

NOTICE OF THE MEETING

Notice is hereby given that the thirty fifth Annual General Meeting of the Members of Castrol India Limited will be held at Y. B. Chavan Centre, General Jagannath Bhosale Marg, next to Sachivalaya Gymkhana, Mumbai 400 021 on Friday, 26th April, 2013 at 3.30 p.m. to transact the following business:

1. To receive and adopt the Directors' Report and the Audited Statement of Profit and Loss Account for the year ended 31st December, 2012 and the Balance Sheet as at that date and the Auditors' Report thereon.
2. To declare a Final Dividend on 49,45,61,192 Equity Shares for the year ended 31st December, 2012.
3. To appoint a Director in place of Mr. R. Gopalakrishnan who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. S. Vaidya who retires by rotation and being eligible, offers himself for re-appointment.
5. To consider and if thought fit, to pass with or without modification, the following as an ORDINARY RESOLUTION:

RESOLVED THAT S. R. Batliboi & Co., Chartered Accountants, (Firm Registration No. 301003E) be and are hereby appointed Auditors of the Company, to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting.

RESOLVED FURTHER THAT the remuneration payable together with the out-of-pocket expenses, if any, and the installments in which the remuneration is payable to the Auditors shall be such as shall be mutually agreed upon between the Board of Directors and the Auditors.

AS SPECIAL BUSINESS:

6. To appoint a Director in place of Mr. Bijay Kamath who vacates office at this Annual General Meeting and being eligible, offers himself for re-appointment.
7. To consider and if thought fit, to pass with or without modification, the following as a SPECIAL RESOLUTION:

RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any of the Companies Act, 1956 (the Act) read with Schedule XIII of the Act, the appointment of Mr. Bijay Kamath as a Wholetime Director of the Company designated as Director – Supply Chain for a period of 5 years with effect from 1st November, 2012 to 31st October, 2017 upon the terms and conditions including remuneration and minimum remuneration as set out in the Agreement entered into by the Company with Mr. Kamath be and is hereby approved.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to vary or increase the remuneration and perquisites including the monetary value thereof as specified in the said Agreement to the extent the Board of Directors may consider appropriate, as may be permitted or authorized in accordance with any provision under the Act, for the time being in force or any statutory modification or re-enactment thereof and/or any Rules or Regulations framed thereunder and the terms of the aforesaid Agreement between the Company and Mr. Kamath shall be suitably modified to give effect to such variation or increase as the case may be.

NOTES:

1. The Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect to the business under items 6 & 7 are annexed herewith.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND TO VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
3. The Register of Members and Share Transfer Books will remain closed from Tuesday, 16th April, 2013 to Friday, 26th April, 2013 (both days inclusive).
4. Shareholders are requested to address all correspondence in relation to share matters to the Company's Registrars and Share Transfer Agents, TSR Darashaw Private Ltd. (TSR) at the following address:-

 TSR Darashaw Private Limited
 Unit: Castrol India Limited
 6-10, Haji Moosa Patrawala
 Industrial Estate, 20, Dr. E. Moses Road
 Mahalaxmi, Mumbai 400 011.
 Tel. No. 6656 8484
 Fax No. 6656 8494 / 6656 8496
5. The dividend declared at the Meeting will be made payable on 16th May, 2013 in respect of shares held in Physical form to those members who are entitled to the same and whose names appear in the Register of Members of the Company after giving effect to all valid share transfers lodged with the Company / TSR at the close of business hours on 15th April, 2013 and in respect of shares held in the electronic form to those "Deemed Members" whose names appear in the Statement of Beneficial Ownership furnished by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL).
6. Members holding shares in physical form are requested to notify change of address, if any, to TSR on or before 16th April, 2013 and those who hold shares in dematerialized form are requested to notify to their Depository Participants their change in address.
7. Shareholders can register their complaints, if any on an exclusive e-mail ID investorrelations.india@castrol.com which has been designated for the said purpose.
8. The Ministry of Corporate Affairs (MCA) has taken a Green Initiative in Corporate Governance allowing paperless compliance by Companies through electronic mode. Taking advantage of this Green Initiative of the MCA, your Company has decided to send all correspondence like notices of general meetings, abstracts, audited financial statements (Annual Report) through electronic means to the Registered e-mail addresses of the shareholders made available to the Company. Please note that the said documents would also be available on the Company's website www.castrol.co.in from where it can be downloaded by the shareholders. In case you desire to receive the above mentioned documents in Physical form you are requested to send an e-mail to investorrelations.india@castrol.com
9. Please note that you are entitled to receive the above mentioned documents free of cost upon a requisition from you as a member of the Company. Members holding shares in the dematerialized form who wish to receive the above mentioned documents in electronic form and who have so far not registered their e-mail ID may do so with their concerned Depository Participant. Members holding shares in the Physical form who wish to receive the above mentioned documents in the electronic form are requested to register their e-mail ID with TSR the Registrar & Share Transfer Agents of the Company.

10. In terms of Sections 205A and 205C of the Companies Act, 1956, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund. Accordingly, the Company would be transferring the Final Dividend 2005 for the year ended 31st December, 2005 and the Interim Dividend for the year ended 31st December, 2006 on or before 25th May, 2013 & 24th August, 2013 respectively. Shareholders are requested to ensure that they claim the dividends referred to above, before it is transferred to the said Fund.
11. Shareholders to note that TSR will be mandatorily printing on the dividend warrants as advised by the Securities and Exchange Board of India the shareholders' bank account details. Those shareholders who hold shares in the physical form and have not furnished their bank account details may furnish the same to TSR on or before 16th April, 2013.
12. As required under the Revised Clause 49 IV G (i) of the Listing Agreement executed with the BSE Limited and the National Stock Exchange of India Limited brief profiles of Directors are given in Annexure B to the Directors' Report.
13. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copies of the Annual Report to the Meeting.
14. Members are requested to affix their signature at the place provided on the attendance sheet annexed to the proxy form and hand over the slip at the entrance to the place of the Meeting.

Members who hold shares in dematerialized form must therefore give instructions regarding their Bank account details to their Depository Participant. The Company or TSR shall not act on any request received directly from shareholders for changes in their bank account details.

Further, instructions given by shareholders for shares held in physical form would not be applicable to the dividend paid on shares also held in dematerialized form.

By Order of the Board

A. H. Mody
Company Secretary

Registered Office:
Technopolis Knowledge Park
Mahakali Caves Road
Andheri (East)
Mumbai 400 093

Mumbai

Dated: 27th February, 2013

EXPLANATORY STATEMENT AS REQUIRED BY SECTION 173 OF THE COMPANIES ACT, 1956

Item No. 6

Mr. Bijay Kamath was appointed with effect from 1st November, 2012 as an Additional Director of the Company pursuant to Article 115(a) of the Articles of Association of the Company. In accordance with Section 260 of the Companies Act, 1956 (the Act), Mr. Kamath would hold office up to the date of the ensuing Annual General Meeting of the Company. In terms of Section 257 of the Act, the Company has received a notice from a shareholder along with the requisite deposit signifying his intention to propose Mr. Kamath as a candidate for the office of Director. Mr. Kamath has given his consent to act as a Director of the Company, if appointed, at the forthcoming Annual General Meeting.

The Board of Directors considers that it would be in the interest of the Company to avail of the services of Mr. Kamath as a Director of the Company and therefore recommend his appointment.

None of the Directors other than Mr. Kamath are concerned or interested in the passing of this Resolution.

Item No. 7

The Board of Directors had appointed Mr. Bijay Kamath as a Wholetime Director of the Company designated as Director – Supply Chain for a period of 5 years with effect from 1st November, 2012 to 31st October, 2017.

The appointment of Mr. Kamath (who for the sake of brevity is hereinafter referred to as “the Wholetime Director”) is subject to the provisions of Sections 198, 269, 309 and other applicable provisions (if any) of the Companies Act, 1956 (the Act) read with Schedule XIII of the Act.

The terms and conditions as contained in the Agreement dated 14th December, 2012 entered into between Mr. Kamath and the Company are as under:

(1) Salary:

- (i) Basic salary of Rs. 3,23,751/- per month.
- (ii) Allowances of Rs. 4,10,251/- per month. Allowances consists of Flexible Compensation Plan (FCP) component of Rs. 3,23,751/- per month which is allocable as per the Rules of the Company & a City Compensatory Allowance of Rs. 86,500/- per month as per rules applicable to Senior Executives in Level F and above as applicable to his job.

Subject to the Board of Directors reviewing the increase in such salary & allowances.

- (2) Performance Linked Bonus:** Such percentage of the net profits of the Company or such amount as may be decided by the Directors for each financial year or part thereof.

Proviso: Provided however that the aggregate amount of Salary and Performance Linked Bonus shall be subject to such limits as may be fixed by the Board of Directors for each financial year or part thereof from time to time.

- (3) Perquisites:** The Wholetime Director shall be entitled to perquisites as are allowed to Senior Executives in Level F and above, as applicable to his job based on the approval of the Board of Directors from time to time. In addition to Salary, Performance Linked Bonus the Wholetime Director shall also be entitled to perquisites and in particular

the following perquisites shall be allowed to the Wholetime Director.

(I) Housing:

- (i) the Company shall provide hired unfurnished accommodation to the Wholetime Director as applicable to his job including the provision for funding from the Director's salary and a provision of Top – up towards leased accommodation as per the rules of the Company applicable to Senior Executives in Level F and above as applicable to his job; or
- (ii) the Company shall provide to the Wholetime Director unfurnished Company owned accommodation with applicable deductions towards Employee funding towards such house as per rules for Senior Executives in Level F and above as applicable to his job; or
- (iii) where no accommodation is provided by the Company or the Wholetime Director does not opt for the accommodation provided by the Company during any period covered under this Agreement, then the Wholetime Director shall be entitled to Top – up towards leased accommodation as per rules of the Company applicable to Senior Executives in Level F and above as applicable to his job.

(II) Medical Reimbursement:

Medical Expenditure incurred by the Wholetime Director and his family as per the Rules of the Company applicable to Senior Executives in Level F and above as applicable to his job.

Explanation: "Family" shall mean the Wholetime Director's wife and his dependent children.

(III) Leave and Leave Travel Concession:

- 1. Leave on full salary, as per the Rules of the Company applicable to Senior Executives in Level F and above as applicable to his job.
- 2. Leave Travel Concession allocated from the flexible compensation plan for the Wholetime Director and his family once in a year incurred in accordance with the Rules of the Company applicable to Senior Executives in Level F and above as applicable to his job.

(IV) Club Fees:

Fees of one Club. Life Membership Fees shall not be included.

(V) Personal Accident Insurance:

As per Rules of the Company applicable to Senior Executives in Level F and above as applicable to his job.

(VI) Provident Fund and Superannuation Fund:

Contribution to Provident Fund and Superannuation Fund to the extent these singly or put together are not taxable under the Income Tax Act, 1961. The Wholetime Director will have the option to receive the cash allowance in full or part in lieu of the Company's contribution to the superannuation fund.

(VII) Encashment of Leave:

Encashment of leave at the end of tenure will be permitted as per Rules applicable to Senior Executives in Level F and above as applicable to his job.

(VIII) Gratuity:

Gratuity payable shall be as per Castrol India Limited Gratuity Rules in force from time to time.

(IX) Company Car:

The Wholetime Director is eligible for Company car with deductions from the Flexible Compensation Plan as per the rules applicable to Senior Executives in Level F and above as applicable to his job in the Company.

Proviso: Provided however, that the value of the perquisites allowed under Clause (3) in its entirety but excluding sub clauses (i), (v), (vi) (to the extent of the limits being exceeded, if any, prescribed thereunder) (vii) and (viii) shall not exceed the sum of Rs. 50,00,000 for each financial year or part thereof. In arriving at the value of the perquisites insofar as there exists a provision for valuation of perquisites under the Income Tax Rules, the value shall be determined on the basis of Income Tax Rules in force from time to time.

Minimum Remuneration:

Where in any financial year, the Company has no profit or its profits are inadequate the Company will pay to the Wholetime Director, Minimum Remuneration as provided in Section II of Part II of Schedule XIII of the Act as notified from time to time.

OTHER TERMS AND CONDITIONS:

1. The Wholetime Director so long as he functions as such shall not be paid any sitting fees for attending meetings of the Board or any Committee thereof.
2. The Wholetime Director shall not during the continuance of his employment hereunder or at any time thereafter divulge or disclose to any person whatsoever or make any use whatsoever for own purpose or for any purpose other than that of the Company of any information or knowledge obtained by him during his employment as to the business or affairs of the Company or its methods or as to any trade secrets, processes of the Company and the Wholetime Director shall during the continuance of his employment hereunder also use his endeavors to prevent any other person from doing so.
3. The Wholetime Director shall not so long as he functions as such become interested or otherwise concerned directly or through his wife and / or minor children in any selling agency of the Company without prior approval of the Government.
4. The employment of the Wholetime Director under this Agreement shall forthwith determine if he shall become insolvent or make any compromise or arrangement with his creditors or shall cease to be a Director of the Company.
5. In case the Wholetime Director dies in the course of his employment, the Company shall pay to his legal personal representative the salary and current emoluments for the then current month.
6. In the event the Wholetime Director becomes disqualified as Director for any reason other than an inadvertent breach of Section 283 of the Act, or failure through inadvertence

- or oversight to secure the leave of absence from meetings of the Board (in either of which latter event he shall be re-appointed as the Wholetime Director), the Company may by notice in writing to the Wholetime Director determine his agreement with immediate effect.
7. Notwithstanding anything to the contrary contained in this Agreement, either party shall be entitled to determine this Agreement by giving not less than six calendar months' notice in writing in that behalf to the other party without showing any cause and on the expiry of the period of such notice this Agreement shall stand terminated and the Wholetime Director shall cease to be a Director of the Company. In lieu of six calendar months' notice the Company will be entitled to forthwith determine this Agreement by paying to the Wholetime Director six months' last drawn salary (defined as Basic Salary and FCP as mentioned in 4 (A) above).
 8. The Wholetime Director shall, upon ceasing to be in the service of the Company for any reason whatsoever, be bound to vacate the accommodation provided to him by the Company and hand over the same to the authorised representative of the Company in that behalf.
 9. Any notice required to be given by the Wholetime Director to the Company under or in pursuance of this Agreement shall be sent by Registered Post Acknowledgment Due to the Company at its Registered Office for the time being. Any notice required to be given by the Company to the Wholetime Director under or in pursuance of this Agreement shall either be delivered to him personally or sent by Registered Post Acknowledgment Due to his last known residential address. All notices given by the Wholetime Director to the Company or to the Wholetime Director by the Company shall be deemed to have been duly served upon the expiration of twenty-four hours from the date of posting.
 10. This Agreement represents the entire agreement between the parties hereto in relation to the terms and conditions of the Wholetime Director's employment with the Company and cancels and supercedes all prior agreements, arrangements or undertakings, if any, whether oral or in writing between the parties hereto on the subject matter hereof.
 11. It is hereby agreed that in the event of any amendment/modification of the Companies Act, 1956 or re-enactment thereof coming into force the Board of Directors may as they consider appropriate and subject to the approval of the shareholders in General Meeting if required, being obtained vary or increase the remuneration or perquisites including the monetary value thereof as specified in this Agreement in accordance with the above amendments, re-enactments thereof and/or any rules or regulations framed thereunder and the terms of this Agreement should be suitably modified to give effect to such variation or increase as the case may be and as is acceptable to the Wholetime Director.
 12. The appointment and remuneration referred in this Agreement is subject to the approval of the shareholders being obtained in the first General Meeting held after the date of this Agreement.
- As required under Section 302(7) of the Act, an abstract dated 26th November, 2012 relating to terms & conditions of appointment of Mr. Kamath as set out above has been sent to the members of the Company.

Mr. Kamath has filed Form DDA with the Company as required under the Companies (Disqualification of Directors under Section 274 (1)(g) of the Companies Act, 1956) Rules 2003.

The appointment and remuneration of a Wholetime Director is required to be approved by the shareholders in the first General Meeting after his appointment and accordingly this Resolution is being placed before the members of the Company.

The Board of Directors recommends the passing of the Resolution contained in item No. 7 of the accompanying Notice.

None of the Directors are in anyway concerned or interested in the passing of the Resolution except Mr. Kamath, since it relates to his appointment and remuneration payable to him.

By Order of the Board

A. H. Mody
Company Secretary

Registered Office:
Technopolis Knowledge Park
Mahakali Caves Road
Andheri (East)
Mumbai 400 093
Mumbai
Dated: 27th February, 2013