwork & work culture.

Reward & Recognition:-

The Company drives various Rewards and Recognition Programs. The extraordinary efforts put in by the employees are rewarded through various schemes, which helps to boost the employee morale.

For the FY 2016-17 total 100 employees were honored under the long service award programme showing employee loyalty & dedication for the company. The business critical employees are awarded with the ESOP under GOLIL Stock Option Scheme.

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 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.

CSR project was undertaken through Mukul Madhav Foundation for providing primary educational support to the underprivileged children at Bhatkya Vimukta Jati Shikshan Sanstha (BVJSS), Wagholi, Pune.

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 Gulf Oil 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 is committed to ensure a Safe, Healthy and Environment friendly Workplace and also has Safety, Health and Environment management system (SHE). This system extends to manufacture and Supply of Automotive, Industrial and Specialty Lubricants, also manufacture of packaging for Automotive and Specialty products. The Company's manufacturing facility at Silvassa is Quality Management System Standard (ISO 9001:2015), ISO/TS 16949:2009 certified and 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 assesses the risks towards environmental damage and its manufacturing facility is duly certified by Pollution Control Committee. Emission / wastes generated by Company's manufacturing facility are regularly tested and are within permissible limits as specified by CPCB/SPCB for 2016-17. There are no show cause/ legal notices received from CPCB/SPCB in FY 2016-17. Silvassa manufacturing plant continued their efforts in conserving energy in various forms like energy conservation projects and use of alternate sources.

Company is committed to environment conservation and strives towards the same in implementing various energy saving initiatives such as

1. Maintain power factor at 0.99 all the time
2. Installation of LED lights in all the new office area.
3. Air audit is done and attended all the air leakages to utilise 100% air utilisation of generated air to optimize air compressor usage. Installed separate small air compressor for R&D Lab

for the additional tests. This has reduced running of bigger compressor thus savings on 27KWH per hour on holidays.

4. New energy efficient air conditioners at QC lab and office area.
5. Replacement of all the low capacity pumps with new pumps with higher capacity for charging to kettles as well as for unloading of tankers. This has reduced charging time and also saved on energy
6. Converted one 300KL tank into blending kettle to produce fast moving grades to reduce energy consumption for small batches.

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 system 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 on March 31, 2017

(Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the 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, 12 th 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
	Lubricants Oil	19201	96.90%

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 3 rd Floor, 3B Citius Building, 31 Cybercity, Ebene, Mauritius	Foreign Company	Holding Company	69.86%	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	0
b) Bodies Corporate	0	0	0	0	0	0	0	0	0
Sub-Total (A)(1)	0	0	0	0	0	0	0	0	0
2 Foreign									
a) NRIs – Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	3,21,93,167	0	3,21,93,167	64.94	3,46,71,787	0	3,46,71,787	69.86	4.92
d) Banks / FIs	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub-Total (A)(2)	3,21,93,167	0	3,21,93,167	64.94	3,46,71,787	0	3,46,71,787	69.86	4.92
B Public Shareholding									
1 Institutions									
a) Mutual Funds	49,27,299	0	49,27,299	9.94	39,92,901	0	39,92,901	8.04	(1.9)
b) Banks/ FI	8,99,913	120	9,00,033	1.82	8,22,272	120	8,22,392	1.66	(0.16)
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.	0	1,49,490	1,49,490	0.3	0	1,49,490	1,49,490	0.3	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs & FPIs	38,16,784	0	38,16,784	7.7	21,60,501	0	21,60,501	4.35	(3.35)
h) Foreign Venture Capital	0	0	0	0	0	0	0	0	0
i) Funds Others	0	0	0	0	0	0	0	0	0
Sub-Total (B)(1)	96,43,996	1,49,610	97,93,606	19.76	69,75,674	1,49,610	71,25,284	14.35	(5.41)
2 Non-Institutions									
a) Bodies Corporate									
i) Indian	4,60,542	18,020	4,78,562	0.97	4,97,078	18,020	5,15,098	1.04	0.07
ii) Overseas	13,33,333	0	13,33,333	2.69	6,91,874	0	6,91,874	1.39	(1.3)
b) i) Individual Shareholders holding nominal Share Capital upto ₹ 1 Lakh	46,69,824	74,67,713	54,16,537	10.93	50,10,995	7,24,163	57,35,158	11.55	0.62
ii) Individual Shareholders holding nominal Share Capital in excess of ₹ 1 Lakh	0	1,19,688	1,19,688	0.24	5,45,283	1,19,688	6,64,971	1.34	1.1

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	
c) Others									
i) Clearing Members	99,201	0	99,201	0.2	32,315	0	32,315	0.07	(0.13)
ii) Non Resident Indians	1,29,297	3,412	1,32,679	0.27	1,82,424	0	1,85,806	0.38	0.15
iii) Trusts	2,650	0	2,650	0.01	7,547	0	7,547	0.02	0.01
iv) Others	3,067	0	3,067	0	3,950	0	3,950	0	0
Sub-Total B(2)	66,97,914	76,08,833	75,85,717	15.31	69,71,466	8,61,871	78,36,719	15.79	3.38
Total Public Shareholding (B)=(B)(1)+(B)(2)	1,63,41,910	77,58,443	1,73,79,323	35.07	1,39,47,140	10,11,481	1,49,62,003	30.14	(8.79)
C) Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
(Grand Total A+B+C)	4,85,35,077	77,58,443	4,95,72,490	100	4,86,18,927	10,11,481	4,96,33,790	100	0

(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.*	32,193,167	64.94%	Nil	34,671,787	69.86%	Nil	4.92%*
	TOTAL	32,193,167	64.94%	Nil	34,671,787	69.86%	Nil	4.92%

* Gulf Oil International (Mauritius) Inc., Promoter has acquired additional shares during the financial year 2016- 17 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	32,193,167	64.94%	0	0
	Date wise increase / decrease if any with reasons				
	Purchase on 13/04/2016	10,96,172	2.21%	3,32,89,339	67.15%
	Purchase on 18/04/2016	4,90,000	0.99%	3,37,79,339	68.14%
	Purchase on 20/04/2016	2,50,989	0.51%	3,40,30,328	68.65%
	Purchase on 30/03/2017	641,459	1.29%	34,671,787	69.86%
	At the end of the year	34,671,787	69.86%		

* Gulf Oil International (Mauritius) Inc., Promoter has acquired the additional shares during the financial year 2016-17 through creeping acquisition from open market.

(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 01 st April 2016		Cumulative shareholding during the year 31 st March 2017	
				No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	IAM LIMITED						
		1/4/2016	At the beginning of the year	13,33,333	2.69	13,33,333	2.69
		31/03/2017	Sale	6,41,459	1.29	6,91,874	1.39
		31/03/2017	At the end of the year	6,91,874	1.39	6,91,874	1.39
2	NEW LEAINA INVESTMENTS LIMITED						
		1/4/2016	At the beginning of the year	12,30,989	2.48	12,30,989	2.48
		22/04/2016	Sale	12,30,989	2.48	0	0.00
		03/02/2017	Purchase	41,679	0.08	41,679	0.08
		10/02/2017	Purchase	77,457	0.16	1,19,136	0.24
		17/02/2017	Purchase	22,851	0.05	1,41,987	0.29
		24/02/2017	Purchase	13,000	0.03	1,54,987	0.31
		03/03/2017	Purchase	39,483	0.08	1,94,470	0.39
		10/03/2017	Purchase	5,530	0.01	2,00,000	0.40
		17/03/2017	Purchase	12,653	0.03	2,12,653	0.43
		24/03/2017	Purchase	22,138	0.04	2,34,791	0.47
		31/03/2017	Purchase	26,981	0.05	2,61,772	0.53
		31/03/2017	At the end of the year	2,61,772	0.53	2,61,772	0.53
3	RELIANCE CAPITAL TRUSTEE CO LTD-A/C RELIANCE MID						
		1/4/2016	At the beginning of the year	11,25,002	2.27	11,25,002	2.27
		08/04/2016	Purchase	76,124	0.15	12,01,126	2.42
		29/07/2016	Sale	2,059	0.00	11,99,067	2.42
		09/09/2016	Sale	50,000	0.10	11,49,067	2.32
		23/12/2016	Purchase	8,700	0.02	11,57,767	2.33
		31/03/2017	At the end of the year	11,57,767	2.33	11,57,767	2.33
4	FRANKLIN INDIA SMALLER COMPANIES FUND						
		1/4/2016	At the beginning of the year	9,94,506	2.01	9,94,506	2.01
		12/08/2016	Sale	58,401	0.12	9,36,105	1.89
		31/03/2017	At the end of the year	9,36,105	1.89	9,36,105	1.89

Sr. No.	Name of the Shareholder	Date	Remark	Shareholding at the beginning of the year 01 st April 2016		Cumulative shareholding during the year 31 st March 2017	
				No of shares	% of total shares of the company	No of shares	% of total shares of the company
5	AXIS MUTUAL FUND TRUSTEE LIMITED A/C AXIS MUTUAL F						
		1/4/2016	At the beginning of the year	15,00,718	3.03	15,00,718	3.03
		09/12/2016	Sale	968	0.00	14,99,750	3.02
		16/12/2016	Sale	62,926	0.13	14,36,824	2.90
		23/12/2016	Sale	1,70,000	0.34	12,66,824	2.55
		30/12/2016	Sale	3,00,000	0.60	9,66,824	1.95
		24/02/2017	Purchase	28,730	0.06	9,95,554	2.01
		03/03/2017	Sale	22,433	0.05	9,73,121	1.96
		10/03/2017	Sale	2,078	0.00	9,71,043	1.96
		17/03/2017	Sale	2,985	0.01	9,68,058	1.95
		24/03/2017	Sale	1,56,591	0.32	8,11,467	1.64
		31/03/2017	Sale	1,36,171	0.27	6,75,296	1.36
		31/03/2017	At the end of the year	6,75,296	1.36	6,75,296	1.36
6	THE NEW INDIA ASSURANCE COMPANY LIMITED						
		1/4/2016	At the beginning of the year	7,12,929	1.44	7,12,929	1.44
		08/04/2016	Sale	18,671	0.04	6,94,258	1.40
		30/09/2016	Sale	5,000	0.01	6,89,258	1.39
		31/03/2017	At the end of the year	6,89,258	1.39	6,89,258	1.39
7	BRIDGE INDIA FUND						
		1/4/2016	At the beginning of the year	6,06,172	1.22	6,06,172	1.22
		22/04/2016	Sale	6,06,172	1.22	0	0.00
		31/03/2017	At the end of the year	0	0.00	0	0.00
8	AFRIN DIA						
		1/4/2016	At the beginning of the year	5,45,283	1.10	5,45,283	1.10
		08/04/2016	Sale	5,45,283	1.10	0	0.00
		31/03/2017	At the end of the year	0	0.00	0	0.00
9	MORGAN STANLEY SICAV (MAURITIUS) LIMITED						
		1/4/2016	At the beginning of the year	4,75,078	0.96	4,75,078	0.96
		23/09/2016	Purchase	7,732	0.02	4,82,810	0.97
		28/10/2016	Purchase	7,963	0.02	4,90,773	0.99

Sr. No.	Name of the Shareholder	Date	Remark	Shareholding at the beginning of the year 01 st April 2016		Cumulative shareholding during the year 31 st March 2017	
				No of shares	% of total shares of the company	No of shares	% of total shares of the company
		04/11/2016	Purchase	1,643	0.00	4,92,416	0.99
		11/11/2016	Purchase	54,591	0.11	5,47,007	1.10
		16/12/2016	Purchase	59,108	0.12	6,06,115	1.22
		17/02/2017	Purchase	5,236	0.01	6,11,351	1.23
		24/02/2017	Purchase	1,06,975	0.22	7,18,326	1.45
		17/03/2017	Purchase	7,363	0.01	7,25,689	1.46
		24/03/2017	Purchase	1,50,164	0.30	8,75,853	1.77
10	WASATCH INTERNATIONAL OPPORTUNITIES FUND						
		1/4/2016	At the beginning of the year	4,00,083	0.81	4,00,083	0.81
		12/08/2016	Purchase	57,332	0.12	4,57,415	0.92
		14/10/2016	Purchase	82,611	0.17	5,40,026	1.09
		21/10/2016	Purchase	58,878	0.12	5,98,904	1.21
		17/02/2017	Sale	1,43,000	0.29	4,55,904	0.92
		24/03/2017	Sale	35,517	0.07	4,20,387	0.85
		31/03/2017	At the end of the year	4,20,387	0.85	4,20,387	0.85

(V) 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	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%	Nil	2,000	0%
	Ashok Kini	Nil	Nil	Nil	Nil	Nil
	Kanchan Chitale	Nil	Nil	Nil	Nil	Nil
	Ravi Chawla	Nil	Nil	* 13600	13600	0.03%
KEY MANAGERIAL PERSONNEL						
	Manish K. Gangwal Chief Financial Officer	200	0%	* 5500	5700	0.01%
	Vinayak Joshi Company Secretary	Nil	Nil	Nil	Nil	Nil

* Shares allotted pursuant to "Gulf Oil Lubricants India Limited-Employees Stock Option Scheme-2015" on August 03, 2016 and February 03, 2017.

(VI) INDEBTEDNESS

(₹ Lakhs)

Indebtedness at the beginning of the financial year	Secured loans excluding deposits	Unsecured loans	Deposits	Total Indebtedness
i) Principal Amount	19,471.91	Nil	Nil	19,471.91
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	49.12	Nil	Nil	49.12
TOTAL OF (I+II+III)	19,521.03	Nil	Nil	19,521.03
Change in Indebtedness during the financial year				
Addition	16,030.78	1,878.09	Nil	17,908.77
Reduction	(19,521.03)	Nil	Nil	(19,521.03)
Net Change	(3,490.35)	1,878.09	Nil	(1,612.26)
Indebtedness at the end of the financial year				
i) Principal Amount	15,970.78	1,878.09	Nil	17,848.87
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	54.55	5.35	Nil	59.90
TOTAL OF (I+II+III)	16,025.33	1,883.44	Nil	17,908.77

(VII) 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	1,51,77,439	-	1,51,77,439
b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	16,99,029	-	16,99,029
c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961		-	
2	Stock Option	32,81,077	-	32,81,077
3	Sweat Equity	-	-	-
4	Commission	-	-	-
-	As % of profit	-	-	-
-	Others - Annual Performance Pay	81,51,000	-	81,51,000
5	Others-Retirals	8,14,420	-	8,14,420
	Total (A)	2,91,22,965	-	2,91,22,965
	Ceiling as per the Act		5% of net profit	

B. Remuneration to other Directors (Amount 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	8,50,000	9,00,000	7,00,000	24,50,000
-	Commission	20,45,000	17,73,000	17,73,000	55,91,000
-	Others, please specify				
	TOTAL B (1)	28,95,000	26,73,000	24,73,000	80,41,000
2)	Other Non-Executive Directors	Sanjay G. Hinduja	Shom A. Hinduja	-	Total
-	Fees for attending Board Committee meetings	10,25,000	3,00,000	-	13,25,000
-	Commission	60,00,000	4,09,000	-	64,09,000
-	Others, please specify				
	TOTAL B (2)	70,25,000	7,09,000	-	77,34,000
	Total Managerial Remuneration	₹ 1,20,00,000/- (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	72,35,549	32,93,340	1,05,28,889
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	13,88,781		13,88,781
3	Sweat Equity			
4	Commission			
-	As % of profit			
-	Others - Annual Performance Pay	17,81,000	4,87,006	22,68,006
5	Others-Retirals	3,05,613	1,42,884	4,48,497
	Total (C)	1,07,50,543	39,23,230	1,46,73,773

(viii) 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. Other officers in default					
Penalty			Nil		
Punishment			Nil		
Compounding			Nil		

For and on behalf of the Board of Director

Sanjay G. Hinduja
Chairman
(DIN: 00291692)

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 pre-dicted 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 uncertainties 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 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.

REPORT ON CORPORATE GOVERNANCE

ANNEXURE-F

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 – www.gulfoilindia.com. The Directors and Senior Management personnel have affirmed compliance with the Code applicable to them during the year ended 31st March, 2017. 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, 2017, the Board consists of three Independent Directors

including one woman Director, two Non-Executive Directors and one Managing Director.

During the financial year 2016-17, five meetings of the Board of Directors were held on 11th May 2016, 3rd August 2016, 13th September 2016, 20th October 2016, 03rd February 2017.

The Board consists of the following Directors as on 31st March, 2017, categorized as indicated below:

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

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, 2017 are given below:

Name of the Director	Number of Board Meetings Attended during the FY 2016-17	Whether attended last AGM	Number of Directorship in other Public Companies as on 31 st March, 2017	Number of committee positions held in other public companies #	
				Member	Chairman
Mr. Sanjay G Hinduja	5	Yes	-	-	-
Mr. Shom A. Hinduja	3	Yes	1	-	-
Mr. M. S. Ramachandran	5	Yes	6	3	-
Mr. Ashok Kini	5	Yes	5	2	2
Mrs. Kanchan Chitale	5	Yes	9	5	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, 2017, 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 2,000 equity shares and Mr. Ravi Chawla who is holding 13,600 equity shares (allotted being an eligible employee under the Gulf Oil Lubricants India Limited-ESOP Scheme-2015) as on March 31, 2017.

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/upload/pdf/familiarisation-program-for-ID-pdf>.

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:
 - i. Management discussion and analysis of financial condition and results of operations;
 - ii. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - iii. Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - iv. Internal audit reports relating to internal control weaknesses; and

v. 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 2016-17, four meetings of Audit Committee were held on 10th May 2016, 3rd August 2016, 20th October 2016 and 02nd February 2017. The necessary quorum was present at all the meetings. The attendance of members during the financial year 2016-2017 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 four meetings were held on 11th May 2016, 03rd August 2016, 13th September 2016 and 03rd March 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	4
Mr. Sanjay G. Hinduja	Member	Non- Executive Director	4
Mr. M. S. Ramachandran	Member	Independent Director	4

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 criteria's 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 their 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	10,25,000	60,00,000
2	Mr. Shom A. Hinduja	Non-Executive	3,00,000	4,09,000
3	Mr. M. S. Ramachandran	Independent	8,50,000	20,45,000
4	Mr. Ashok Kini	Independent	9,00,000	17,73,000
5	Mrs. Kanchan Chitale	Independent	7,00,000	17,73,000

#The Commissions to the Non-executive Directors will be paid after the approval of Financial statements for the year ended 31st March, 2017, 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 2016-17 is ₹ 2,91,22,965/-, which includes i) Perquisites and allowances 49,80,106/- ii) Annual Performance Pay 81,51,000/- 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, six meetings were held on 11th May 2016, 3rd August 2016, 13th September 2016, 20th October 2016, 3rd February 2017 and 27th March 2017.

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 1 st April, 2016	: Nil
No of complaints received during the year	: 117
No of complaints resolved during the year	: 117
No of complaints pending as on 31 st March, 2017	: 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
2015-16	Hall of Culture, Ground Floor, Nehru Centre, Worli, Mumbai – 400 018	September 13, 2016 3.00 p.m.
2014-15	Hall of Culture, Ground Floor, Nehru Centre, Worli, Mumbai – 400 018	September 22, 2015 3.00 p.m.
2013-14	Registered Office, IDL Road, Kukatpally, Sanathnagar (IE) P.O. Hyderabad, - 500 018	June 04, 2014 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.

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.

Sixth AGM held on 4th June, 2014

- a) Appointment of Mr. Sanjay G. Hinduja (DIN:00291692) as a Director of the Company and liable to retire by rotation.
- b) Appointment of Mr. Ramkrishan P. Hinduja (DIN:00278711) as a Director of the Company and liable to retire by rotation.
- c) Appointment of Mr. M. S. Ramachandran (DIN: 00943629), as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years from June 4, 2014 to June 3, 2019 (both days inclusive) and not liable to retire by rotation.
- d) Appointment of Mr. Ashok Kini (DIN: 00812946), as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years from June 4, 2014 to June 3, 2019 (both days inclusive) and not liable to retire by rotation.
- e) Appointment of Mrs. Kanchan Chitale (DIN: 00007267), as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years from June 4, 2014 to June 3, 2019 (both days inclusive) and not liable to retire by rotation.
- f) Approval for Payment of Commission on net profits of the Company for the financial year 2014-15 and four years thereafter, of an aggregate amount not exceeding the maximum limit permitted under the provisions of section 197 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 and any other applicable provisions of the Companies Act, 2013 and computed in the manner referred to in Section 198 of the Companies Act, 2013 as may be decided by the Chairman of the Board of Directors of the Company / Nomination & Remuneration Committee, to be distributed amongst such Non- executive Directors in such manner and to such extent to each Non-executive Director as may be decided by the Chairman of the Board of Directors / Nomination & Remuneration Committee.
- g) Approval pursuant to Sec. 180(1)(c) and such other applicable provisions, if any, of the Companies Act, 2013 for amount not exceed ₹1,500 Crores at any time.

Approval pursuant to Section 180(1)(a) and such other applicable provisions, if any, of the Companies Act, 2013 to create charge by way of mortgage and/or hypothecate

in addition to existing charges, mortgages, hypothecation created by the Company on such movable and immovable properties and/ or the undertaking(s) of the Company.

- i) Approval pursuant to the provisions of Section 186 and other applicable provisions, and applicable rules made thereunder of the Companies Act, 2013 upto an aggregate limit of ₹ 200/- Crores.
- j) Approval subject to the provisions of Companies Act, 2013 and pursuant the Scheme of Arrangement, for issuing cash deficit undertaking in favour of the State Bank of India, Hyderabad for the Letter of Credit facility of USD180 million given to Gulf Oil Corporation Limited.
- k) Approval pursuant to the provisions of section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the remuneration to the Cost Auditors of ₹ 2,25,000/- (Rupees Two lakhs Twenty Five Thousand Only) plus applicable service tax and out-of-pocket expenses if any
- l) Approval pursuant to the provisions of Section 88 and 94 and of the Companies Act, 2013 and the rules made thereunder for keeping the Register of Members, Index of Members, copies of Annual Returns and documents required to be annexed thereto and any other documents as required to be maintained under the said Sections, at the office of Karvy Computershare Private Limited, Registrar and Share Transfer Agent of the Company instead of being kept at Registered Office of the Company

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 2017.

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 2016-17:

Date - September 15, 2017 (Friday)

Venue - Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai 400018 Time - 3.00 p.m.

(b) Financial Calendar for the year 2017-18 (Tentative):

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

- Unaudited results for 1st quarter of next Financial year Financial Year – on or before August 14, 2017
- Unaudited results for 2nd quarter of next Financial year Financial Year – on or before November 15, 2017
- Unaudited results for 3rd quarter of next Financial year Financial Year – on or before February 15, 2018
- Unaudited results for 4th quarter of next Financial year Financial Year – on or before May 31, 2018

(c) Date of Book Closure:

September 11, 2017 to September 15, 2017 (both days inclusive)

(d) Date of Dividend Payment:

During the year the Company paid final dividend of ₹ 4.00 per equity share (i.e. 200% on face value of ₹ 2/- per equity share) for the financial year 2015-16 to eligible shareholders.

During the financial year 2016-17, the Company declared and paid Interim Dividend of ₹ 3.50 per equity share i.e. 175% of face value, paid on February 23, 2017. The Board of Directors have recommended a final dividend of ₹ 5 per equity share (i.e. 250% on face value of ₹ 2/- per equity share) for the financial year 2016-17, 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 13, 2017.

Dividend for the last three years

2014-15 :	Declared and paid Interim Dividend of ₹ 2/- per equity share i.e. 100% of face value during the financial year 2014-15 and final dividend of ₹ 3.50 per equity shares i.e. 175% on face value of ₹ 2/- each.
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. The Board has recommended a final dividend of ₹ 5/- per share (250% on the Face Value of ₹ 2 per share) per equity share for the year 2016-17.

(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 2016-17 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

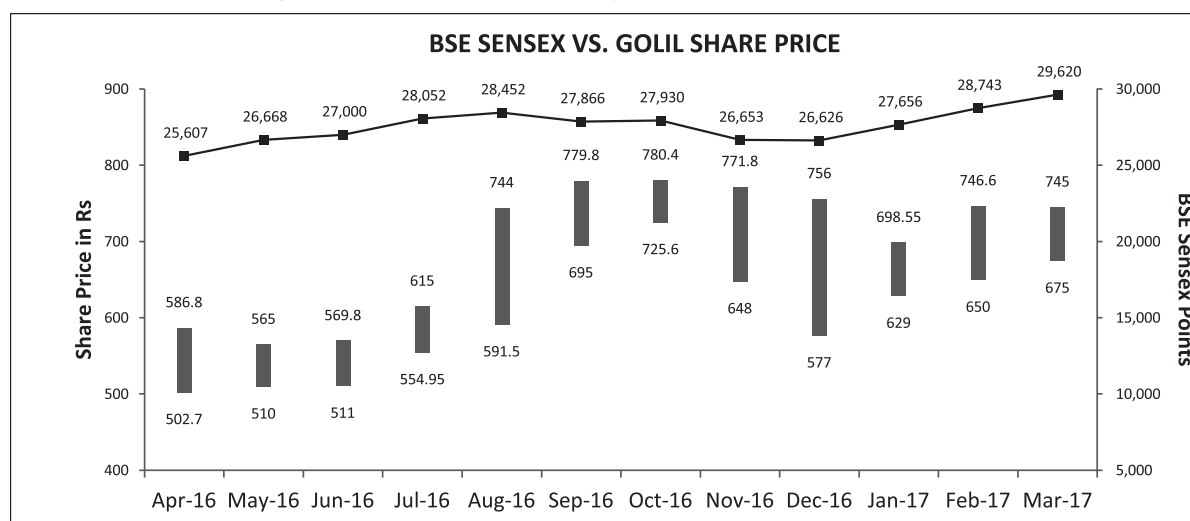
(g) There were no suspension of trading of scrip during the year.

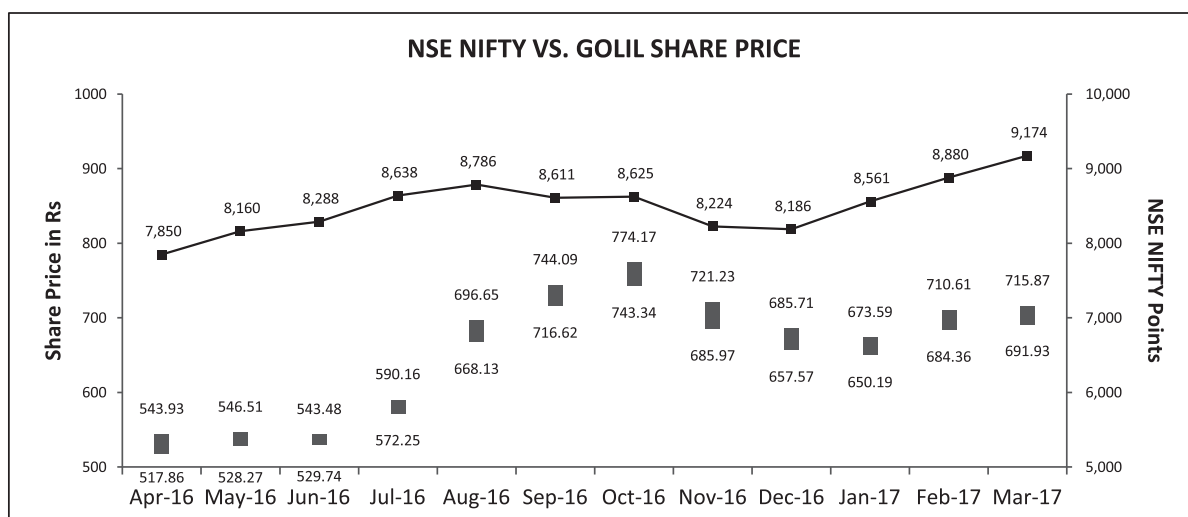
(h) Market Price Data of equity shares of the Company (in Rupees):

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 2016	586.80	502.70	543.93	517.86
May 2016	565.00	510.00	546.51	528.27
June 2016	569.80	511.00	543.48	529.74
July 2016	615.00	554.95	590.16	572.25
August 2016	744.00	591.50	696.65	668.13
September 2016	779.80	695.00	744.09	716.62
October 2016	780.40	725.60	774.17	743.34
November 2016	771.80	648.00	721.23	685.97
December 2016	756.00	577.00	685.71	657.57
January 2017	698.55	629.00	673.59	650.19
February 2017	746.60	650.00	710.61	684.36
March 2017	745.00	675.00	715.87	691.93

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





(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 processed 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, 2017:

Paid up Share Capital	Number of Shareholders		Number of Shares	
	Number	%	Number of shares	%
Up to 5000	58024	99.45	9314432.00	9.37
5001 – 10000	175	0.30	1227038.00	1.24
10001 – 20000	59	0.10	854682.00	0.85
20001 – 30000	32	0.05	780210.00	0.79
30001 – 40000	10	0.02	342744.00	0.35
40001 – 50000	7	0.01	339884.00	0.34
50001 – 100000	15	0.03	1140814.00	1.15
100001 and above	25	0.04	85267776.00	85.92
Total	58347	100.00	99267580.00	100.00

(m) Shareholding Pattern as on March 31, 2017:

Category	No. of Shareholders	No. of Shares	% of Shareholding
Promoter	1	3,46,71,787	69.86*
Public:			
Institutional Investor:			
Mutual Funds, Financial Institutions/ Banks, Overseas Corporate Bodies, Foreign Nationals	57	76,68,871	15.45
State Government	1	1,49,490	0.30
Non Institutional Investors:			
Individuals	57,065	64,00,129	12.89
NBFC	2	2237	0.00
Trusts, Non Residents, Clearing Members, Bodies Corporate, Unclaimed Suspense Account	1221	7,41,276	1.49
Grand Total	58,347	4,96,33,790	100.00

*Includes 641,459 Equity Shares acquired by Promoter on March 30, 2017 as per Regulation 29(2) of SEBI (SAST) Regulations, 2011

(n) Dematerialization and liquidity of equity shares:

As on March 31, 2017, 4,86,18,927 equity shares (97.96% 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, 2017, 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 Lubricants plant of the Company is located at Silvassa, DNH, Union Territory. The Company is in the process of putting up its 2nd Lubricants Plant at Ennore, Chennai.

(r) Address for correspondence:

Registered Office:	IN Centre, 49/50, 12 th 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, 12 th 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/ upload/pdf/policy-on-materiality-and-dealings.pdf](http://www.gulfoilindia.com/upload/pdf/policy-on-materiality-and-dealings.pdf)

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)

Form No. MR-3**ANNEXURE-G**

[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, 2017**

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, 2017.

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, 2017 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, 2017 according to the provisions of:

- (1) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (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 notes 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) Appointed Mr. Shom Ashok Hinduja as a Director of the Company
- (ii) Adopted Dividend Distribution Policy pursuant to Listing Regulations.

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

Date: 21.07.2017
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)

Date: 21.07.2017
Place: Hyderabad

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

CERTIFICATE BY PRACTISING 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, 2017, 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: July 18, 2017

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, 2017.

Place : Mumbai
Date : July 18, 2017

Ravi Chawla
Managing Director
DIN: 02808474

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

04 May, 2017

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 2017 and that to the best of 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 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, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the 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 financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 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 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 standards and matters which are required to be included in the audit report.
5. We conducted our audit 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 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 financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the 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 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 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 financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. 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 (hereinafter referred to as 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.
10. 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 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 over financial reporting 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, 2017 on its financial position in its financial statements- Refer Note 24.
 - ii. The Company has long-term contracts as at March 31, 2017 for which there were no material foreseeable losses. The Company does not have long term derivative contracts as at March 31, 2017.
 - 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, 2017.
 - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 08, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 39.

For **Price Waterhouse**

Firm Registration Number: 301112E
Chartered Accountants

Partha Ghosh

Partner

Membership Number: 055913
Mumbai, May 14, 2017

Annexure A to Independent Auditors' Report

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Gulf Oil Lubricants India Limited on the financial statements for the year ended March 31, 2017

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Gulf Oil Lubricants India Limited ("the Company") as of March 31, 2017 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 over financial reporting 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 over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting 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 control over financial reporting 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 Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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

Partha Ghosh

Partner

Membership Number: 055913

Mumbai, May 14, 2017

Annexure B to Independent Auditors' Report

Referred to in paragraph 9 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, 2017

- 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 10 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 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 and duty of custom 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, 2017 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ Lakhs)	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

Name of the statute	Nature of dues	Amount (₹ Lakhs)	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	2,111.79	2003-2005, and 2010-2011,	Appellate Tribunal
Local Sales Tax Act, VAT Act and Central Sales Tax Act	Sales Tax	2,610.14	2006-2016	Joint Commissioner of Sales Tax
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	12.59	1997-2000, 2010-2011 and 2014-2015	Assistant Commissioner of Commercial Tax
Local Sales Tax Act, VAT Act and Central Sales Tax Act	Sales Tax	0.47	2012-2013	Deputy Commissioner of Sales Tax
Local Sales Tax Act, VAT Act and Central Sales Tax Act	Sales Tax	21.39	2011-2014	Commissioner of Sales Tax
Central Excise, Custom and Service Tax	Excise Duty	98.07	April 2007 to December 2012	Appellate Tribunal
Central Excise, Custom and Service Tax	Excise Duty	24.20	April 2008 to January 2011	Commissioner of Central Excise & Custom

- 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 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 Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- 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

Partha Ghosh

Partner
Membership Number: 055913
Mumbai, May 14, 2017

Balance Sheet as at March 31, 2017

	Note	As at March 31, 2017 ₹ Lakhs	As at March 31, 2016 ₹ Lakhs
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	992.68	991.45
Reserves and Surplus	3	34,374.61	23,862.28
		35,367.29	24,853.73
Non-current liabilities			
Deferred tax Liabilities (Net)	4	445.83	328.38
Other Long-Term Liabilities	5	159.49	54.00
Long-term Provisions	6	267.02	256.78
		872.34	639.16
Current liabilities			
Short-term Borrowings	7	17,848.87	19,471.91
Trade Payables			
Micro and small enterprises	8	-	-
Other than micro and small enterprises	8	13,401.28	13,060.32
Other Current Liabilities	9	4,985.84	3,916.66
Short-term Provisions	6	651.08	2,917.40
		36,887.07	39,366.29
TOTAL		73,126.70	64,859.18
ASSETS			
Non-current assets			
Fixed Assets			
Tangible Assets	10	11,685.39	10,599.54
Intangible Assets	10	111.99	93.08
Capital Work-in-Progress		2,918.35	190.08
Non-current Investments	11	316.48	314.58
Long-term Loans and Advances	12	1,170.96	854.89
Other Non-current Assets	13	111.87	5.27
		16,315.04	12,057.44
Current assets			
Inventories	14	14,993.04	15,688.96
Trade Receivables	15	10,229.57	10,643.51
Cash and Bank Balances	16	28,909.44	23,506.72
Short-term Loans and Advances	12	2,538.95	2,741.22
Other Current Assets	13	140.66	221.33
		56,811.66	52,801.74
TOTAL		73,126.70	64,859.18
Corporate Information and Significant Accounting Policies	1		
The accompanying notes are an integral part of the Financial Statements.			

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

Partha Ghosh
Partner
Membership No. 055913

Place: Mumbai
Date: May 14, 2017

Manish K Gangwal
Chief Financial Officer

Vinayak Joshi
Company Secretary

For and on behalf of Board of Directors

Ravi Chawla
Managing Director
DIN: 02808474

S.G. Hinduja
Chairman
DIN: 00291692

Statement of Profit and Loss for the year ended March 31, 2017

	Note	Year ended March 31, 2017 ₹ Lakhs	Year ended March 31, 2016 ₹ Lakhs
Revenue			
Revenue from operations (Gross)	17	130,402.74	116,935.49
Less: Excise duty		17,297.07	15,800.07
Revenue from operations (Net)		113,105.67	101,135.42
Other income	18	2,153.76	1,793.17
Total Revenue		115,259.43	102,928.59
Expenses			
Cost of materials consumed	19	56,688.95	53,172.17
Purchase of traded goods	19	3,013.79	3,446.26
Decrease/(Increase) in inventory of finished Goods, work-in-progress and traded goods	20	(268.06)	(1,528.26)
Employee benefit expenses	21	6,820.70	5,744.16
Other expenses	22	28,812.68	24,384.93
Total		95,068.06	85,219.26
Profit before Finance Costs, Depreciation and Amortization Expense and Tax Expense		20,191.37	17,709.33
Finance costs	23	973.69	1,778.92
Depreciation and amortization expense	10	725.04	604.15
Profit Before Tax		18,492.64	15,326.26
Tax Expense			
Current Tax		6,267.46	5,224.27
Deferred Tax		117.45	70.52
Total Tax Expense		6,384.91	5,294.79
Profit for the Year		12,107.73	10,031.47
Earning per Equity Share [Nominal value per share: ₹ 2 (March 31, 2016: ₹ 2)]	34		
Basic (₹)		24.41	20.24
Diluted (₹)		24.24	20.15
Corporate Information and Significant Accounting Policies	1		
The accompanying notes are an integral part of the Financial Statements.			

In terms of our report attached

For Price Waterhouse

Chartered Accountants

Firm Registration Number: 301112E

Partha Ghosh

Partner

Membership No. 055913

Place: Mumbai

Date: May 14, 2017

Manish K Gangwal

Chief Financial Officer

Vinayak Joshi

Company Secretary

For and on behalf of Board of Directors

Ravi Chawla

Managing Director

DIN: 02808474

S.G. Hinduja

Chairman

DIN: 00291692

Cashflow Statement for the year ended March 31, 2017

	Year ended March 31, 2017 ₹ Lakhs	Year ended March 31, 2016 ₹ Lakhs
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	18,492.64	15,326.26
Adjustments for:		
Depreciation and Amortization Expenses	725.04	604.15
Dividend income	(159.88)	(145.55)
Loss on Sale/Discarding of Fixed Assets(Net)	28.90	0.61
Interest Income	(1,837.75)	(1,523.01)
Unrealised foreign exchange loss (Net)	(516.54)	166.91
Finance costs	973.69	1,778.92
Provision for doubtful debts	100.00	50.00
Employee Compensation expense towards ESOP	290.02	287.99
Operating Profit Before Working Capital Changes	18,096.12	16,546.28
Adjustments for changes in working capital :		
(Increase)/Decrease in Other Assets and bank balances	949.56	(1,746.83)
(Increase)/Decrease in Loan and Advances	188.54	(943.72)
(Increase)/Decrease in Trade Receivables	296.30	726.64
(Increase)/Decrease in Inventories	695.92	(1,530.24)
Increase/(Decrease) in Trade Payables	364.49	3,446.23
Increase/(Decrease) in Provisions	18.68	56.43
Increase/(Decrease) in Other Liabilities	(15.78)	202.66
Cash Flow Generated from Operations	20,593.83	16,757.45
Income Tax paid	(6,190.65)	(4,974.49)
Net Cash Flow from Operating Activities	14,403.18	11,782.96
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets, including Capital work in progress	(4,163.93)	(1,846.50)
Proceed from Sale of Fixed Assets	8.38	15.08
Purchase of Non Current Investments	(1.90)	(50.89)
Dividend Received	159.88	145.55
Interest Received	1,935.35	1,409.62
Net Cash Flow used in Investing Activities	(2,062.22)	(327.14)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares (including securities premium)	207.96	-
Proceeds/(Repayment) from Short Term Borrowings (Net)	(708.05)	(2,265.39)
Dividend Paid (including Tax on dividend)	(4,437.15)	(3,847.74)
Finance Costs	(927.91)	(1,761.67)
Net Cash Flow from / (used in) Financing Activities	(5,865.15)	(7,874.80)
Net Increase in Cash and Cash Equivalents (A + B + C)	6,475.81	3,581.02
Cash and Cash Equivalents at the beginning of the year	18,810.41	15,229.39
Cash and Cash Equivalents at the end of the year	25,286.22	18,810.41

Note :

1. The Cash Flow Statement has been prepared under the “Indirect Method” as set out in the Accounting Standard 3 “Cash Flow Statement”.
2. Cash and Cash Equivalents comprise:

	As at March 31, 2017 ₹ Lakhs	As at March 31, 2016 ₹ Lakhs
Cash on Hand	3.52	3.26
Balances with Banks:		
In Current Accounts	4,581.34	5,304.83
In Deposit Accounts	20,701.36	13,502.32
Cash and Cash Equivalents at the end of the year (Refer Note 16)	25,286.22	18,810.41

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

In terms of our report attached

For Price Waterhouse

Chartered Accountants

Firm Registration Number: 301112E

For and on behalf of Board of Directors

Partha Ghosh

Partner

Membership No. 055913

Manish K Gangwal

Chief Financial Officer

Ravi Chawla

Managing Director

DIN: 02808474

S.G. Hinduja

Chairman

DIN: 00291692

Place: Mumbai

Date: May 14, 2017

Vinayak Joshi

Company Secretary

Notes forming part of the Financial Statements for the Year ended March 31, 2017

1 General Information and Significant Accounting Policies

A. General Information

Gulf Oil Lubricants India Limited is engaged in the business of manufacturing, marketing and trading of automotive and non automotive lubricants. The Company is a public limited company and is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

B. Significant Accounting Policies

I. Basis of preparation of financial statements

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with rule 7(1) of the Companies (Accounts) Rules, 2014, till the standard of accounting or any addendum thereto are prescribed by the Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with accounting standards notified under Section 211(3C) [Companies (Accounting Standard) Rules, 2006, as amended] and other relevant provision of the Companies Act, 2013. All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III (Division I) of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of asset and liabilities.

The accounting policies adopted in the preparation of Financial Statements are consistent with those of previous year.

II. Use of estimates

The preparation of the Financial Statements in conformity with Indian GAAP require the management to make estimates and assumptions that affect reported amounts of assets and liabilities, disclosure of contingent liabilities as at the end of year and the reported revenue and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ due to these estimates

and the differences between the actual results and the estimates are recognized in the periods in which the results are known/materialize.

III. 1. Tangible Assets

- (a) Tangible Assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises of the purchase price including import duties (non-deductible) and non-refundable taxes, and directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by management.
- (b) Subsequent costs related to an item of Property, Plant and Equipment are recognised in the carrying amount of the item if the recognition criteria are met.
- (c) Items of Property, Plant and Equipment that have been retired from active use and are held for disposal are stated at the lower of their net carrying amount and net realisable value and are shown separately in the financial statements under the head 'Other current assets'. Any write-down in this regard is recognised immediately in the Statement of Profit and Loss.
- (d) An item of Property, Plant and Equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition is recognised in the Statement of Profit and Loss.
- (e) Tangible fixed assets that are not yet ready for their intended use, are carried at costs, comprising direct cost and other incidental / attributable expenses and reflected under Capital work-in-progress.
- (f) 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 tangible assets are as follows :

Assets	Estimated Useful Lives
Factory Buildings	30 years
Residential and Other Buildings	60 years
Office Equipments	5 years
Plant and Machinery (Other than Research and Development Equipment and Electrical Installation)	15 years
Research and Development Equipment and Electrical Installation	10 years
Furniture and fixtures	10 years
Computers	3 years
Vehicles	8 years

- (g) Leasehold improvements are amortised over the lease period on straight line basis.
- (h) Depreciation on additions/ deletions to fixed assets is calculated on pro-rata basis from/ up to the date of such additions/ deletions.

2. Intangible Assets

- (a) Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful lives. A rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use is considered by the management. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss. The estimated useful lives of intangible assets are as follows :

Assets	Estimated Useful Lives
Computer Softwares	4 years

- (b) Depreciation on additions/ deletions to fixed assets is calculated on pro-rata basis from/ up to the date of such additions/ deletions.

IV. Borrowing costs

Borrowing costs include interest, other costs incurred in connection with borrowing and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost. General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in Statement of Profit and Loss in the period in which they are incurred.

V. Impairment of assets

Assessment is done at each balance sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. An impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

VI. Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

VII. Inventories

Inventories are valued at lower of cost and net realizable value, after providing obsolescence and other losses which are considered necessary. The cost of finished goods and work in progress comprises of raw material, direct labour, other direct cost and related production overheads. Cost is determined using weighted average cost basis. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

VIII. Foreign currency transactions

(a) Initial Recognition

On initial recognition, all foreign currency transaction are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(b) Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

- (c) All monetary assets and liabilities in foreign currency are restated using the exchange rate prevailing at the end of the accounting period.
- (d) All the exchange differences are recognized in the Statement of Profit and Loss.

(e) Forward Exchange contracts

The premium or discount arising at the inception of forward exchange contracts entered into to hedge an existing asset/liability, is amortized as expense or income over the life of the contract. Exchange differences on such contract are recognized in the Statement of Profit and Loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward contract is recognized as income or as expense for the period.

IX. Revenue recognition

Sale of goods is recognized on transfer of significant risks and rewards of ownership in the goods to customers as per the term of the contract and are net of trade discounts, sales tax/ value added tax but inclusive of excise duty.

X. Other Income

- (a) Interest: Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

- (b) Dividend: Dividend income is recognized when the right to receive dividend is established.
- (c) Income from Duty drawback is recognized on an accrual basis.

XI. Employee benefits

- (a) Employee benefits include provident fund, superannuation fund, employee state insurance scheme, Gratuity, compensated absences.

(b) Defined Contribution Plans

The Company's contribution to provident fund and superannuation fund are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employee. These funds are administered by respective Government Authorities and Company has no further obligation beyond the amount required to be contributed.

(c) Defined Benefit Plans

For defined benefit plans in the form of Gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognized immediately to the extent the benefits are already vested. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefits obligation as adjusted for unrecognized past service cost, as reduced by the fair value of plan assets. Gratuity fund is set up by the Company and is administered through trustees. Plan assets are invested in insurer managed fund.

(d) Short Term Employee benefits

The undiscounted amount of short-term benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the period in which the employee renders the related service.

The cost of short term compensated absences is accounted as under: (a) In case of accumulated compensated absences, when employees render services that increase their entitlement of future compensated absences; and (b) In case of non-accumulating compensated absences, when absences occur.

(e) Long Term Employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognized as liability at the present value of the defined benefit obligation as at the 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.

XII. Employee stock options scheme

Equity settled stock options granted under "Employee Stock Option" are accounted for as per the accounting treatment prescribed by the Guidance Note on Employee Share-based Payments issued by the Institute of Chartered Accountants of India as required by the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. The intrinsic value of the option being excess of market value of the underlying share immediately prior to date of grant over its exercise price is recognised as deferred employee compensation with a credit to employee stock option outstanding account. The deferred employee compensation is charged to Statement of Profit and Loss on straight line basis over the vesting period of the option. The options that lapse are reversed by a credit to employee compensation expense, equal to the amortised portion of value of lapsed portion and credit to deferred employee compensation expense equal to the un-amortised portion.

XIII. Income Taxes

- (a) Tax expense comprises of current and deferred tax and includes any adjustment related to past period in current year. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961.
- (b) Current tax assets and current tax liabilities are offset when there is legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

- (c) Deferred Income taxes reflect the impact of current year's timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.
- (d) Deferred tax asset and liabilities are measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.
- (e) The carrying amount of deferred tax assets are reviewed at each Balance Sheet date. The Company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain that sufficient future taxable income will be available against which deferred tax assets can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain that sufficient future taxable income will be available.

XIV. Provisions and contingent liabilities**(a) Provisions**

Provisions are recognised when there is a present obligation 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 there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

(b) Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

XV. Leases

Lease arrangements where risks and rewards incidental of ownership of an asset substantially rests with the lessor are recognized as operating leases. Lease rental under operating leases are recognized in the Statement of Profit and Loss on a straight line basis.

XVI. Cash & cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash Equivalents are short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investment that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

XVII. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

Note 2 Share Capital

	As at March 31, 2017 ₹ Lakhs	As at March 31, 2016 ₹ Lakhs
Authorised:		
52,313,614 Equity Shares of ₹ 2 each (March 31, 2016: 52,313,614 Equity Shares of ₹ 2 Each)	1,046.27	1,046.27
Issued, Subscribed and Fully Paid-up:		
49,633,790 Equity Shares of ₹ 2 each (March 31, 2016 : 49,572,490 Equity Shares of ₹ 2 Each)	992.68	991.45
	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, 2017		As at March 31, 2016	
	Number of Shares	₹ Lakhs	Number of Shares	₹ Lakhs
Balance as at beginning of the year	49,572,490	991.45	49,572,490	991.45
Shares issued under equity stock options	61,300	1.23	-	-
Balance as at end of the year	49,633,790	992.68	49,572,490	991.45

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, 2017		As at March 31, 2016	
	Number of Shares	₹ Lakhs	Number of Shares	₹ Lakhs
Equity Shares of ₹ 2 each				
Gulf Oil International (Mauritius) Inc.	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, 2017		As at March 31, 2016	
	Number of Shares	% holding	Number of Shares	% holding
Equity Shares of ₹ 2 each				
Gulf Oil International (Mauritius) Inc.	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.

Note 3 Reserves and Surplus

	As at March 31, 2017 ₹ Lakhs	As at March 31, 2016 ₹ Lakhs
Capital Reserve		
Balance as at beginning of the year	5.00	5.00
Balance as at end of the year	5.00	5.00
Securities Premium Account		
Balance as at beginning of the year	12,139.52	12,139.52
Add: Movement on account of Exercise of Stock Options	295.85	-
Balance as at end of the year	12,435.37	12,139.52
Employee Stock Option Outstanding		
Option granted till date	1,044.57	-
Add: Compensation for options granted during the year	-	1,044.57
Less: Employee stock option lapsed	43.75	-
Less: Transfer to Securities Premium on exercise of stock during the year	89.12	-
	911.70	1,044.57
Less: Deferred employee stock compensation	422.81	756.58
Balance as at end of the year	488.89	287.99
General Reserve		
Balance as at the beginning of the year	2,461.85	1,711.85
Add: Transferred from Statement of Profit and Loss	900.00	750.00
Balance as at end of the year	3,361.85	2,461.85
Surplus in the Statement of Profit and Loss		
Balance as at the beginning of the year	8,967.92	3,862.94
Add: Profit for the Year	12,107.73	10,031.47
	21,075.65	13,894.41
Less: Appropriations		
Interim Dividend paid on Equity Shares for the year	1,736.81	1,487.17
Dividend distribution Tax on Interim Dividend	353.57	302.75
Transferred to General Reserve	900.00	750.00
Proposed Final Dividend on Equity Shares for the year (Refer Note 40)	-	1,982.90
Dividend distribution Tax on Proposed Final Dividend	-	403.67
Final Dividend on shares issued under employee stock option scheme	1.47	-
Dividend distribution Tax on Final Dividend on shares issued under employee stock option scheme	0.30	-
Closing balance at end of the year	18,083.50	8,967.92
Total	34,374.61	23,862.28

Note 4 Deferred Tax Liabilities (Net)

	As at March 31, 2017 ₹ Lakhs	As at March 31, 2016 ₹ Lakhs
Deferred Tax Liabilities on account of timing differences in		
Depreciation	683.60	581.78
	683.60	581.78
Deferred Tax Assets on account of timing differences in		
Provision for Doubtful Debts	113.23	103.17
Other timing differences	124.54	150.23
	237.77	253.40
Total	445.83	328.38

Note 5 Other Long Term Liabilities

	As at March 31, 2017 ₹ Lakhs	As at March 31, 2016 ₹ Lakhs
Security Deposits	54.00	54.00
Creditors for Purchase of Fixed Assets	105.49	-
Total	159.49	54.00

Note 6 Provisions

	As at March 31, 2017		As at March 31, 2016	
	Long Term ₹ Lakhs	Short Term ₹ Lakhs	Long Term ₹ Lakhs	Short Term ₹ Lakhs
Provision for Employee Benefits				
Provision for Gratuity (Refer Note 32)	-	49.12	-	48.64
Provision for Compensated Absences (Refer Note 32)	267.02	43.72	256.78	35.76
	267.02	92.84	256.78	84.40
Other Provisions:				
Provision for Income Tax (Net of Advance Tax and Tax Deducted at Source: ₹ 14,542.73 Lakhs; March 31, 2016: ₹ 8,352.08 Lakhs)	-	558.24	-	446.43
Provision for proposed final dividend on equity shares	-	-	-	1,982.90
Provision for dividend distribution tax on proposed final dividend on equity shares	-	-	-	403.67
	-	558.24	-	2,833.00
Total	267.02	651.08	256.78	2,917.40

Note 7: Short-term Borrowings

	As at March 31, 2017 ₹ Lakhs	As at March 31, 2016 ₹ Lakhs
From Banks:		
Buyers Credit (Refer note below)	17,848.87	19,471.91
Total	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 8: Trade Payables

	As at March 31, 2017 ₹ Lakhs	As at March 31, 2016 ₹ Lakhs
Trade Payables	13,401.28	13,060.32
Total	13,401.28	13,060.32

Note 9: Other Current Liabilities

	As at March 31, 2017 ₹ Lakhs	As at March 31, 2016 ₹ Lakhs
Interest Accrued but not due on Borrowings	59.90	49.12
Advance from Customers	277.59	285.21
Creditors for Purchase of Fixed Assets	748.77	120.50
Statutory Dues (Including Provident fund and Tax deducted at Source)	2,512.89	2,674.05
Unpaid Dividend (Refer Note Below)	83.05	41.48
Employee Related liabilities	802.29	544.08
Forward Contract Payable	404.33	114.72
Other Payables	97.02	87.50
Total	4,985.84	3,916.66

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, 2017.

Note 10 Fixed Assets

Description of Assets	GROSS BLOCK				DEPRECIATION / AMORTIZATION				NET BLOCK	
	As at April 1, 2016	Adjustment	Additions during the year	Deletions during the year	As at April 1, 2016	Adjustment	For the Year	Deletions during the year	As at March 31, 2017	As at March 31, 2016
Tangible Assets										
Land - Freehold	3,814.38	-	319.88	-	-	-	-	-	4,134.26	3,814.38
Leasehold Improvements	229.08	-	-	-	29.94	-	22.90	-	176.24	199.14
Buildings	2,991.92	-	254.38	28.81	712.23	-	104.33	27.87	2,428.80	2,279.69
Plant & Machinery	5,950.99	-	1,023.38	213.01	2,233.66	-	391.69	200.64	4,336.65	3,717.33
Furniture & Fixtures	351.01	-	3.49	21.03	168.01	-	24.99	12.92	153.39	183.00
Office Equipments	464.09	-	51.20	43.36	264.26	-	64.77	41.60	184.50	199.83
Vehicles	213.14	-	44.75	31.91	84.90	-	19.83	17.97	139.22	128.24
Computers	330.53	-	108.33	25.13	252.60	-	53.77	24.97	132.33	77.93
Total	14,345.14	-	1,805.41	363.25	3,745.60	-	682.28	325.97	11,685.39	10,599.54
Intangible Assets										
Computer Softwares	345.19	-	61.67	33.92	252.11	-	42.76	33.92	111.99	93.08
Total	345.19	-	61.67	33.92	252.11	-	42.76	33.92	111.99	93.08
Grand Total	14,690.33	-	1,867.08	397.17	3,997.71	-	725.04	359.89	11,797.38	10,692.62
Description of Assets	GROSS BLOCK				DEPRECIATION / AMORTIZATION				NET BLOCK	
	As at April 1, 2015	Adjustment*	Additions during the year	Deletions during the year	As at April 1, 2015	Adjustment*	For the Year	Deletions during the year	As at March 31, 2016	As at March 31, 2015
Tangible Assets										
Land - Freehold	3,814.38	-	-	-	-	-	-	-	3,814.38	3,814.38
Leasehold Improvements	229.08	-	-	-	6.97	-	22.97	-	199.14	222.11
Buildings	1,828.14	-	1,163.78	-	637.15	-	75.08	-	2,279.69	1,190.99
Plant & Machinery	5,212.38	(281.76)	1,020.48	0.11	2,055.45	(131.32)	309.64	0.11	3,717.33	3,156.93
Furniture & Fixtures	337.64	(116)	19.79	5.26	148.22	(0.59)	24.63	4.25	183.00	189.42
Office Equipments	152.67	272.14	481.4	8.86	82.15	122.79	67.05	7.73	199.83	70.52
Vehicles	229.64	-	19.14	35.64	78.32	0.25	28.76	22.43	128.24	151.32
Computers	289.26	10.78	50.92	20.43	216.81	8.87	47.04	20.12	77.93	72.45
Total	12,093.19	-	2,322.25	70.30	3,225.07	-	575.17	54.64	10,599.54	8,868.12
Intangible Assets										
Computer Softwares	273.28	-	71.91	-	223.13	-	28.98	-	93.08	50.15
Total	273.28	-	71.91	-	223.13	-	28.98	-	93.08	50.15
Grand Total	12,366.47	-	2,394.16	70.30	3,448.20	-	604.15	54.64	10,692.62	8,918.27

*Adjustments pertain to reclassifications made in certain blocks of assets

Note 11 Non-Current Investments

	As at March 31, 2017 ₹ Lakhs	As at March 31, 2016 ₹ Lakhs
Trade Investments (valued at cost)		
Equity Shares (Unquoted)		
203,571 Equity Shares (March 31, 2016 : 203,571) fully paid up Equity Shares of ₹ 100 each held in Gulf Ashley Motor Limited	314.58	314.58
18,990 Equity Shares (March 31, 2016 : NIL) fully paid up Equity Shares of ₹ 10 each held in Mangalam Retail Services Limited	1.90	-
Total	316.48	314.58
Note:		
Aggregate amount of unquoted investments	316.48	314.58

Note 12 Loans and Advances

(Unsecured and Considered good)

	As at March 31, 2017		As at March 31, 2016	
	Long Term ₹ Lakhs	Short Term ₹ Lakhs	Long Term ₹ Lakhs	Short Term ₹ Lakhs
Capital Advances	406.45	-	104.11	-
Security Deposits	607.44	71.92	574.34	160.27
Loans and Advances to Employees (Refer note below)	129.00	88.25	155.87	41.08
Prepaid Expenses	28.07	349.97	20.57	364.24
Balance with Government Authorities	-	1,461.11	-	1,528.92
Advance to creditors	-	567.70	-	646.71
Total	1,170.96	2,538.95	854.89	2,741.22

Note:

Loans and Advances to Employees includes loan of ₹ 132.50 Lakhs (March 31, 2016 ₹ 157.00 Lakhs) given to Managing Director of the Company.

Note 13 Other Assets

(Unsecured and Considered good)

	As at March 31, 2017		As at March 31, 2016	
	Non Current ₹ Lakhs	Current ₹ Lakhs	Non Current ₹ Lakhs	Current ₹ Lakhs
Interest accrued	-	47.84	-	145.44
Margin Money Deposits	111.87	-	5.27	-
Others	-	92.82	-	75.89
Total	111.87	140.66	5.27	221.33

Note 14 Inventories**(valued at lower of cost and net realisable value)**

	As at March 31, 2017 ₹ Lakhs	As at March 31, 2016 ₹ Lakhs
Raw Materials (includes Goods in transit: March 31, 2017 : ₹ 229.84 Lakhs, March 31, 2016: ₹ 730.92 Lakhs)	5,389.78	6,245.69
Packing Materials	325.74	447.87
Work-in-Progress (Lubricating Oil)	520.00	365.97
Finished Goods (Lubricating Oil)	8,005.26	7,858.55
Traded Goods	690.21	728.16
Stores, Spares and Fuel	62.05	42.72
Total	14,993.04	15,688.96

Note 15 Trade Receivables**(Unsecured, considered good unless stated otherwise)**

	As at March 31, 2017 ₹ Lakhs	As at March 31, 2016 ₹ Lakhs
Outstanding for a period exceeding six months from the date they are due for payment		
Considered Good	580.79	655.85
Considered Doubtful	327.18	298.12
	907.97	953.97
Less: Provision for Doubtful Debts	327.18	298.12
	580.79	655.85
Other Receivables	9,648.78	9,987.66
Total	10,229.57	10,643.51

Note 16 Cash and Bank Balances**Cash & Cash Equivalents**

	As at March 31, 2017 ₹ Lakhs	As at March 31, 2016 ₹ Lakhs
Cash on Hand	3.52	3.26
Balances with Banks:		
In Current Accounts	4,581.34	5,304.83
In Deposit Accounts	20,701.36	13,502.32
	25,286.22	18,810.41
Other Bank Balances		
In Deposit Accounts	1,954.31	1,898.18
In Earmarked Accounts		
- Margin Money Deposits	1,585.86	2,756.65
- Unpaid Dividend accounts	83.05	41.48
	3,623.22	4,696.31
Total	28,909.44	23,506.72

Note 17 Revenue from Operations

	Year ended March 31, 2017 ₹ Lakhs	Year ended March 31, 2016 ₹ Lakhs
Sale of Products (Refer Note (i) below)	130,158.53	116,666.77
Other Operating Income (Refer Note (ii) below)	244.21	268.72
	130,402.74	116,935.49
Less: Excise Duty	17,297.07	15,800.07
	113,105.67	101,135.42
Notes:		
(i) Sale of Products:		
Finished Goods		
Lubricating Oil	126,129.08	112,215.06
	126,129.08	112,215.06
Traded Goods		
Greases and Lubricating Oil	1,234.79	2,106.27
Car Care, Lube Equipments and Batteries	2,794.66	2,345.44
	4,029.45	4,451.71
	130,158.53	116,666.77
(ii) Other operating Income		
Sale of scrap	92.63	97.33
Miscellaneous Income	151.58	171.39
	244.21	268.72

Note 18 Other Income

	Year ended March 31, 2017 ₹ Lakhs	Year ended March 31, 2016 ₹ Lakhs
Insurance Claims	37.35	74.46
Net Exchange gain in foreign currency Transactions and Translations	118.78	50.15
Interest Income	1,837.75	1,523.01
Dividend Income	159.88	145.55
	2,153.76	1,793.17

Note 19 Cost of Materials Consumed and Purchase of Traded Goods**(A) Cost of Materials Consumed**

	Year ended March 31, 2017 ₹ Lakhs	Year ended March 31, 2016 ₹ Lakhs
Cost of Raw Materials Consumed		
Opening Stock	6,245.69	6,533.56
Add: Purchases during the year	49,503.73	46,850.04
	55,749.42	53,383.60
Less: Closing Stock	5,389.78	6,245.69
Cost of Raw Materials Consumed	50,359.64	47,137.91
Cost of Packing Materials Consumed		
Opening Stock	447.87	278.45
Add: Purchases during the year	6,207.18	6,203.68
	6,655.05	6,482.13
Less: Closing Stock	325.74	447.87
Cost of Packing Materials Consumed	6,329.31	6,034.26
Total	56,688.95	53,172.17
Details of Cost of Materials Consumed		
Base Oil	33,028.93	31,984.02
Additives	17,330.71	15,153.89
Packing Materials	6,329.31	6,034.26
Total	56,688.95	53,172.17
(B) Purchase of Traded Goods		
Greases and Lubricating Oil	849.92	1,591.66
Car Care, Lube Equipments and Batteries	2,163.87	1,854.60
Total	3,013.79	3,446.26

Note 20 (Increase) / Decrease in Inventories of Finished Goods, Work-in-Progress and Traded Goods

	Year ended March 31, 2017 ₹ Lakhs	Year ended March 31, 2016 ₹ Lakhs
Inventories at the end of the year:		
Traded Goods	690.21	728.16
Work-in-Progress	520.00	365.97
Finished Goods	8,005.26	7,858.55
	9,215.47	8,952.68

	Year ended March 31, 2017 ₹ Lakhs	Year ended March 31, 2016 ₹ Lakhs
Inventories at the beginning of the year:		
Traded Goods	728.16	841.49
Work-in-Progress	365.97	186.60
Finished Goods	7,858.55	6,274.30
	8,952.68	7,302.39
Excise Duty related to difference between closing stock and opening stock	(5.27)	122.03
Net (Increase)/Decrease in Stock	(268.06)	(1,528.26)

Note 21 Employee Benefit Expenses

	Year ended March 31, 2017 ₹ Lakhs	Year ended March 31, 2016 ₹ Lakhs
Salaries, Wages and Bonus	5,792.68	4,835.79
Contribution to Provident and Other Funds	332.93	304.98
Employee Compensation expense towards ESOP (Refer Note 36)	290.02	287.99
Staff Welfare Expenses	405.07	315.40
Total	6,820.70	5,744.16

Note 22 Other Expenses

	Year ended March 31, 2017 ₹ Lakhs	Year ended March 31, 2016 ₹ Lakhs
Consumption, Stores and Spare Parts	272.01	210.07
Processing Charges	551.47	447.65
Power and Fuel	278.55	237.16
Rent	659.13	563.99
Rates and Taxes	211.49	117.79
Insurance	200.05	158.75
Repairs and Maintenance		
Plant and Machinery	297.27	188.13
Buildings and Others	50.18	41.91
Advertising and Sales Promotion	7,277.26	6,722.11
Selling and Marketing	9,584.56	7,299.75
Selling Commission	275.53	290.49
Travelling and Conveyance	984.29	914.63
Freight and Forwarding expense	4,458.83	3,831.97
Postage, Telephone and Telex	168.28	160.20
Legal and Professional Fee (Refer Note Below)	417.84	418.49
Bad Debts Written Off	70.94	96.21

	Year ended March 31, 2017 ₹ Lakhs	Year ended March 31, 2016 ₹ Lakhs
Less: Provision for Doubtful Debts	(70.94)	(96.21)
Provision for Doubtful Debts	100.00	50.00
Directors' Sitting Fee	38.40	31.55
Loss on Sale/Discarding of Fixed Assets (Net)	28.90	0.61
Expenditure towards Corporate Social Responsibility (Refer Note 38)	103.83	96.20
Royalty	2,006.03	1,743.09
Miscellaneous Expenses	848.78	860.39
Total	28,812.68	24,384.93
Note:		
Legal and Professional Fee Includes:		
Payment to Auditors		
Statutory Auditors:		
Audit Fee	39.00	36.00
Tax Audit Fee	4.50	4.00
Other Services (Certification Fee)	2.75	2.65
Reimbursement of Expenses	1.83	1.74
	48.08	44.39

Note 23 Finance Costs

	Year ended March 31, 2017 ₹ Lakhs	Year ended March 31, 2016 ₹ Lakhs
Interest Expenses on:		
Borrowings from Banks	246.15	199.37
Others	50.17	64.24
Net Loss on Foreign Currency Transactions and Translations	-	733.92
Bank and Other Financial Charges	677.37	781.39
Total	973.69	1,778.92

Note 24 Contingent Liabilities

	As at March 31, 2017 ₹ Lakhs	As at March 31, 2016 ₹ Lakhs
Income Tax Matters	158.46	147.40
Sales Tax Matters	5,195.46	4,714.64
Excise Matters	145.14	149.58
Total	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 25 Capital and other commitments

	As at March 31, 2017 ₹ Lakhs	As at March 31, 2016 ₹ Lakhs
Capital Commitments		
Estimated amount of Contracts remaining to be executed on Capital Account (Net of Advance)	5,483.13	568.48
Other Commitments (Refer Note below)		
Guarantees issued to Bank	732.05	1,099.70
Total	6,215.18	1,668.18

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, 2017: USD 126.60 million: ₹ 82,100 Lakhs; March 31, 2016: USD 153 million: ₹ 101,370 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 26 Expenditure in foreign currency

	Year ended March 31, 2017 ₹ Lakhs	Year ended March 31, 2016 ₹ Lakhs
Royalty (Gross)	2,006.03	1,743.09
Interest on Short Term Borrowings from Banks	230.36	163.99
Others	128.48	38.63
Total	2,364.87	1,945.71

Note 27 Earnings in foreign currency

	Year ended March 31, 2017 ₹ Lakhs	Year ended March 31, 2016 ₹ Lakhs
Revenue from Exports on FOB Basis	1,200.11	573.97
Others	103.69	108.83
Total	1,303.80	682.80

Note 28 Dividend remitted in foreign currency

	Year ended March 31, 2017 ₹ Lakhs	Year ended March 31, 2016 ₹ Lakhs
Number of Non-resident Shareholders	1.00	1.00
Number of shares on which dividend is remitted	34,030,328	32,193,167
Interim Dividend Remitted (₹ Lakhs)	1,191.06	965.80
Final Dividend Remitted (₹ Lakhs)	1,361.21	1,126.76
Year to which dividend relates	2015-16 & 2016-17	2014-15 & 2015-16

Note 29 Consumption of Raw Material

	Year ended March 31, 2017		Year ended March 31, 2016	
	%	₹ Lakhs	%	₹ Lakhs
Imported	52.1%	26,238.22	57.2%	26,966.25
Indigenous	47.9%	24,121.42	42.8%	20,171.66
Total	100.00%	50,359.64	100.00%	47,137.91

Note 30 CIF Value of Imports

	Year ended March 31, 2017 ₹ Lakhs	Year ended March 31, 2016 ₹ Lakhs
Raw Material	22,873.49	23,630.53
Capital Goods	81.41	60.37
Traded Goods	2,154.68	1,418.99
Total	25,109.58	25,109.89

Note 31 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
	GOCL Corporation Limited
	Gulf Oil Marine Limited
	Gulf Oil Philippines Inc.
	HGHL Holdings Limited
	Gulf Oil Supply Company Limited
	Houghton Deutschland GmbH
	IDL Explosives Limited
	PT. Gulf Oil Lubricants Indonesia
(iii) Key Managerial personnel:	Ravi Chawla - Managing Director

(B) Disclosure in respect of transactions which are more than 10% of the transactions of the same type with related parties and outstanding balances

Particulars	Year ended March 31, 2017 ₹ Lakhs	Year ended March 31, 2016 ₹ Lakhs
(i) Transactions during the year		
I Holding Company:		
1 Dividend on Equity Shares		
Gulf Oil International (Mauritius) Inc.	2,552.27	2,092.56
2 Royalty		
Gulf Oil International (Mauritius) Inc.	2,006.03	1,743.09
II Fellow Subsidiaries:		
1 Purchase of Investments		
Gulf Ashley Motor Limited (Right Issue)	-	50.89
2 Sale of Goods and other operating income		
Ashok Leyland Limited	10,592.83	9,711.38
Others	2,789.69	1,612.45
3 Recovery of Expenses		
Gulf Oil Marine Limited	186.20	109.56
Gulf Oil International Limited (Cayman)	666.04	448.34
Others	44.32	32.62
4 Reimbursement of Expenses		
Gulf Oil International Limited (Cayman)	61.52	-
5 Guarantee Commission		
GOCL Corporation Limited	172.50	172.50
6 Purchase of Raw Material		
Houghton Deutschland GmbH	156.98	82.35
Others	1.61	-

Particulars	Year ended March 31, 2017 ₹ Lakhs	Year ended March 31, 2016 ₹ Lakhs
III Key Management Personnel		
1 Remuneration		
Ravi Chawla	283.09	209.00
2 Loan to Director		
Ravi Chawla	-	150.00
(ii) Outstanding balances	As at March 31, 2017 ₹ Lakhs	As at March 31, 2016 ₹ Lakhs
1 Payables		
Gulf Oil International (Mauritius) Inc.	464.47	1,554.57
Gulf Oil Marine Limited	162.48	53.81
Others	76.85	40.60
2 Receivables		
Ashok Leyland Limited	1,187.00	990.89
Gulf Oil International Limited (Cayman)	239.46	367.98
Gulf Oil Marine Limited	119.22	-
Others	337.92	250.18
3 Loan to Director		
Ravi Chawla	132.50	157.00
4 Letter of undertaking given (Refer Note 25)		
HGHL Holdings Limited	82,100.10	101,370.00
5 Deed of undertaking received (Refer Note 21)		
Gulf Oil International Limited (Cayman)	82,100.10	101,370.00

Note 32 Employee Benefits

Company has classified the various benefits provided as under:-

I Defined Contribution Plans

- Employers' Contribution to Provident Fund
- Employers' Contribution to Employee's Pension Scheme, 1995
- Employers' Contribution to Superannuation Fund

During the year, the Company has incurred and recognised the following amounts in the Statement of Profit and Loss:

Particulars	Year ended March 31, 2017 ₹ Lakhs	Year ended March 31, 2016 ₹ Lakhs
Employers' Contribution to Provident Fund and Employee's Pension Scheme	226.08	198.27
Employers' Contribution to Superannuation fund	106.85	106.71
Total Expenses recognised in the Statement of Profit and Loss (Refer Note 21)	332.93	304.98

II Defined Benefit Plan:**Gratuity**

a)	Change in the Present Value of Defined Benefit Obligation	As at March 31, 2017 ₹ Lakhs	As at March 31, 2016 ₹ Lakhs
	Present Value of Obligation at the beginning of the year	399.83	321.86
	Interest cost	32.15	25.72
	Current service cost	45.52	35.96
	Benefits paid	(11.38)	(28.86)
	Actuarial Losses/ (Gains)	33.60	45.15
	Present Value of Obligation at the end of the year	499.72	399.83
b)	Change in the Fair Value of Plan Assets	As at March 31, 2017 ₹ Lakhs	As at March 31, 2016 ₹ Lakhs
	Fair Value of Plan Assets at the Beginning of the year	351.19	315.24
	Expected Return on plan assets	28.24	25.19
	Contributions by the Employer	82.13	40.18
	Benefits Paid from the fund	(11.38)	(28.86)
	Actuarial Gains /(Losses) on the Plan Assets	0.42	(0.56)
	Fair value of plan Assets at the end of the year	450.60	351.19
c)	Actual Return on Plan Assets (₹ Lakhs)	28.66	24.63
d)	Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Plan Assets	As at March 31, 2017 ₹ Lakhs	As at March 31, 2016 ₹ Lakhs
	Present Value of Defined Benefit Obligation	499.72	399.83
	Fair Value of Plan Assets	450.60	351.19
	Funded Status-Surplus/(Deficit)	450.60	351.19
	Present Value of Unfunded Obligation	49.12	48.64
	Unfunded Net Liability recognised in the Balance Sheet disclosed under Short Term Provisions (Refer Note 6)	49.12	48.64
e)	Expense Recognized in the Statement of Profit and Loss	Year ended March 31, 2017 ₹ Lakhs	Year ended March 31, 2016 ₹ Lakhs
	Current service cost	45.52	35.96
	Interest Cost	32.15	25.72
	Expected Return on Plan assets	(28.24)	(25.19)
	Actuarial (Gains)/Losses	33.18	45.71
	Expenses Recognized in the Statement of Profit and Loss	82.61	82.20

f) Experience Adjustments	Year ended March 31, 2017 ₹ Lakhs	Year ended March 31, 2016 ₹ Lakhs
On Plan Liabilities - (Gains)/ Losses	6.81	46.66
On Plan Assets - (Gains)/ Losses	(0.42)	0.56
Total Experience Adjustment	6.39	47.22
g) Actuarial Assumptions	Year ended March 31, 2017	Year ended March 31, 2016
Discount Rate (%)	7.29%	8.04%
Expected Return on Plan Assets	7.29%	8.04%
Salary Escalation Rate @	4.00%	4.00%
Attrition Rate	3.00%	3.00%
@ The estimates for future salary increase considered takes into account the inflation, seniority, promotion and other relevant factors.		
h) Expected contribution to the Funds in the next year (₹ Lakhs)	104.73	92.91
i) Plan Assets are invested in Insurer Managed Fund (%)	100%	100%

III Other Employee Benefits

The liability for Compensated absences as at March 31, 2017 is ₹ 310.74 Lakhs (March 31, 2016 : ₹ 292.54 Lakhs).

Note 33 Segment Information for the year ended March 31, 2017

(a) Information about Primary Business Segment

The Company is engaged primarily in the business of manufacturing, marketing and trading in Lubricants and Greases, which in the context of Accounting Standard 17 on Segment Reporting is considered to constitute a single primary segment. Thus, the segment revenue, segment results, total carrying amount of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge for depreciation during the year are all as reflected in the financial statements for the year ended March 31, 2017 and as on that date.

(b) Information about Secondary Geographical Segments

Particulars	India		Outside India		Total	
	March 31, 2017 ₹ Lakhs	March 31, 2016 ₹ Lakhs	March 31, 2017 ₹ Lakhs	March 31, 2016 ₹ Lakhs	March 31, 2017 ₹ Lakhs	March 31, 2016 ₹ Lakhs
Revenue from Operations	110,827.05	99,992.78	2,278.62	1,142.64	113,105.67	101,135.42
Carrying Amount of Segment Assets	72,681.26	64,112.84	445.44	746.34	73,126.70	64,859.18
Capital Expenditure	4,595.35	1,741.80	-	-	4,595.35	1,741.80

Note 34 Earning per Share (EPS)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Profit After Tax (₹ Lakhs)	12,107.73	10,031.47
Weighted Average number of shares outstanding during the year		
- For Basic Earning per Share (Nos.)	49,600,892	49,572,490
- For Diluted Earning per Share (Nos.)	49,956,939	49,794,229
Nominal Value per Share (₹)	2.00	2.00
Basic Earning per Share (₹)	24.41	20.24
Diluted Earning per Share (₹)	24.24	20.15

Note 35 Lease**Operating Lease: Where the Company is a Lessee**

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 ₹ 659.13 Lakhs (March 31, 2016 : ₹ 563.99 Lakhs).

Note 36 Employee Stock Option Plan (ESOP)

In respect of 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 Employee Benefits) Regulations, 2014] , the intrinsic value of options is accounted as deferred employee compensation, which is amortized on a straight line basis over the vesting period. Employee benefits expenses include ₹ 290.02 lakhs charged during the year on this account.

Stock Options outstanding as at the year end are as follows:

	Tranche-1	Tranche-2
Exercise Price (₹)	336.00	354.51
Date of Grant	May 26, 2015	February 9, 2016
Vesting Period commences on	May 15, 2016	February 9, 2017
Options outstanding at the beginning of the year	606,990	112,225
Options granted during the year	-	-
Options exercised during the year	50,578	10,722
Options lapsed during the year	30,384	-
Options outstanding as at March 31, 2017	526,028	101,503

The compensation cost of stock options granted to employees are accounted by the Company using the intrinsic value method as permitted by the SEBI Guidelines and the Guidance Note on Accounting for Employee Share Based Payments issued by the Institute of Chartered Accountants of India in respect of stock options granted.

Had the compensation cost of employee stock options been recognized based on the fair value at the date of grant in accordance with Black Scholes model, the Company's earning per share would have been as under:

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Profit for the year (as reported)- ₹ Lakhs	12,107.73	10,031.47
Add: Compensation expenses under ESOP included in the statement of profit & loss- ₹ Lakhs	290.02	287.99
Less: Compensation expenses under ESOP as per fair value (as per Black Scholes model)- ₹ Lakhs	581.33	586.10
Profit for the year (Fair value basis)- ₹ Lakhs	11,816.42	9,733.36
Basic		
Number of shares (Weighted average)	49,600,892	49,572,490
Basic earning per share as reported- ₹	24.41	20.24
Proforma Basic earning per share- ₹	23.82	19.63
Diluted		
Number of shares (Weighted average)	49,956,939	49,794,229
Diluted earning per Share as reported- ₹	24.24	20.15
Proforma Diluted earning per Share- ₹	23.65	19.55

Note 37 Derivative Instruments outstanding as at March 31, 2017

- a) The Company has following outstanding foreign currency forward contracts to hedge foreign currency exposure against payables as at March 31, 2017:

Particulars	Currency Pair	As at March 31, 2017			As at March 31, 2016		
		Number of Contracts	Notional Amount		Number of Contracts	Notional Amount	
			Foreign Currency (in Lakhs)	₹ Lakhs		Foreign Currency (in Lakhs)	₹ Lakhs
Forward Contracts (Buy)	USD-INR	33.00	174.43	11,716.36	32.00	153.47	10,446.99

- b) As at the Balance Sheet date, unhedged foreign currency receivables and payables are as follow:

Particulars	As at March 31, 2017		As at March 31, 2016	
	Foreign Currency (in Lakhs)	₹ Lakhs	Foreign Currency (in Lakhs)	₹ Lakhs
Payables	125.01	8,110.06	170.62	11,309.74
Trade Receivables	6.87	445.44	11.26	746.34

Note 38 Expenditure towards Corporate Social Responsibility

Gross amount required to be spent by the Company during the year ended March 31, 2017 under section 135 of the Companies Act, 2013 is ₹ 250.36 Lakhs (March 31, 2016 ₹ 221.64 Lakhs) against which Company has actually spent ₹ 103.83 Lakhs during the year (March 31, 2016 ₹ 96.20 Lakhs) for purposes other than the construction/acquisition of any asset.

Note 39 Disclosure relating to Specified Bank Notes* (SBNs) held and transacted during the period from November 08, 2016 to December 30, 2016

Particulars	SBNs*	Other denomination notes	₹ Lakhs
			Total
Closing cash in hand as on November 8, 2016	7.69	1.14	8.83
(+) Permitted receipts	-	11.51	11.51
(-) Permitted payments	(0.26)	(9.10)	(9.36)
(-) Amount deposited in Banks	(7.43)	-	(7.43)
Closing cash in hand as on December 30, 2016	-	3.55	3.55

*Specified Bank Notes (SBNs) mean the bank notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees as defined under the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs No.S.O.3407(E), dated the 8th November, 2016.

Note 40 Proposed Dividend

The final dividend proposed for the year is as follows :

	As at March 31, 2017 ₹ Lakhs	As at March 31, 2016 ₹ Lakhs
On Equity shares of ₹ 2 each		
Amount of dividend proposed	2,481.69	1,982.90
Dividend per Equity share	₹ 5.00 per share	₹ 4.00 per share

Note 41

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

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

For and on behalf of Board of Directors

Partha Ghosh
 Partner
 Membership No. 055913

Manish K Gangwal
 Chief Financial Officer

Ravi Chawla
 Managing Director
 DIN: 02808474

S.G. Hinduja
 Chairman
 DIN: 00291692

Place: Mumbai
 Date: May 14, 2017

Vinayak Joshi
 Company Secretary

NOTICE OF 9th ANNUAL GENERAL MEETING

NOTICE is hereby given that the 9th Annual General Meeting (AGM) of the members of Gulf Oil Lubricants India Limited (the Company) will be held on Friday, September 15, 2017 at 3.00 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, 2017 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, 2017.
3. To appoint a Director in place of Mr. Sanjay G. Hinduja (DIN:00291692), who retires by rotation and being eligible, offers himself for re-appointment.
4. To ratify the appointment of Auditors and fix their remuneration and in this regard, to consider and if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time and pursuant to the recommendations of the Audit Committee of the Board of Directors of the Company, and pursuant to the resolution passed by the members at the AGM held on June 4, 2014, the appointment of M/s Price Waterhouse, Chartered Accountants (Firm Registration No. 301112E) as the auditors of the Company to hold office till the conclusion of the next AGM be and are hereby ratified and the Board of Directors be and are hereby authorised to fix the remuneration payable to them for the financial year ending March 31, 2018."

SPECIAL BUSINESS:

5. 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 Sections 196, 197, 203 read with Schedule V and the Rules made thereunder and all other applicable provisions, if any, of the Companies Act, 2013 ("Act") (including any statutory modification(s) or re-enactment thereof for the time being in force) and read with Schedule V of the Act, as amended from time to time, approval of the Members be and is hereby accorded to the reappointment of Mr. Ravi Chawla (DIN:02808474) as the Managing Director of the Company, for a period of 3 (three) years with effect from June 6, 2017, on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this 9th Annual General Meeting, with liberty to the Board of Directors (hereinafter referred to as 'the Board' which term shall be deemed to include any Committee of the Board) to alter and vary the terms and conditions of the said reappointment and / or remuneration as it may deem fit

and as may be acceptable to Mr. Ravi Chawla, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

FURTHER RESOLVED THAT the consent of the Members of the Company be and is hereby also accorded that where in any financial year, the Company has no profits or inadequate profits then Minimum Remuneration as provided in the terms of reappointment as set out in the Explanatory Statement as referred hereinabove, be paid to Mr. Ravi Chawla, Managing Director subject to the applicable provisions of the Companies Act, 2013 read with Schedule V and rules made thereunder and / or any other approval from Central Government from time to time;

FURTHER RESOLVED THAT the Board of Directors 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."

6. 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, 2018, be paid the remuneration as set out in the Statement annexed to the Notice convening this 9th 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: July 24, 2017

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 ₹ 5/- per equity share (250% of the face value of 2/-per equity share) has been recommended by the Board of Directors for the year ended March 31, 2017, 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 Monday, September 11, 2017 to Friday, September 15, 2017 (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, 2017, 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 as at the close of business hours on September 8, 2017.
 - 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 8, 2017.
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 9th Annual General Meeting of the Company and copy of Annual Report 2016-17 are also available on the Company's website 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).
 13. A route map showing directions to reach the venue of the 9th 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:
 - a. 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").

- b. 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.
- c. 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.
- d. The Company has engaged the services of Karvy Computershare Private Limited ("Karvy") as the Agency to provide e-voting facility.
- e. 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.
- f. 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. Friday, September 8, 2017.
- g. 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. Friday, September 8, 2017 only shall be entitled to avail facility of remote e-voting.
- h. 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. Friday, September 8, 2017, 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
- i. The remote e-voting facility will be available during the following period:

Commencement of remote e-voting: from 9.00 a.m. (IST) on Tuesday, September 12, 2017.

End of remote e-voting: upto 5.00 p.m. (IST) on Thursday, September 14, 2017.

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.

- j. 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 15, 2017.
- k. 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. 5:

Re-appointment of Mr. Ravi Chawla (DIN: 02808474) as Managing Director.

On recommendation and approval of Nomination and Remuneration Committee, the Board of Directors of the Company at their meeting held on May 13, 2017, reappointed Mr. Ravi Chawla as Managing Director of the Company for a period of 3 (three) years effective from June 6, 2017 and the terms of his reappointment including the remuneration, subject to approval of the Members of the Company. The approval of the Members of the Company is now sought for the reappointment and terms of his reappointment including remuneration, details of which are set out hereunder;

A. REMUNERATION

I. The Managing Director's fixed annual remuneration, on a Cost to Company (CTC) basis will be ₹ 210,00,000/- (Rupees Two hundred ten lakhs only) Per Annum including Basic Salary, Allowances, Perquisites etc.

II. In addition, benefits as per the Company policy applicable, which includes medical reimbursement etc.

III. His commission, based on Company performance and individual contribution, will be decided by the Nomination and Remuneration Committee at an indicative level of ₹ 90,00,000/- (Rupees ninety lakhs only) per annum at 100% achievement of agreed targets. Under-achievement or over-achievement of targets may result in lower or higher commission respectively, as may be decided by the Nominations and Remunerations Committee.

IV. Annual Increments and final commission will be decided by the Nomination and Remuneration Committee, based on Company performance and individual contribution.

B. PERQUISITES AND ALLOWANCES FROM June 6, 2017

I. The fixed remuneration mentioned in A (I) will be inclusive of Basic, Perquisites and Allowances and Retirals except as mentioned in A (II).

- II. The ceiling for Perquisites and allowances will be the sum remaining in fixed salary after deducting Basic salary and retirals. Perquisites and allowances will include special allowance, use of Company car for official local travel, leave travel concessions for self and family, club fees, medical and term insurance, etc., as per Company Policy applicable to the senior management personnel of the Company or as may be agreed to by the Board of Directors and Mr. Ravi Chawla.
- III. For Taxation purposes, perquisites and allowances shall be evaluated as per the Income Tax Rules wherever applicable. In the absence of any such Rules, perquisites and allowances shall be evaluated at actual cost incurred by the Company in providing such perquisites and allowances. Adequate communication facilities at residence shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.
- IV. Retirals, within overall CTC limits as mentioned in A (I) will be computed as follows:
 - a. Company's contribution to Provident Fund calculated @12% of basic salary.
 - b. Company's contribution to Superannuation Fund @ 15% of basic salary.
- V. Gratuity will be payable as per rules of the Company, and will not form a part of CTC as mentioned earlier.
- VI. Leave Encashment: Encashment of leave at the end of the tenure, or in the interim will follow Company policy, subject to an accumulation limit agreed by the Board / Nomination and Remuneration Committee. These, however, shall not be included in the computation of limits on perquisites as aforesaid. The total remuneration to Mr. Ravi Chawla as per "A" and "B" above, inclusive of the value of perquisites will however be limited to rules / regulation/ceiling prescribed under the Companies Act, 2013 (hereinafter referred as "Act").

Minimum Remuneration: Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites and allowances as specified in section A (I) above subject to the applicable provisions of the Act read with Schedule V and rules made thereunder and/or any other approval from Central Government from time to time.

Mr. Ravi Chawla satisfies all the conditions as set out in Part-I of Schedule V of the Act and also conditions given in Section

196(3) of the Act, and being eligible for reappointment. He is not disqualified from being reappointed as Director in compliance with Section 164 of the Act. Brief profile of Mr. Ravi Chawla in terms of SEBI Listing Regulations, 2015 has been provided at the end of the Notice.

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. 5 of the Notice except Mr. Ravi Chawla and his relatives and to the extent of his shareholding in the Company. The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by shareholders.

Item No. 6

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, 2018 at a remuneration of ₹ 2,75,000/- (Rupees Two Lakhs Seventy Five Thousands only) plus applicable 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. 6 of the Notice, for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2018. 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. 6 of the Notice. The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the Shareholders.

By order of the Board of Directors

Vinayak Joshi
Company Secretary

Date: July 24, 2017

Place: Mumbai

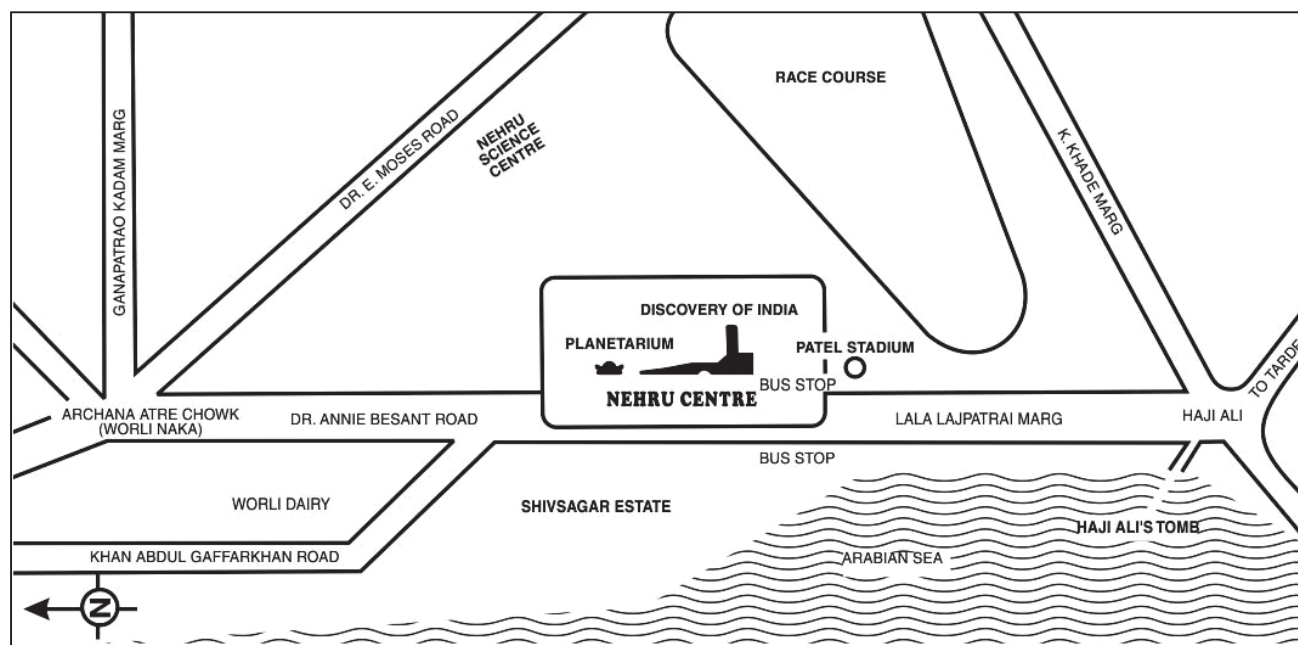
Gulf Oil Lubricants India Limited
Registered Office:
IN Centre, 49/50, 12th Road M.I.D.C., Andheri (East)
Mumbai 400 093, Maharashtra
Tel: +91-22-66487777; Fax: +91-22-28248232
CIN: L23203MH2008PLC267060
Email: secretarial@gulfoil.co.in
www.gulfoilindia.com

Information of Directors seeking appointment /re- appointment at ensuing 9th Annual General Meeting of the Company pursuant to SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

- 1) Mr. Sanjay G. Hinduja (DIN: 00291692) holds a Bachelors degree in Business Administration from Richmond College, London. He has professional experience with Credit Suisse Bank and Chase Manhattan Bank and has experience and knowledge in the global oil and energy sector. He is not holding Directorship in any other companies except this Company. He is a Member of Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee of the Company. He is not related to any Director except Mr. Shom A. Hinduja and do not hold any shares of the Company.
- 2) Mr. Ravi Chawla (DIN: 02808474) holds a Bachelors Degree in Commerce from Sydenham College, Mumbai University. He also holds a Master in Management Studies degree (specialising in Marketing) from Mumbai University. He has over twenty eight (28) years of professional experience in sales, marketing & management across diverse sectors in Indian companies and MNCs with organisations like Wipro Consumer Products Ltd., CEAT Ltd, Polaroid, Pennzoil-Quaker State India Ltd. (was part

of Royal Dutch Shell Group of Companies) & Mahindra and Mahindra (Farm Equipment Division) before joining Gulf Oil Corporation Ltd in 2007. He has held positions responsible for all areas of marketing, business development, sales via channel & B2B & general management for the last 24 years with country level responsibility. He has extensive experience of over 18 years in the lubricants space with Pennzoil (1998 to 2006) & in Gulf Oil (since 2007). With Gulf Oil, he joined as President for the Lubricants business in 2007 and was later designated as President & CEO - Lubricants business, after leading the organisation to become the fastest growing company amongst the top lubricant players. Since, June 2014, he is appointed as Managing Director of the Company. He is also on the Board of some other Gulf group companies and advising them at a strategic level. Besides the remuneration proposed, Mr. Ravi Chawla does not have any pecuniary relationship directly or indirectly with the Company or relationship with managerial personnel. As on March 31, 2017, Mr. Ravi Chawla holds 13,600 shares in the Company allotted under the "Gulf Oil Lubricants India Limited-Employee Stock Option Scheme- 2015". He is not related to any Director of the Company and not holding directorship in any other listed company. He is a member of Stakeholders Relationship Committee of the Company.

Location Map for venue of 9th Annual General Meeting



NOTES

NOTES



Quality Endurance Passion

GULF OIL LUBRICANTS INDIA LIMITED**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****9TH ANNUAL GENERAL MEETING ON FRIDAY, SEPTEMBER 15, 2017**

Please complete this Attendance Slip and hand it over at the entrance of the meeting hall.

Registered Folio No. / DP ID & Client ID

Name and Address of the Member

Joint holders

No of shares

I hereby record my presence at the 9th Annual General Meeting of the Company at Hall of Culture, Ground Floor, Nehru Centre, Worli, Mumbai – 400 018 at 3.00 p.m. on Friday, September 15, 2017.

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



Quality Endurance Passion

GULF OIL LUBRICANTS INDIA LIMITED**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**9TH ANNUAL GENERAL MEETING ON FRIDAY, SEPTEMBER 15, 2017****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 9th Annual General Meeting of the Company, to be held on Friday, September 15, 2017 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 _____ 2017

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

S. No.	Resolutions :
Ordinary Business:	
1.	To consider and adopt, the audited financial statements of the Company for the financial year ended March 31, 2017 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, 2017.
3.	To appoint a Director in place of Mr. Sanjay G. Hinduja (DIN:00291692), who retires by rotation and being eligible, offers himself for re-appointment.
4.	To ratify the appointment of M/s Price Waterhouse, Chartered Accountants (Firm Registration no.301112E) as Auditors from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and authorize Board to fix their remuneration
Special Business:	
5.	To re-appoint Mr. Ravi Chawla (DIN: 02808474) as Managing Director of the Company.
6.	To ratify the remuneration to the Cost Auditors for the FY 2017-18.



THINK
ACT
MOVE **AHEAD**





Quality Endurance Passion

Gulf Oil Lubricants India Limited

Registered and Corporate Office:
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Andheri (East), Mumbai – 400093, India.

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HINDUJA GROUP