

# Advancing together, embracing the future

## Letter from the Chairman



### My Dear Shareholders,

*Having assumed the Castrol India Chairmanship a few months ago, it is a pleasure to have the opportunity to share my thoughts on our company and the way forward. First, my sincere thanks to my predecessor, Mr. R. Gopalakrishnan, for his strong leadership and counsel during his tenure.*

As you may have noticed, our Board has seen significant changes recently. We bid farewell to Uday Khanna, our Audit Committee Chair; Sandeep Sangwan, our former MD; and Sashi Mukundan, who played a key role in helping build a robust link to the broader bp Group.

At the same time, we welcome our new members: Kedar Lele, our MD, who brings a wealth of experience from Hindustan Unilever; Satyavati Behera, our new Independent Director and Chair of the Audit Committee; and Kartikeya Dube, who joins us as a bp Nominee Director. I consider myself fortunate to have an extremely talented and experienced Board that will steer Castrol India towards its next stage of growth and leadership.

Castrol India has been a leader in the Indian lubricants market, earning customers' trust through our high-quality products, extensive distribution network, and continuous innovation. But in a rapidly evolving marketplace, we cannot rest on our laurels.

Customer expectations are shifting; they seek better solutions to counter the effects of global warming. In addition, technology is transforming how we operate — speeding up response times, enhancing efficiency, and enabling faster product development. To stay relevant and further accelerate our leadership, we must ensure that our products and services are available across the length and breadth of the country alongside the hinterlands, where market opportunities and demands are growing exponentially.

### A landscape of change and opportunity

Globally, economies are stabilising after three years of volatility. Inflation is easing, yet high interest rates and geopolitical tensions continue to pose challenges. Closer to home, India stands resilient with a strong economic outlook. Rising consumption and sustained industrial growth present exciting opportunities, particularly in

the automotive sector. Notably, rural India's increasing vehicle penetration signals promising growth for the lubricants market.

### Where we innovated and grew

Innovation remains our cornerstone. This year, we expanded our portfolio with nearly a dozen new products, including industrial rust-preventive products under the Castrol Rustilo DW brand, Castrol EDGE variants, Castrol CRB TURBOMAX Plus CK-4, and new additions to our auto care range.

Our efforts in distribution and accessibility are equally notable. Castrol products are now available across over 1,43,000 outlets nationwide, including 36,000 workshops and retail outlets in rural India. With our vast service network, we continue to penetrate new markets and cater to diverse customer needs.

### Where we see ourselves in the long-term

The world is rapidly moving towards carbon-efficient applications – EVs being one such example. The pace of these innovations will only accelerate, and Castrol will lead by example in providing state-of-the-art solutions for a better and cleaner world. As India moves forward, both economically and technologically, we will ensure that our solutions support our customers at every stage for superior performance and efficiency.

### Where our numbers speak

I am very pleased to report our strong financial performance in 2024. Our revenues and profit both grew by 6% y-o-y, reaching **₹5,365 Crore** and **₹1,258 Crore**, respectively. This growth reflects our disciplined operations, balanced margins, and increasing volumes – giving us the confidence to sustain and accelerate our momentum.



To celebrate Castrol's 125-year global journey, the Board has approved a special dividend of ₹4.50 per share. This translates to ₹13 a share for the full year, reflecting the company's commitment to its shareholders for their continued support over the past four decades.

## Where impact truly matters

Beyond financial performance, we remain committed to creating a positive social and environmental impact. Our efforts to include 50% recycled content in our high-density polyethylene (HDPE) bottles marks a step forward in sustainability. Our CSR initiatives, such as Sarathi Mitra and Eklavya, have empowered and trained around 30,000 truckers and 15,000 mechanics during 2024. To date, our programmes have impacted the lives of over five lakh individuals, reflecting our commitment to community development.

## Looking ahead

As I step into this role, I am filled with optimism about our journey ahead. We will continue to focus on innovation, value creation, and forging stronger connections with our stakeholders. Together, we will build on Castrol's legacy to achieve even greater heights. I want to thank our employees for their commitment and hard work, which has brought Castrol India to its current level of growth and leadership.

Finally, my heartfelt thanks to all our shareholders, customers and consumers for your trust and support. This is the beginning of an exciting chapter for Castrol India, and I am privileged to have your partnership in this journey forward.

Warm regards,

**Mr. Rakesh Makhija**

Chairman  
Castrol India Limited

