

Castrol India Analyst Meeting - 2014



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



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In India for more
than 100 years

A division of BP
Group



The largest
lubricants
player in India



The largest distribution network
of 380 distributors, servicing
over 105,000 retail sites

Operates
3 manufacturing
plants



1917



1929



1946



1958



1968



Current



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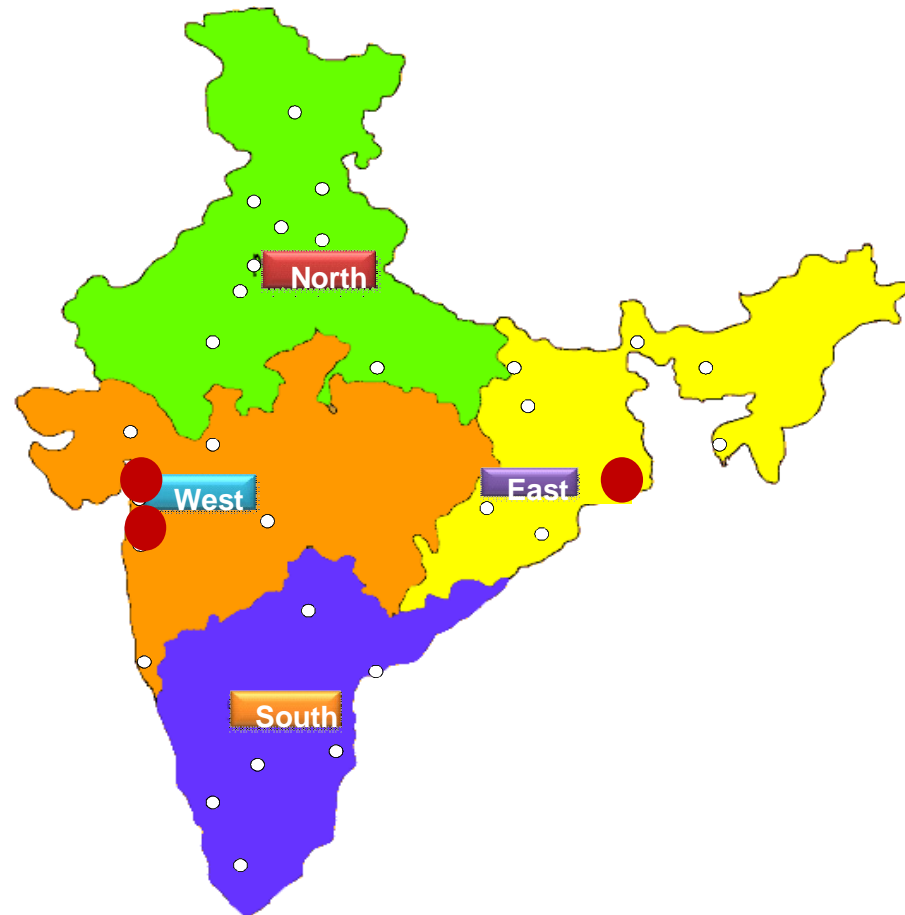
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Castrol India – Distribution network

- Plants – 3
- Warehouses – 25
- DCs -2
- Distributors 380 in 550 town locations
- Dealers -105000



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Our Strategy & Strengths



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Our Products & Brands



**Castrol Activ
is the Largest
selling brand
in the two
wheeler oil
segment**



**CRB Plus is
the largest
selling
diesel
engine oil in
the country**

**Castrol GTX
is the largest
selling
engine oil
brand in the
car segment**



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Our Growth Strategy- Winning in India



Enablers

1. New RTM
2. Build People capability
3. Build Process capability
4. Technology Leadership
5. Agile and Efficient Supply Chain

How do we win

1. Lead charge in personal mobility
2. Drive premiumization
3. Develop superior franchise workshop offers
4. Win with key global OEMs
5. Accelerate IWS agenda



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Winning with OEM's

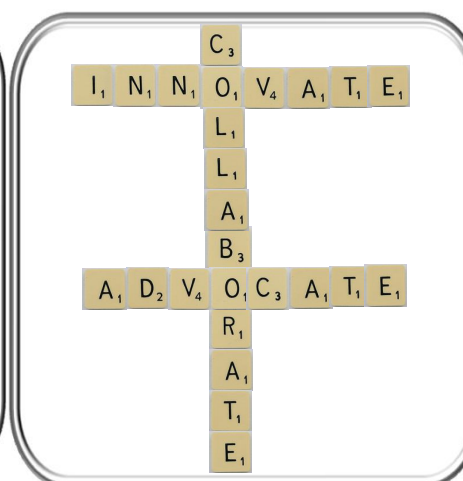
We want to be the profitable growth engine leading the drive to synthetisation and ensure protection to every third engine sold in India.



Great
Participation
Choices



Differentiated
Marketing



Pioneering
Technology



People



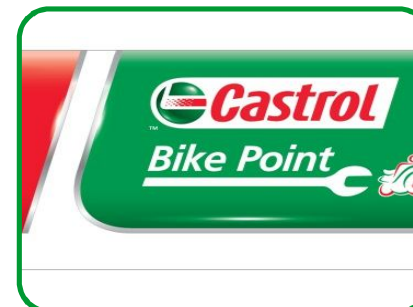
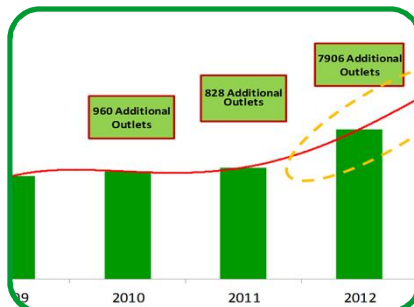
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Focus on the 4 As



Affordability

Middle Kingdom

Availability

Distribution Expansion

Rural

Advantage

Focus Brands

Advocacy

Certified Engine Expert Club (CEEC) Bike Points



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Enduring Relationships - Consumers



Castrol Index



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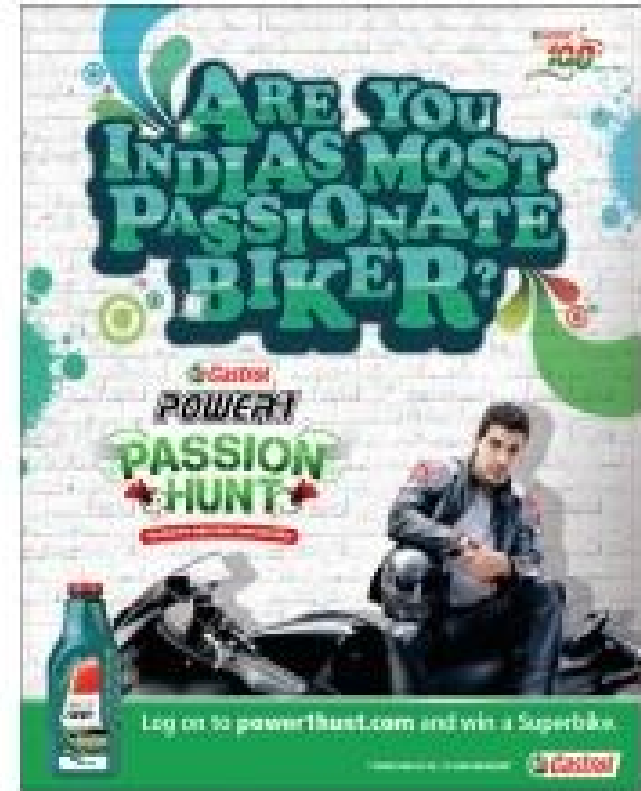
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Enduring Relationships - Consumers

The **Castrol** Awards
For Cricketing Excellence



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Enduring Relationships - Customers



CustQmer Care

Orders • Queries • Complaints • Feedback



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Enduring Relationships - OEMs



JOHN DEERE



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Enduring Relationships – OEMs



Co-sponsored by Castrol



Liquid Engineering Centre Inauguration
At Maruti Suzuki – Gurgaon Plant
July'2014



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2013 Key Highlights

Aggressive Account Acquisition



Geostructure
Shipbuilding



OEM's



Audi



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Continuous Innovation - Products



1st

Multigrade
Diesel engine
oil



1st

API CF-4
Diesel engine
oil



1st

dedicated 2-
stroke Motor
cycle oil



1st

Diesel engine
oil with
Synthetic
technology



1st

Gel grease



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Continuous Innovation – Products



Increased fuel efficiency of TATA trucks by 1.5%

First diesel engine oil to be recommended for fuel efficiency by an OEM



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Continuous Innovation - Packaging

Blister pack



Rolla pack



Unique anti-counterfeit features



Award winning standee pouch



Pouch pack



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Strong Brands



प्लेन को सुरक्षा
देनेवाली
सिंथेटिक टेक्नोलॉजी



अपिल से काही बरकरार है यह, यह है सिंथेटिक इंजीनियरिंग."



UP TO 75% OF ENGINE WEAR
HAPPENS DURING WARM-UP.



PROTECT YOUR
ENGINE WITH
CASTROL
MAGNATEC.



TRAFFIC MEIN ALL-ROUND PROTECTION



NEW CASTROL ACTIV
WITH
SYNTHETIC TECHNOLOGY

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New Product Launch



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Continuous Innovation – Route to Market



Creation of “Bazaar”
Trade



Retail
Transformation



Castrol
Point



Castrol Authorized
Service Associate
(CASA)



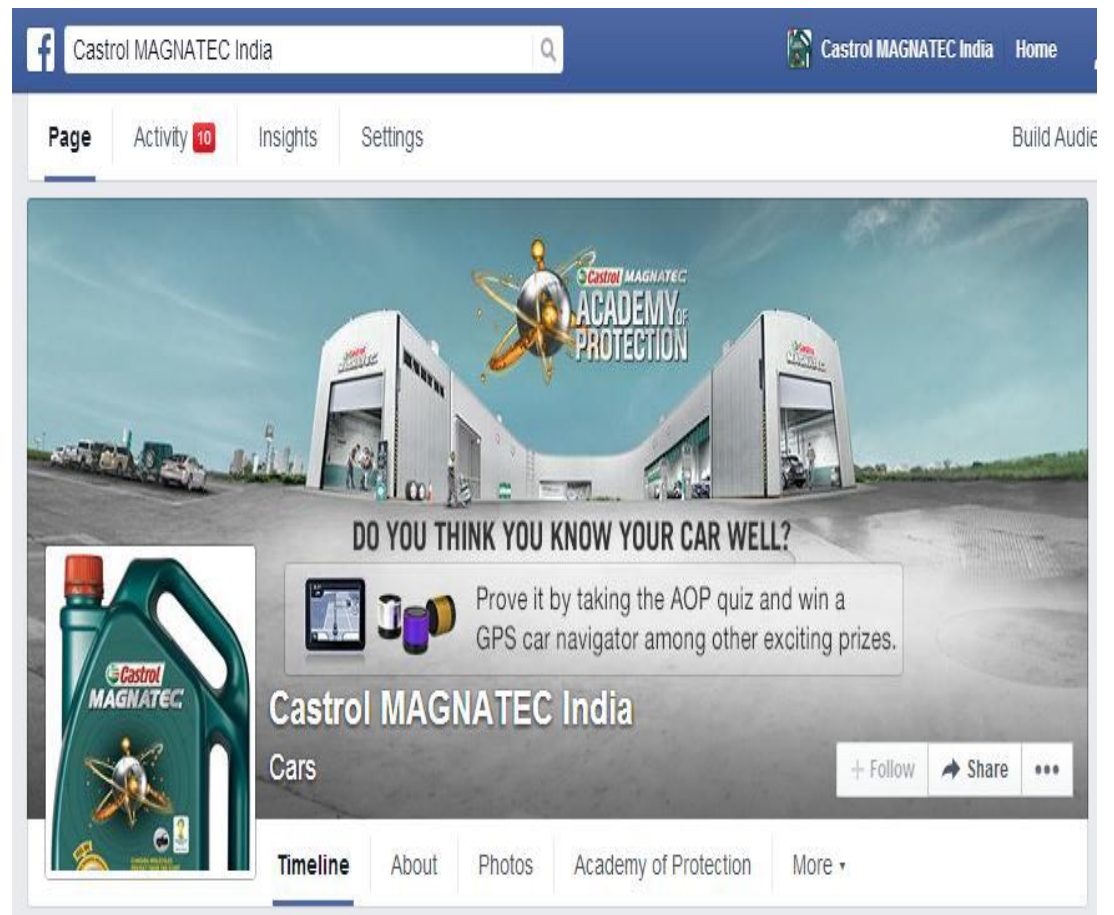
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Digital Campaign



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Awards & Recognition



- Castrol CEO ranked amongst Top 100 CEOs by Business Today-PWC - 2013
- Won the top Indian company award under the sector Specialty Oils and Lubricants at the D & B Corporate Awards - 2014.
- *Good Road* safety project won Black Elephant Kyoorius Advertising & Digital Awards - 2014
- Paharpur Plant awarded 14th Annual Greentech Environment Award in Silver Category in Petrochemical Sector - 2013
- Patalganga Plant won Certificate of Merit from the National Safety Council Maharashtra Chapter for Zero Accident Frequency Rate - 2013



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People Our Strength

Winning for investors



Winning vs competition



Winning in the market



Winning for our people



Win with Customers



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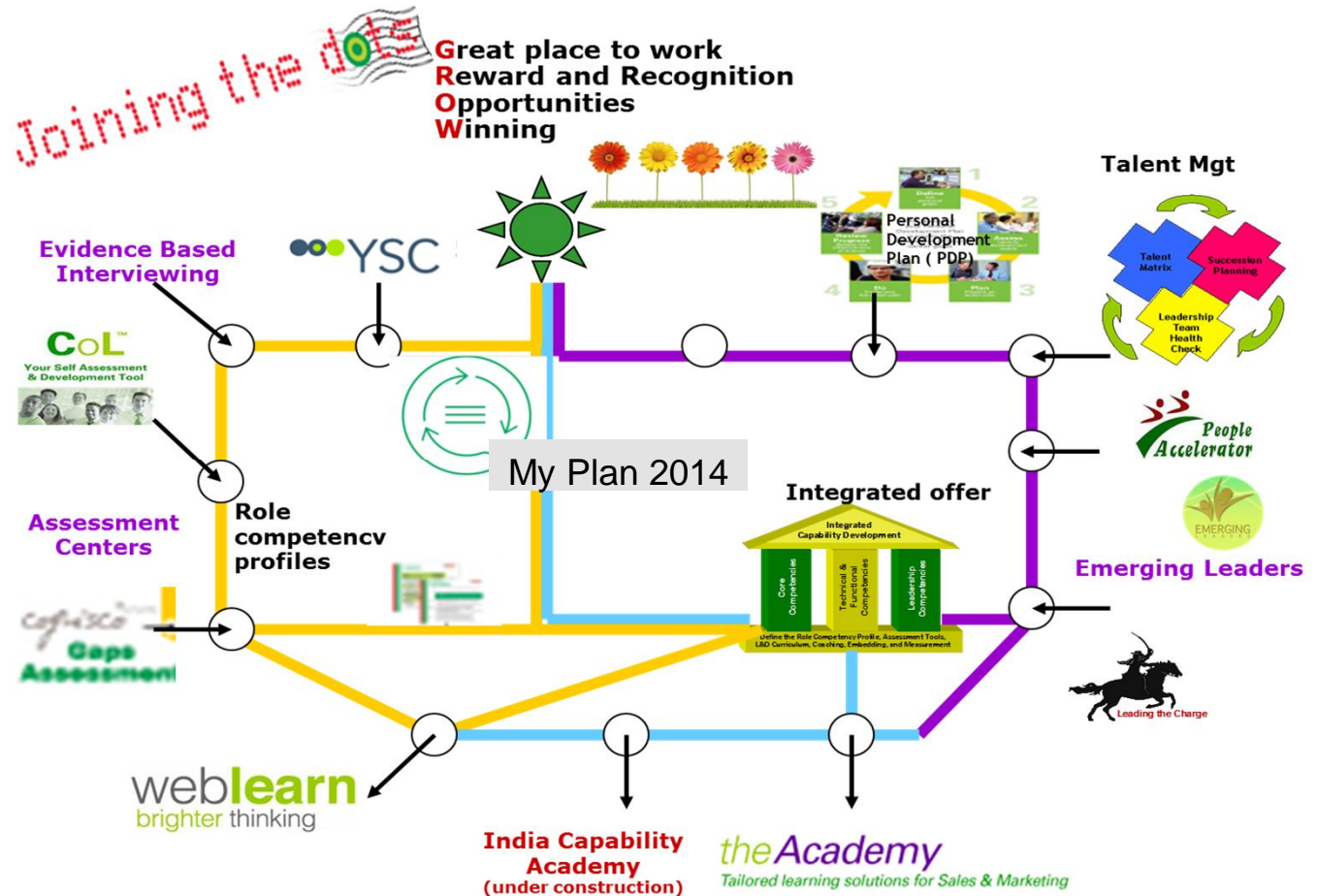
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Castrol India - People Development Philosophy

Committed to assisting people to develop themselves

Development is a partnership between the employee, the team leader and the organization

Diversity & Inclusion



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Market Environment

1 Vehicle Sales



Vehicle Growth

Domestic Sales from SIAM, PARC and Growths Internal Estimates

	PARC (Mn)	Annual Sales (Mn)	2014-13 Growth Estimate
Two Wheelers	80	12	3-4%
Cars	20	1.8	0%
Tractors	4.5	0.5	11%
New Gen Trucks	5.2	0.65	0 to 2%

2 Lubricants Market



Lubricant market Growth

Internal Estimates
*Market shares in Urban from AC Nielsen

Space	Market Size (ML)	CIL market share*	2014-13 Growth Estimate
Lubricants	1144	22.3%	2-3%
MCO	265	19.6%	8%
PCO	155	41.9%	4%
CVO	706	19.6%	0%

3 Evolving Consumers



8 Million First Time Users in Personal Mobility every year
51% of Two Wheeler Consumers Young (<30 years of age)
More than 2 Million Women Riders for Gearless Scooters
In PCO, Synthetic contribution up from 5% in 2009 to 14 % in 2012



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Value to Shareholders



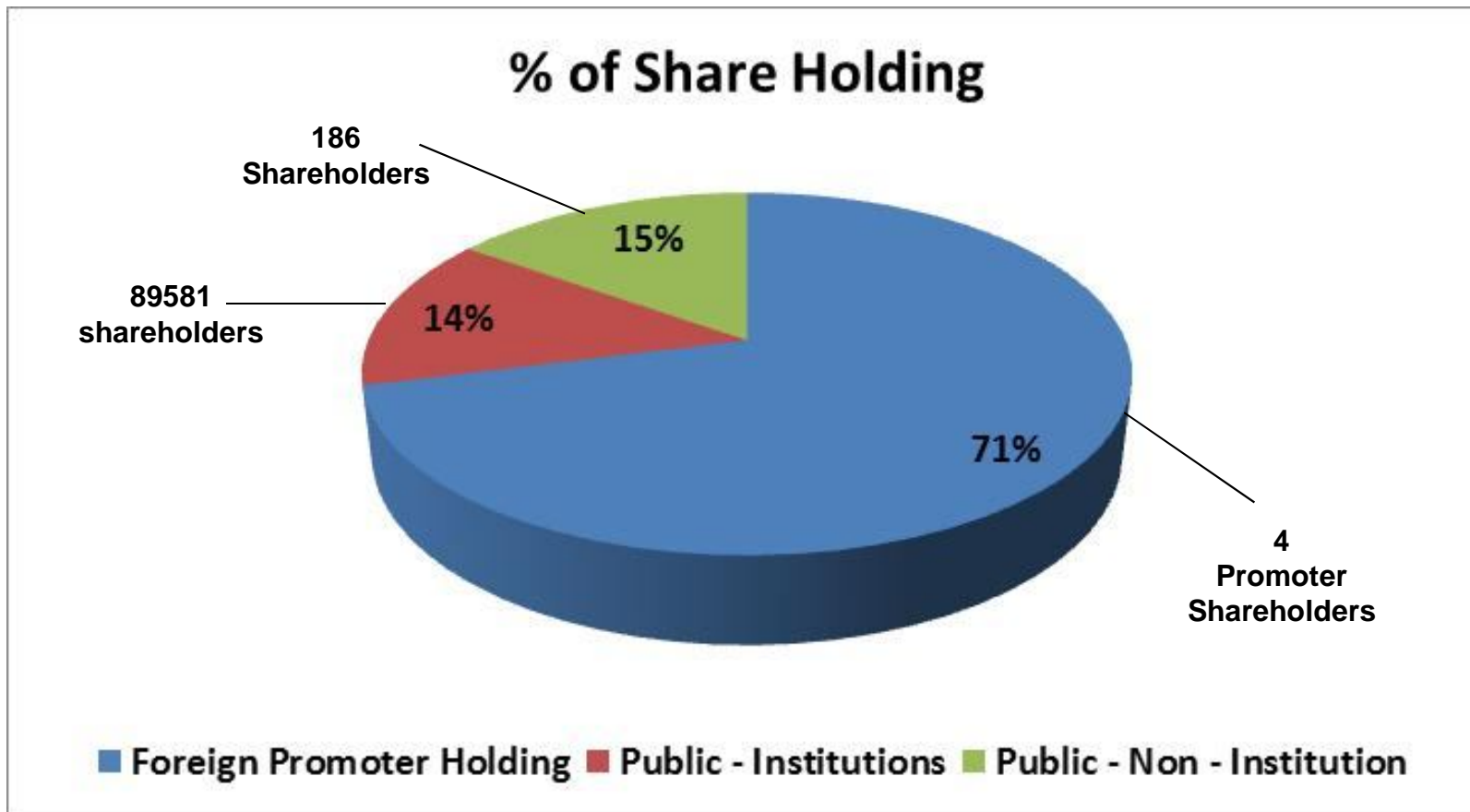
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Shareholding Pattern



Listed on BSE & NSE



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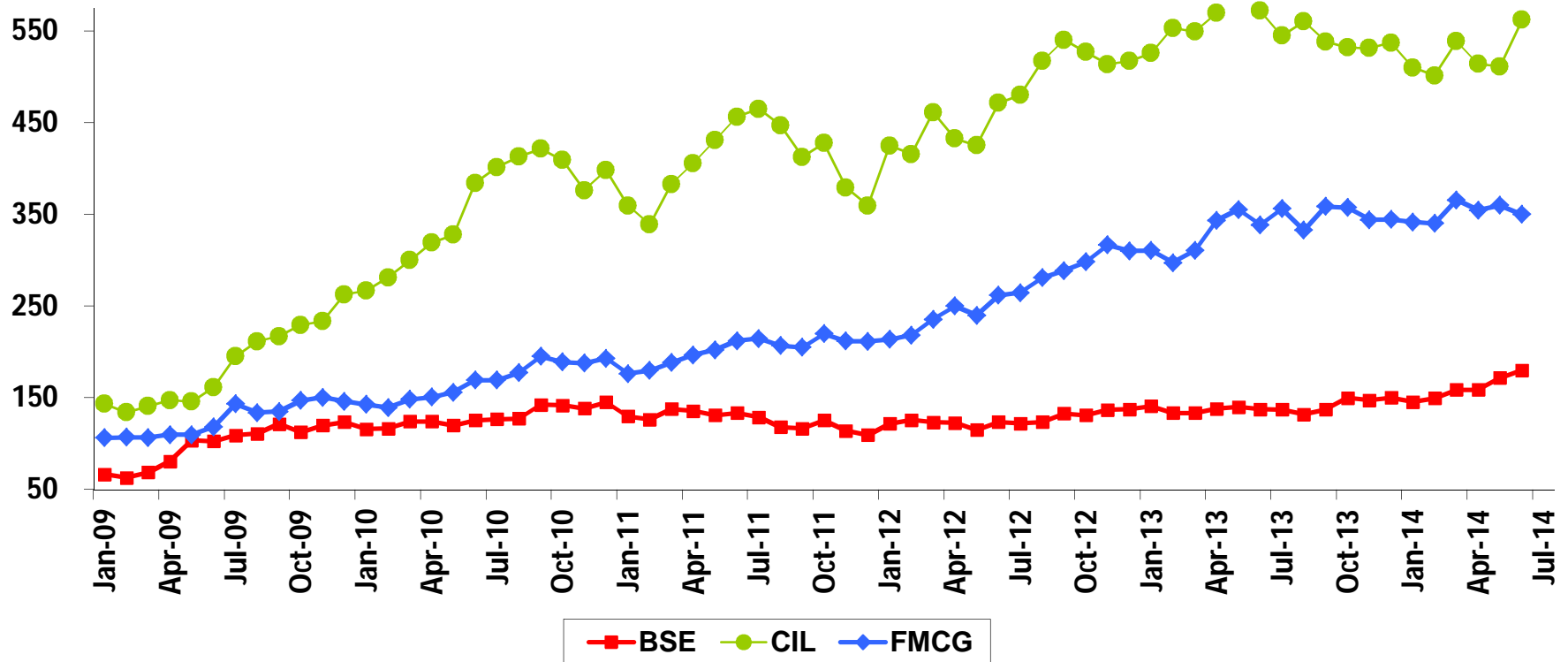
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CIL Stock Price performance (indexed)

Market Cap \$ 2.7 bln

Outperformed BSE and FMCG Index



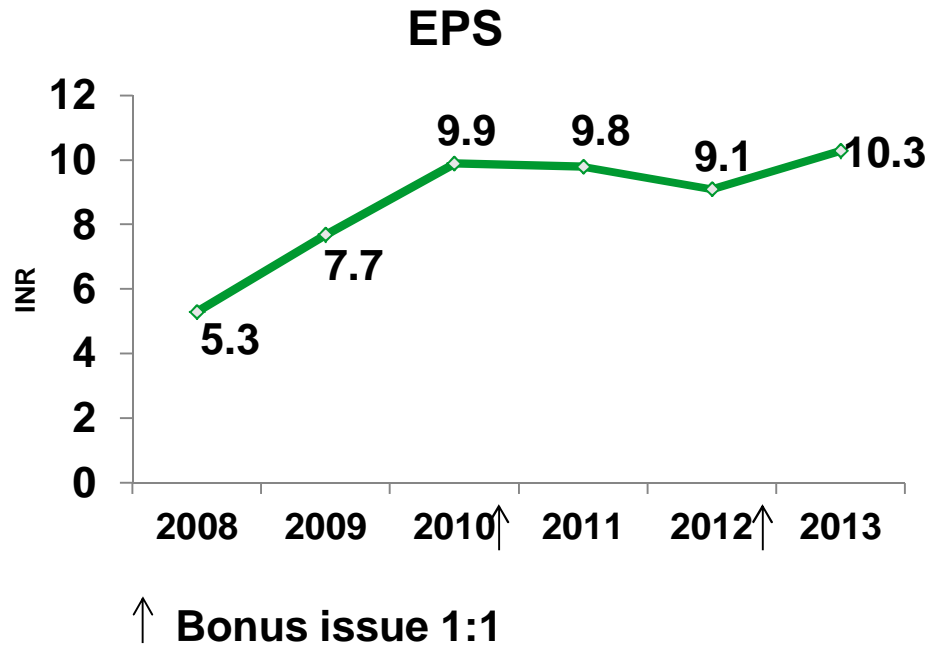
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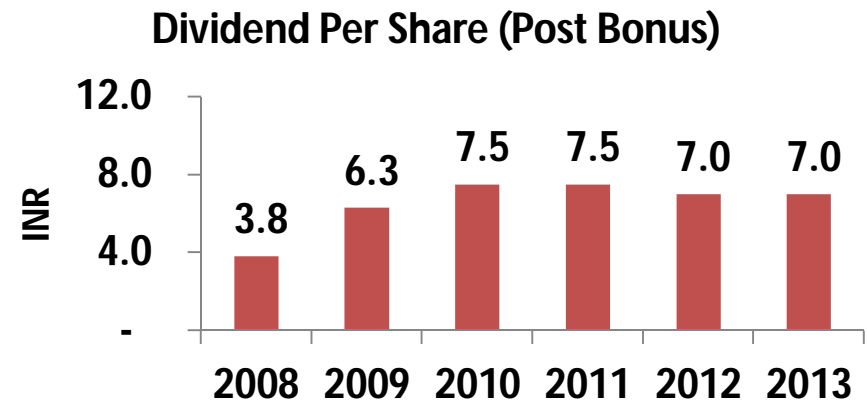
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Returns to Stakeholders



Paid back Rs. 5 per share to share holders in Mar' 14 as part of Capital Reduction Scheme

Most equitable method of rewarding share holders



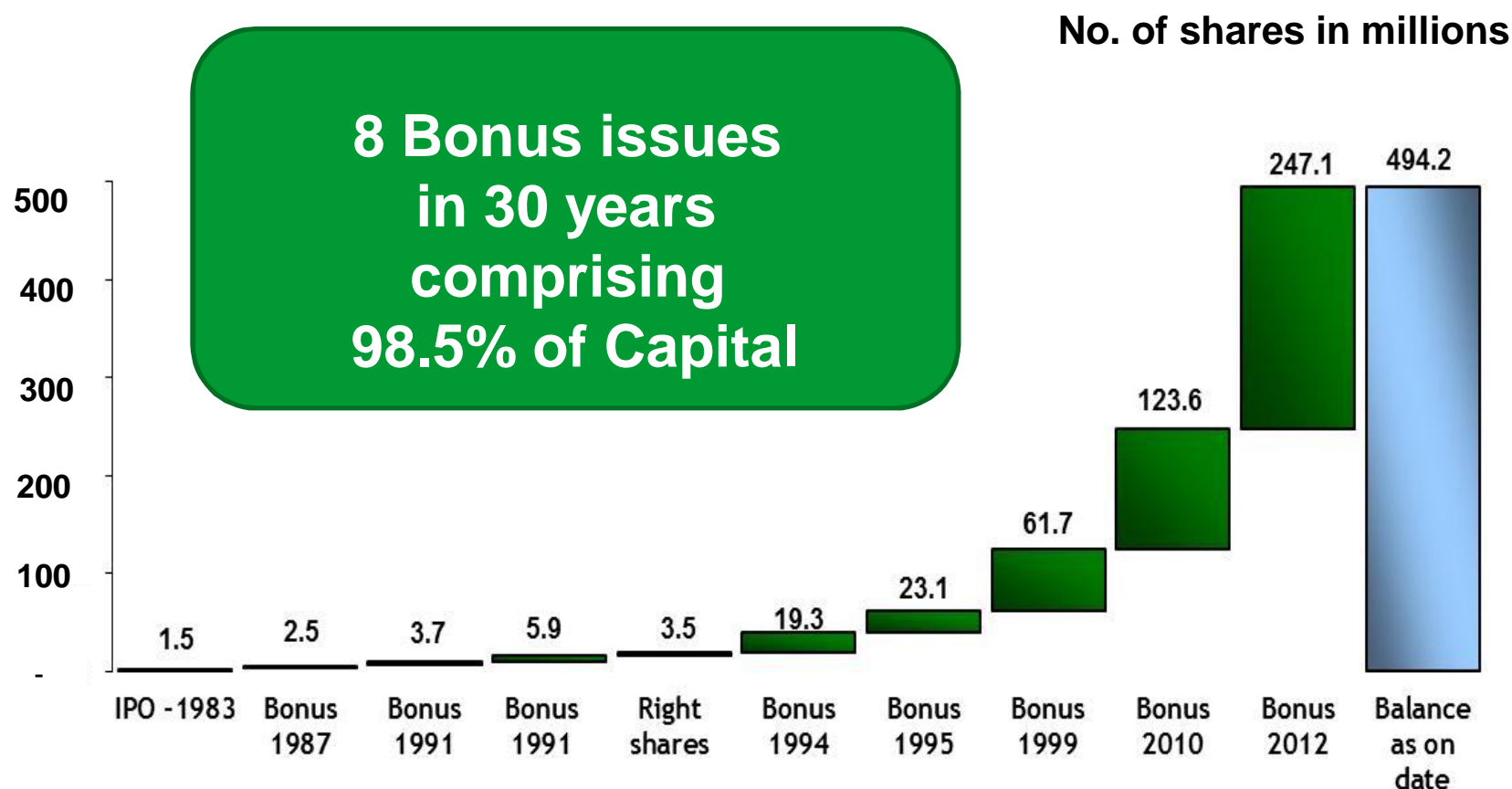
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Bonus Shares – Track Record



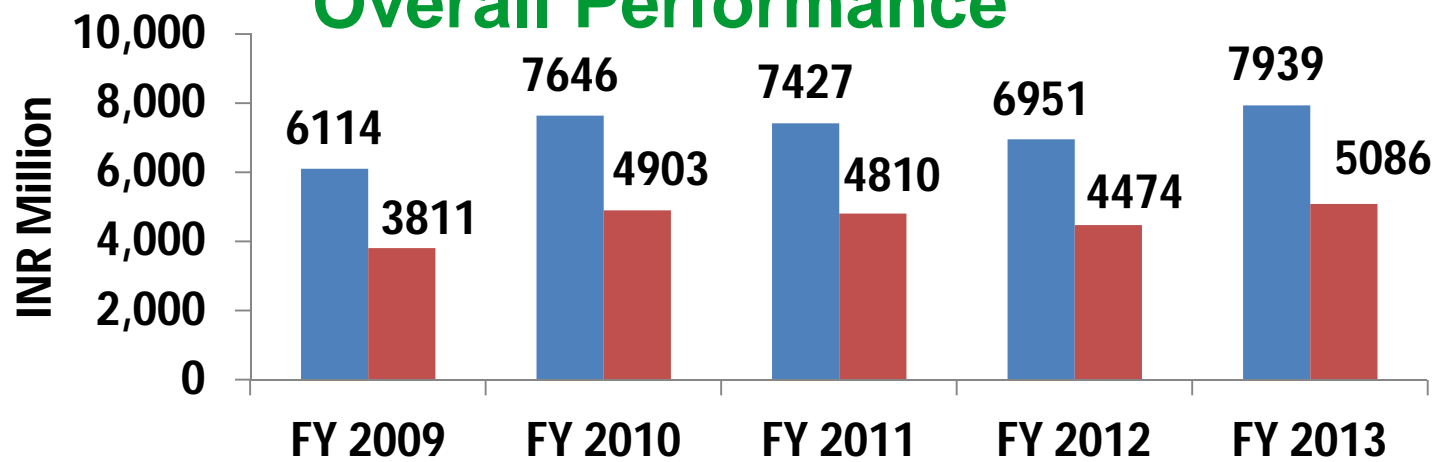
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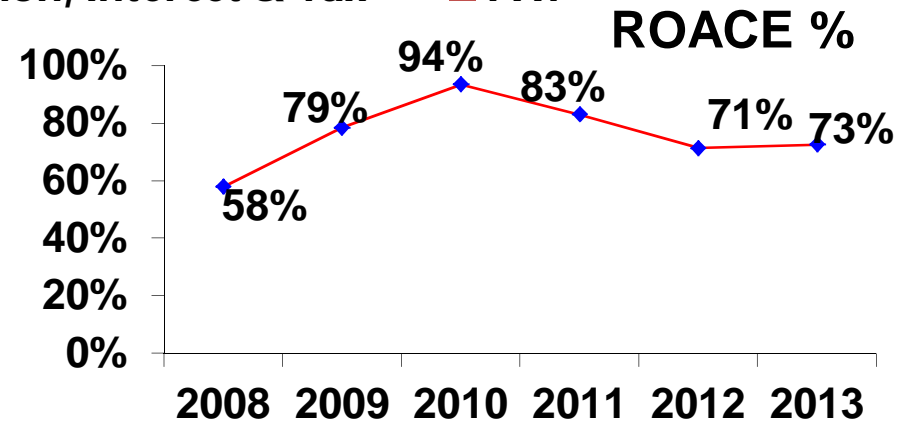
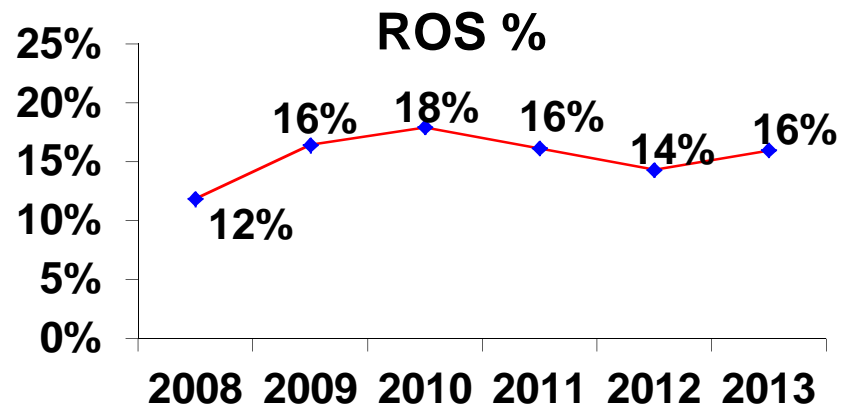
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Overall Performance



■ Profit before Depreciation, Interest & Tax ■ PAT



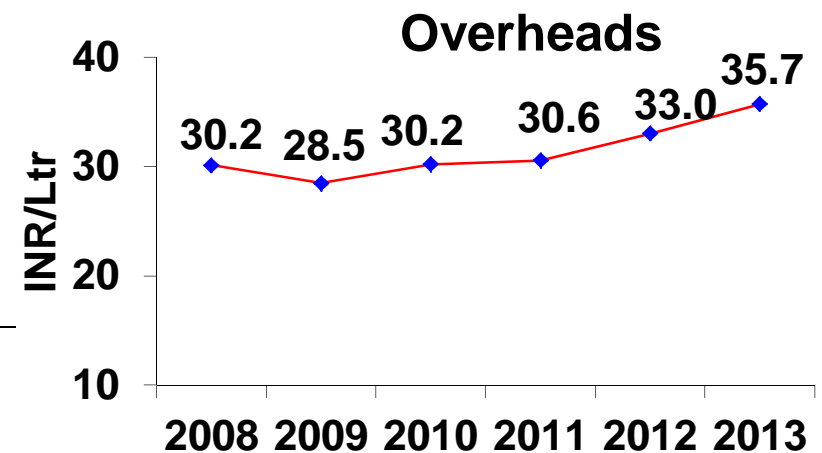
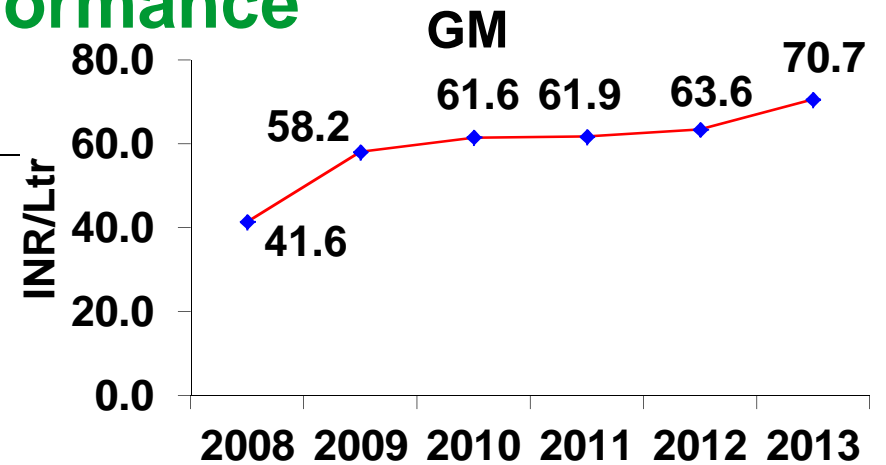
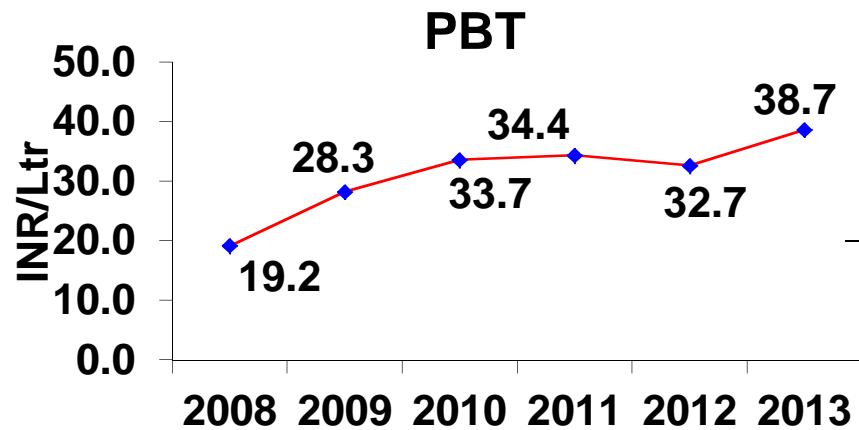
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Overall Performance



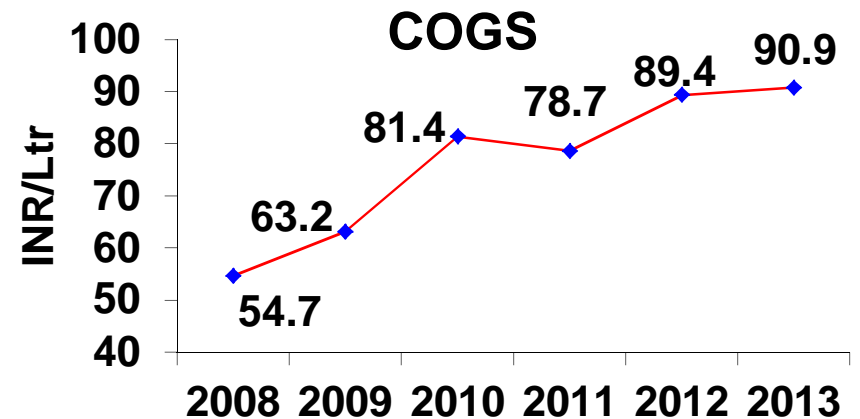
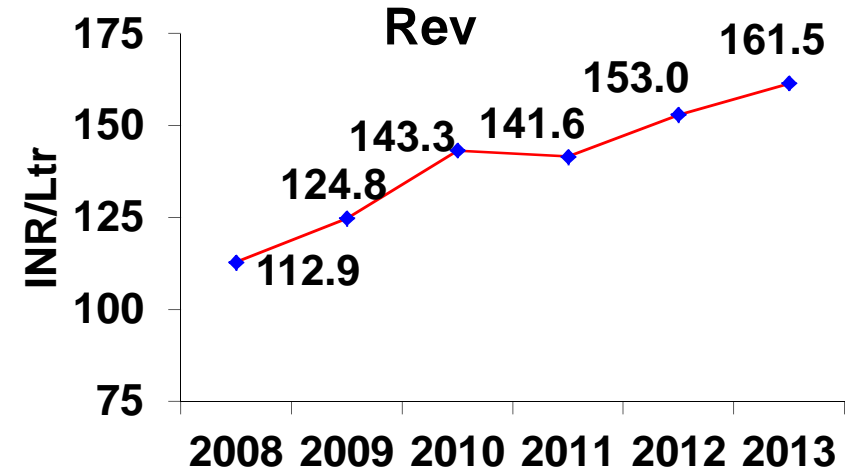
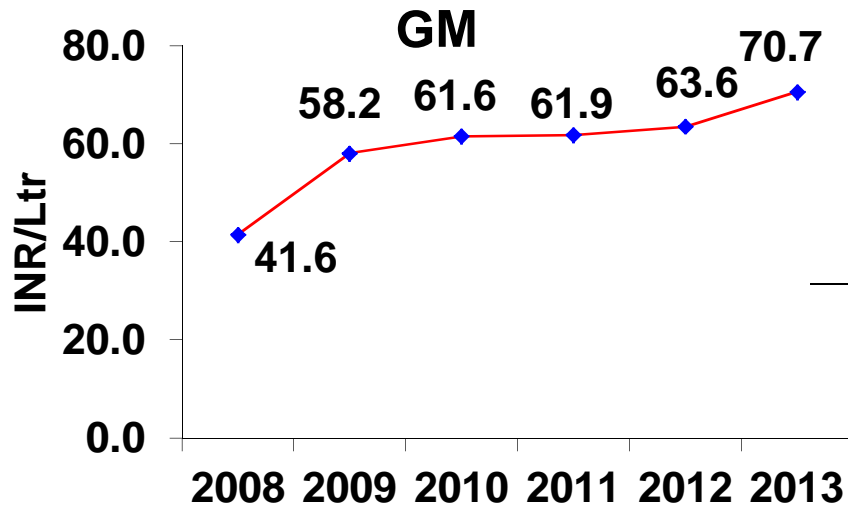
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Overall Performance



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CIL – 2013

INR Million	2013 Act	2012 Act	Vs LY %
Volume (ml)	196.8	204.0	-3%
Gross profit	13,912	12,966	7%
Total Cost (Incl Depn)	(7,342)	(7,006)	5%
Operating Profit	6,570	5,960	10%
Other Income	1,048	703	49%
PBT	7,618	6,663	14%



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Key Financial Ratios

Particulars	FY 2013	FY 2012	FY 2011	FY 2010	FY 2009	FY 2008
PBT (INR Million)	7618	6663	7159	7378	5808	4122
Ratios						
Volume (Mln Litres)	197	204	208	219	205	215
GP Ratio	44%	42%	43%	49%	52%	40%
EBDIT of % NSV	22%	20%	22%	27%	25%	18%
ROS - PAT/NSV	16%	14%	16%	18%	16%	12%
Overheads as % of GP	51%	52%	49%	46%	52%	55%
RONW %	73%	71%	83%	94%	79%	58%
EPS (INR) - Post Bonus Issue	10.3	9.0	19.5	19.8	15.4	10.6
Dividend Payout Ratio (incl. Div tax)	80%	90%	89%	88%	95%	83%



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CSR Initiatives

Education support – Differently Abled children



Partnering with NGOs to support tribals - Silvassa



Over 1,65,000 mechanics trained



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The journey so far



The best is yet to come...



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