

Gulf Oil Lubricants India Limited

Transcript of the 16TH Annual General Meeting

HELD ON SEPTEMBER 12, 2024

Moderator:

Dear Shareholders, Good afternoon and a warm welcome to you all at the 16th Annual General meeting of Gulf Oil Lubricants, India Limited, which is being held through video conferencing or other audio-visual means. Please note that the proceedings of this meeting will be recorded and the transcript of the meeting shall be uploaded on the website of the company. I now invite the company secretary to take over.

Mrs. Shweta Gupta:

[Inaudible 2:06] means at 2013 that are required to be made available at the annual journal meeting are open for online inspection to shareholders on the NSDL website under the AGM documents tab, the facility for voting through ballot paper is not made available at this meeting. Those shareholders who have not availed the facility of remote E-voting in respect of the business to be transacted at this AGM may do so during this meeting by means of E-voting only. All shareholders who have joined this meeting are by default and listen only more to ensure smooth functioning of the proceedings of the meeting. During the question and answer session, the moderator will announce the names of the shareholders who have registered themselves as speakers for this meeting in sequence of the emails received by the company, the lines of the respective shareholder shall be unmuted when their name is called by the moderator. Shareholders can then proceed to ask their questions by turning on the video. In case of any technical glitch with video mode, the shareholder can ask this question through audio mode also. Shareholders are requested to use earphones with a mic so that they are clearly audible and minimize any kind of background noise. In case of any technical issue, the shareholders are requested to contact the registered number, which is provided in the notice of this annual journal meeting. Now, I request our respected chairman to start the precedents. Thank you. Over to you, sir.

Mr. Sanjay G. Hinduja:

Thank you. Very good day to all ladies and gentlemen, I'm Sanjay Hinduja, the chairman of the company, and joining this meeting through video conference from London, I extend a warm welcome to all of you to this 16th annual general meeting of the company through audio video meets, as the requisite quorum is present, I now call the meeting to order. The company has made all efforts feasible to enable the shareholder to participate in the meeting through video conference facilities, and vote electronically. I would like to welcome the members of the board to at this AGM who are participating through audio video means from their respective locations. For the benefit of members, I request the members of board as I call out to identify themselves and the location from where they're participating, beginning with Shom Hinduja.

Mr. Shom A. Hinduja:

Thank you. Good day to all. I am Shom Hinduja joining this meeting through the video conference from France. I'm a non-executive director of your company. Thank you.

Mr. Sanjay G. Hinduja:

Mr. Arvind Uppal.

Mr. Arvind Uppal:

Thank you. Good day to all. I'm Arvind Uppal joining this meeting through video conference from Athens, Greece. I'm an independent director of your company. I'm the chairman of the nomination and remuneration, stakeholders relationship and risk management committees of your company. Thank you.

Mr. Sanjay G. Hinduja:

Mrs. Manju Agawral.

Mrs. Manju Agawral:

Thank you. Good day to all. I'm Manju Agarwal joining this meeting through video conference from USA. I'm a non-executive independent director of your company. I'm also the chairperson of the audit and Corporate Social Responsibility and Sustainability committee of your companies. Thank you,

Mr. Sanjay G. Hinduja:

Mr. Muneesh Khanna.

Mr. Muneesh Khanna:

Good day to all. I'm Muneesh Khanna joining this meeting through video conference from Mumbai. I'm a non-executive independent director of your company.

Mr. Sanjay G. Hinduja:

Mr. Ravi Chawla.

Mr. Ravi Chawla:

Good day to all. I'm Ravi Chawla joining this meeting through video conferencing from Mumbai. I'm the managing director and chief executive officer of your company. Thank you.

Mr. Sanjay G. Hinduja:

I would like to inform the shareholders that representatives of Price Waterhouse, LLP statutory auditors of the company, BS and company, Secretarial auditory of the company, and Dhananjay V. Joshi and Associates, Cost auditory of the company. Have also joined this meeting through video conference, and I

welcome you all to this annual general meeting. We now have a brief audio-visual presentation to highlight the activities and developments of the company.

[Video ad from 7:01 to 15:51]

Mr. Sanjay G. Hinduja:

Thank you. I trust you would've got a good insight into the activities of your company since the AGM notice dated 6th August, 2024 has already been dispatched, I am with your permission taking the same as read. The reports of the statutory and secretarial auditors do not contain any adverse qualifications, observations, or comments on the functioning of your company and are therefore not required to be read. Before moving on with the agenda for the meeting, let me briefly inform you about the items of business that form part of the notice. Item numbers 1, 2, 3, 4, and 5 relate to adoption of audited standalone financial statements of the company for the financial year ended March 31st, 2024, and the reports of the directors and statutory auditors. Adoption of consolidated financial statements of the company for the financial year ended March 31st, 2024, and the report of statutory auditors. Declaration of final dividend for the financial year ended March 31st, 2024, reappointment of British Ashok Hinduja as director to appoint SRBC and Co. LLP Chartered Accountants as statutory auditors and fix their remuneration and form part of the ordinary business of the AGM notice. Item number six relates to ratification of the remuneration of cost auditors, M. S. Dhananjay V. Joshi and Associates cost accountants for the financial year ending March 31st, 2025. Item number seven relates to approval of payments of remuneration to non-executive directors, including independent directors by way of commission. Item number eight relates to reappointment of Mr. Arvind Uppal as an independent director of the company for the second term of five consecutive years to be passed as special resolution. Item number nine relates to reappointment of Mrs. Manju Agarwal as an independent director of the company for the second term of the five consecutive years to be passed as a special resolution and form part of the special business of the AGM notice. Approval of shareholders is therefore being sought for the same through E-voting. Necessary explanations are provided in the explanatory statement forming part of the AGM notice.

Let me now move on the questions and answers. I would now hand over the proceedings to the moderator to invite those shareholders who are registered themselves as speakers to put forward their questions or seek clarification on the report or financial statements of the company.

Moderator:

Thank you, sir. Before we begin, let me quickly take you through the protocol. Dear Shareholders, ensure a steady internet connection by not connecting the WiFi to any other devices and not keeping any other applications running in the background. Once you are invited, kindly unmute yourself before you begin. Lastly, I request you to kindly limit your speech to two minutes. With that inviting the first registered speaker shareholder, Mr. Bharat Shah. Sir, I request you to unmute yourself before you proceed with your queries. Mr. Shah, are you there? Hi, ma'am. Dear Audible, please proceed.

Ms. Smita Shah:

Honorable Chairman, Shri Sanjay Ji, MD, CEO Shri Ravi Ji, and all esteemed Directors present, I extend my respectful greetings to all of you. Chairman Sir, first of all, I would like to express my gratitude to the CS team for being very helpful, careful, and cheerful. In accordance with our request, they have prepared a very excellent and attractive balance sheet with good photos and full information. They even sent us a physical copy and provided us the opportunity to communicate with you. For this, I sincerely thank Ms. Shweta, the hardworking and diligent Company Secretary, from the bottom of my heart. I appreciate her excellent investor service, and along with Ms. Shweta, I also extend my heartfelt thanks to Kruti and the entire hardworking and helpful CS team. I offer my best wishes to the entire young CS team. Chairman Sir, I was very pleased to see your excellent presentation. There aren't enough words to express how much I admire your leadership. It is a result of your extraordinary leadership, the cooperation of the entire board, and the hard work of all the employees and workers that the company is moving forward with excellent progress. I congratulate all of you for this, and I must say that your leadership is truly remarkable. This is why the company is doing wonderfully, and we see tremendous growth in cross-growth, margin revenue, EBITDA, and dividends, which are increasing steadily. Thank you very much, Sir. We are seeing progress in every aspect, and I sincerely appreciate and congratulate you for your outstanding work. I would like to say that we have complete faith in you, so I have no questions. I would just like to ask if you could kindly share your future plans with us. We have been connected with you for many years, and with everyone's support, we will continue to progress. As a shareholder, I support all the results today. I extend my best wishes, and I hope that every morning brings light to you, that you have a treasure of happiness, and that you always remain happy, healthy, and full of success. Sir, you have chosen a great time to hold your AGM during the auspicious days of Lord Ganesha, so his blessings will always be upon you, and the company will continue to grow and progress day by day. May your future be bright and blessed. With heartfelt wishes, I offer my prayers at the feet of Lord Ganesha. Lastly, Sir, for the past five years, we have been meeting through this medium, and I humbly request that next time you hold a hybrid AGM. Our company is growing rapidly, so having a face-to-face meeting would also be a great opportunity. This way, even the 12 people connected with us will have the chance to join through the hybrid model. So, next year, please do hold a physical AGM. This is my humble request. I hope that next time, we will definitely meet face-to-face. I also extend my heartfelt wishes for all the upcoming festivals, and with strong support, I thank you all. Please continue with the meeting. Let's talk to Bharat Shah now. Thank you, Sir.

Mr. Bharat Shah:

Honorable Chairman Shri, MD Shri, and other esteemed Directors, my name is Bharat Shah, and I have been associated with all the companies of the Hinduja Group for years. I have no queries. Everything is well-organized and excellent. You are running the company wonderfully and always providing good dividends to shareholders. I pray to God for the continued success of the company, and I request a bonus in the coming year. It has been a while since the last bonus was given, Sir, so please let me know when. Sir, how many total employees do we have? Please do let us know, and also, share the future financial

plans of the company. I sincerely thank and congratulate everyone, especially for all the humanity-driven activities being carried out. I would like to thank Ms. Shweta, the Company Secretary, and her entire team, including Kruti Ji and the rest. They provide excellent service, directly addressing any queries from investors and giving us respect. So, I send my appreciation to the entire CS team, and as five years have passed, I would love the opportunity to meet in person. Please consider a hybrid meeting so we can meet face-to-face. I wish you all good health and wealth, and may the company continue to progress remarkably. I pray to God, Lord Ganesha, and all deities, and extend my best wishes for Ganesh Chaturthi. I have supported all the resolution. Thank you very much sir.

Moderator:

Inviting the next registered speaker shareholder, Mr. Yusuf Yunus Rangwala.

Mr. Yusuf Yunus Rangwala:

Sir, very good afternoon, sir. How are you, sir? First, I would like to wish you a very happy Ganesh Chaturthi. Chairman sir, you have shared a video. I am very happy that our film actor Dhoni is our brand ambassador. And our Hardik is shining like the moon and the sun. Both are very excellent. I use your product in my scooter. It is such a good product. There is no doubt about it, sir. Everything is fine. The name of the group is Hinduja, sir. We have no question to ask you, sir. It has been 5 years since we last saw you, sir. Tears in your eyes, your tears in your heart. This corona has made us apart, sir. We have to have a physical meeting next, sir. If possible, we can have a small get-together after Diwali. Because meeting you is such a good thing, sir. You are one of the excellent chairman. And I am the shareholder of all the companies. Sir, who are the main companies? For example, HPCL, BPCL, Savita Oil. These are the main companies in the business, sir. I would like to know what competition. If possible, I would like to have a plant visit. We have 6-7 factories. And our madam company secretary, what should I praise her for, sir? She called me. She showed me how you are caring for the shareholders. Sir, we are very lucky. I am the shareholder of the entire Hinduja group. Sir, what should I say? It is like going to the moon. We will go to the moon, sir. This is the company, sir. Thank you very much, sir. The fragrance of flowers, the fragrance of buds, and the support of Gulf Oil, it has always been there, sir. I wish you a very happy Ganesh Chaturthi, sir. May Ganeshji's blessings be upon you. And may you keep smiling like this, sir. And may you shower us with bonuses next year, sir. This is what I hope for, sir. Next year, you will give 3 bonuses per month. This is what I wish for, sir. I have seen the balance sheet. Today, our rate of Gulf Oil is also good. Thank you very much. No more questions, sir. Thank you, sir.

Mr. Sanjay G. Hinduja:

Thank you.

Moderator:

Inviting the next speaker, Mr. Srikant Jhawar. Sir, please unmute yourself before you proceed with your queries.

Mr. Srikant Jhavar:

First of all, good afternoon. My name is Srikant Jhavar. I am from Hyderabad. We are having a meeting through a video conference. Please keep a video conference meeting like this. Today, you are abroad and other directors are here. Please keep a video conference meeting like this. My first question is, that who is your next brand ambassador? Because now Mahendra Singh Dhoni has retired. So tell us about your next brand ambassador. And your two-bed of share valuation. If you think about stock splitting, your liquidity will increase. And as our co-shareholder said, you have a very healthy reserve in front of 9 crores [Inaudible 28:23].

Moderator:

It appears we've just experienced a technical difficulty with Mr. Jhavar. Chairman sir, with your permission, may we move on to inviting the next registered speaker shareholder?

Mr. Sanjay G. Hinduja:

Yes, please.

Moderator:

Inviting Mr. Vinod Agarwal. Sir, kindly unmute yourself before you proceed.

Mr. Vinod Agarwal:

Respected chairman Sanjay Hindujaji and CEO and MDA Ravi Chawlaji, CFO, Munesh [Inaudible 29:01], company secretary Guptaaji. Sir, I voted for all the nine resolution, so to be adopted in today's AGM and I support them very wholeheartedly. Sir I was contacted by Madam Pretty and from the CS team to join today's meeting, and she's very courteous and very nice. Sir, only on the performance part. We have a capacity of 1,40,000 in 2 shifts and two plans, but we have sold more than that 1 lakh 42 kiloliters you sold. So that's 2,20,000 liters more than the production capacity means you've operated more than the efficiency. It is a good sign, and even the performance has been so good. Sir, the operating revenue 3284, and the total revenue was 3350 crore, which is about 10% higher than the PAT at 308 crore is 33% higher than the previous share. Sir than the dividend that you have given 1800%. Very few companies. You made the shareholders wealthy and the performance share price, which was 500 and about a year ago, has zoomed to 1500 plus in August. So means the returns for the investors by dividend and plus the share appreciation has been tremendous. Three X within a year is also very good and we've got two plans. One in [Inaudible 30:25] and one in Silvassa are very good. Brand ambassador you mentioned. And sir, the thing if the board considers the management considers, the Hinduja companies generally give sweets at the end of their AGM. If it could be arranged for posted the meeting for the speaker shareholders, it'll be appreciated. If not possible. There's no issues on that. Thank you. Signing up Vinod Agarwal from Mumbai and the performance has been very good. Thanking you.

Mr. Sanjay G. Hinduja:

Thank you.

Moderator:

The next two registered speaker shareholders, Mr. Praful Chawda and Mr. Jamshed Patel have not yet joined this meeting. And so moving on to inviting the next registered speaker shareholder. Mr. Bimal Agarwal, sir, kindly unmute yourself before you proceed.

Mr. Bimal Agarwal:

Good afternoon, good evening, good night, and good morning to the other shareholders who have joined from the other part of the world. Many people have joined from other parts of the world also. So everything was explained in the presentation. I got no question to ask. That's all from me. Thank you very much. Please continue video conference always. Don't have hybrid meeting because it'll be just a waste of time like you have to pay double the amount. That's all from me. Thank you very much.

Mr. Sanjay G. Hinduja:

Thank you.

Moderator:

The next registered speaker shareholder, Ms. Lekha Shah has not yet joined and so inviting Mr. Jaydeep Bakshi. Sir, kindly unmute yourself before you proceed.

Mr. Jaydeep Bakshi:

Yes. Very good afternoon, chairman and board of directors myself, Jaydeep Bakshi, connecting from the city of Kolkata. First of all, I convey my thanks to our company secretary Shweta Madam for giving me an opportunity to express my view and also to the secretarial department for keeping in touch before this joining of the start of this AGM. Sir, the video presentation before this virtual meeting was very much informative also, and sir, we are taking part in various campaigns, particularly in these industrial events. So how much has been the feedback we have received and new technology implementation are we thinking of or how much have we implemented for betterment of our service? And sir kindly highlight on the safety standards maintained in our units because that is a vital issue and also especially the data security policy, we are trying because we have very much a great data bank also and what is the potential for a growth with the lubricant industry, immense potential to, and how we plan to seize this opportunity. And good performance. And thanks once second, for the handsome dividend you have passed on, including the interim one and also for the CSR activity. Return to the society has been great and nothing to add more. So I support all the resolutions and continue with the legacy and support and faith of all the stakeholders. Thank you, sir, for giving me an opportunity.

Mr. Sanjay G. Hinduja:

Thank you.

Moderator:

Inviting the next registered speaker shareholder, Mr. Gautam Tiwari.

Mr. Gautam Tiwari:

Sir, I am very happy to see you. Even though you are in London and we are sitting here, I am very happy to see you hale and hearty, fit and fine. Sir, what can I say? Words are not enough to praise you and to talk about you and the Hinduja Group overall. I am a shareholder of all Hinduja Group of companies, right from Ashok Leyland till the latest one also. So, we are a part of the family. It feels very good, sir. And this meeting in the festival season of Lord Ganesha and the grace of Lord Krishna on us and the blessings of Lord Ganesha all of us are very much benefited from it. And you benefited every shareholder from it. Thank you very much for this, sir. And here, it is a very good, magnificent and great company of ours. Even MD, CEO Ravi Chawla ji and Manish Gangwal ji have made a very good contribution, sir. And Hinduja Group is a very magnificent and great company. And it has made all the shareholders, sir, generous dividend, stock split bonus, and stock appreciation. It has made it great, sir. Right from the beginning, the people who are connected to you, they know how much money they have earned and how much wealth they have accumulated. And, sir, the growth of our company, has increased by almost 2-3 times in the last 10 years. So, we can understand the way we have been successful in doing our company's job. Sir, and secondly, Shweta ji's service and her team's service, sir, is so amazing, so magnificent, so great, that there is nothing to say about it, sir. Definitely, our CS stands within the top 30 CS company secretaries, not only at national, but even international level. It is such a magnificent, polite, soft-spoken, pleasant, and dedicated service of Shweta and her team. Sir, and a very strong, robust, 380-page balance sheet is made. It is very informative and very transparent. We also got a physical copy. Thank you very much for registering with us and thank you very much for giving us this opportunity to speak. And, sir, with all facts and figures, our balance sheet is as good as every year. Sir, I also thank the management for winning a lot of awards and accolades. Sir, and even our very good, magnificent social service, CSR service, for which I am very thankful. Sir, for my appreciation, I would like to ask two or three things which will add to my knowledge. Sir, what is the capacity utilization of Chennai and Silvassa plants today? Sir, how many R&D centers do we have and how many of our scientists are working in them? If you tell us, it will be a great blessing, sir. And our company's roadmap. Sir, it is such a magnificent company that there is no need to ask about the roadmap. Whatever you are doing, you are doing the best with excellent business acumen, business expertise, business liaison, business understanding. You are the business tycoon of this company. Whatever you are doing is great. There is no need to ask about the roadmap. Sir, what is the company's policy for identifying and arresting duplicate products in the market? We use all the products of Hinduja, sir. So, we want the real ones. But there was news that some duplicate products are also roaming around. So, what is the company's policy to find them, sir? And our attrition rates are at the top level and at the bottom level. And lastly, sir, artificial intelligence, conservation of water, green energy, and internal energy is being used to increase the company's profitability and revenue. So, what is our strategy regarding that? Sir, as it is, we are always there. I support appointments and reappointments of all directors, especially

Shoma Ahujaji, and all others. And I also support all line resolutions. I have already voted favorably for each one of them. Sir, I am a shareholder. Of course, since day one, we are the shareholders. We have got total trust confidence, naturally, our family and associates. And as per the survey, we have also done a survey, sir. Our Hinduja products are working very well. I am very sure, sir, that in the coming days, we will be in a very good position. We will be in a very good position. Lastly, I would like to say, sir, the fragrance of flowers, the spring of buds, may God give you success in all your endeavors. May you all always be happy, always spring, and may you all be blessed with all the blessings in the future. And, sir, after this, and these days, day and night, may your happiness be multiple, sir. May every trouble be away from you. May you all always be happy, and may each and every day of yours be a super hit. With this, and with good wishes, I take your leave and wish you, once again, all the best. God bless you. May Lord Ganesha and Lord Krishna always be kind to you and to us through you. With these blessings. Thank you.

Mr. Sanjay G. Hinduja:

Thank you. Thank you so much.

Moderator:

Inviting the next registered speaker shareholder, Mr. Hiranand Kotwani. Sir, kindly unmute yourself before you proceed.

Mr. Hiranand Kotwani:

Hello. If you remember Mr. Chairman, 16th year association with you, the first meeting at yeah [Inaudible 40:44], coming to the point, your company doing well continuously, but still reward not come yet. So we expect next year how you are going to reward and this Mr. Chawla, regard any leakage reported in our adventure because you're dealing so many people who are in MR, production, your purchase and sales, is there any leakages reported and how you detect them, and take them check and mate. Our constitution of 51% tariff transmission, 51% of we are taking this. Who is other holder in 49%? How you are going to improve this because its affect was [Inaudible 41:26] is a transmission private limited, we elaborate this company, how the operation will be, the hydraulic oil and [Inaudible 41:34] if you elaborate the market and the future of this product and how you are going to [Inaudible 41:41] utilization because they still growth. This company is young and a long way to go. So how you are going to tackle the future, particularly product and EV okay, new generation, new product, change the product innovation, but please narrate this innovation and the research and new product likely to come. Lastly, I'll not waste time, I would just get to the problem Mr. Chawla, this page no. 268, royalty gulf are international [Inaudible 42:13] limited, 3349, 33 crores, you enabled what type of royalty we give because it is a 33 crore, if I am correct. [Inaudible 42:24] are crore so I unable to see, but certainly royalty gulf oil international. This is a standalone financial part of this particular, [Inaudible 42:33] understand well. What type royalty we give to them? With our company or international company are getting some input from them. Thank you. Good luck. Nothing more to add? You have done well, generally I take criticize, but no room to criticize. Our management is good. Our people

stuffs are good. Some health issues are there. How you take the health and insurance issue. [Inaudible 42:55] that is why I also consult [Inaudible 42:57] well. Thank you and good luck.

Mr. Sanjay G. Hinduja:

Thank you.

Moderator:

Now inviting Ms. Celestine Elizabeth Mascarenhas. Ma'am, kindly unmute yourself before you proceed.

Ms. Celestine Elizabeth Mascarenhas:

Okay, I go to the formal part. Thank you so much ma'am. Respected chairman, Mr. Sanjay Hinduja, other members of the board. My dear fellow shareholders, I am Mrs. C. E. Mascarenhas, speaking from Mumbai. I first of all thank the company Secretary Shweta and her team for sending me an annual report and also giving me this platform to speak, registering me as a speaker and giving me this platform to speak. Thank you so much. Now our annual report contains full of information preps and figures. It is self-explanatory and adhering to all the norms of corporate governance. Our working is good, good dividend, good market care. What can be asked more? I have one suggestion there. You can do the buyback before the September end if it is possible. I don't know now board meeting and all, so it'll be great. It'll be very good to us. Otherwise, after September, this will go as dividend and it'll attract still higher tax, whereas before that it won't attract tax. I just suggest you this. Now my congratulations for all the awards and workloads and I'm very happy with the good CSR work. Now my queries, we have a total workforce of 20,000. What is their average age and what is the attrition level male female ratio? 12,500 battery sales and services touch points .How much revenue we can generate in this? We have two plans. What is the capacity utilization of these plans? How much margin is in lubricant oil? Lastly, but not the least future roadmap for the next five years, which vertical will be the growth engine with good margins? I support all the regulations. I wish my company all the best. Thank you for giving me this patient year. And I wish all good health because health is well.

Mr. Sanjay G. Hinduja:

Thank you, ma'am.

Moderator:

Inviting Mr. Anil Parikh. Sir, kindly unmute yourself before you proceed.

Mr. Anil Parikh:

Okay chairman Shri Sanjay Ji, Shomji and other board members. Good afternoon to you all. I hope you all are doing well at your respective end. Sanjayji earlier we used to meet at Narrow Center before five years now that is history and we are unable to meet. My earnest request to you is the real essence of annual general meeting is a physical meeting. If possible next year, please come over India, meet us in a physical

meeting. That is my earnest request to you, sir. Having said that, sir, it gives me always immense pleasure to be in this meeting of Gulf Oil. This company is near to my heart, always. And chairman, sir, I'm very much thankful to our CS team particularly Shweta, Ajit, [Inaudible 47:03] and many others. They're doing excellent services. As far as investor relation is concerned, please reserve them for our future growth. Chairman, sir, I have gone through the financials. Once again, it's a marvelous year for us. And it's a history in the Gulf oil name that we have achieved highest ever revenue, highest ever profitability and we are now debt-free company. So investors have a full confidence and full faith in your vision determination and all that. Chairman, also, you have rewarded in last one decade to the tune of 18% divided, and that's great. Chairman, sir. I will not demand from you any bonus or anything, but I would only say that I would like to be a shareholder of our family forever. Now, my questions, our total out goal for brand, what is our total goal for brand ambassadors and particularly Chennai Super Kings, and what benefits we have derived as far as our revenue growth is concerned. Chairman, sir, my next question is we are present in many sectors of our Indian economy and we are one of the best industry house in India. And so they are most respected industrial House. Chairman sir, my next question is what is our percentage of sales as far as marine oil is concerned and how many pure retail points we have and what is our percentage of sales or revenue in E-mobility segment? Chairman, sir, also on page number 11, it is mentioned that Gulf Oil is going to join with Williams racing. Can you elaborate us in a nutshell how it'll benefit us? Chairman, sir, EV market is growing every day and what would be the effect on our company positively or negatively? Give your views on that, sir. Chairman sir next question is how we are planning for CapEx this year and any capacity announcement in our two plans? I would like to understand. Everything else is very well given in the balance sheet, which is physically received by me, and I'm thankful to CS team for that. Chairman, sir, last but not the least, I would like to have a planned visit, if possible, post Diwali. Chairman, sir, having said that I would like to put before you, I'm not able to present you a bouquet of flowers. However, I can recite a poem for you. If you permit me. Sir,

Mr. Sanjay G. Hinduja:

Please go ahead.

Mr. Anil Parikh:

May this be our only blessing to you: that your happiness keeps growing and continues forever. May sadness never touch you, and may your life bloom like a flower, filled with fragrance. May happiness touch your feet at every step, and may countless joys come into your life. With these few words, I would like to end up here and I would like to thank all of you for allowing me to speak. Thank you very much, sir.

Mr. Sanjay G. Hinduja:

Thank you.

Moderator:

Inviting the next speaker, Mr. Sharad Kumar Jivraj Shah. Sir, kindly unmute yourself before you proceed. Yeah,

Mr. Sharad Kumar Jivraj Shah:

Good afternoon. And first thing, what I wanted to tell you that Hinduja group is known for distribution of [Inaudible 51:53]. And another thing, sir on 27th August, IndusInd Bank has a physical meeting. And today I have sent you two mail. And what is first mail is about two days review and second mail. How I support last 20 years or more because of the mistake of RPA, it's a five-page PDF so that you can read and do need full. First point, sir, this [Inaudible 52:27] forward me a hard copy of the annual report, sir, because the report of this particular 23-24 is excellent in last 16 years. Sir, if I refer page number 132, 133, 136, the share price has increased from 3300 to 1076 in 23-24 and today it is 1500. And I'm very happy that as a promoter, you hold 71.80% share and whatever happens in the company, a promoter gets major share of the benefits, sir.

And if I refer page number 18, 88, 217 and 286, 23-24 is the excellent financial year after 16 years [Inaudible 53:24], sir, growth is from 10% to 33% for income [Inaudible 53:31] and the page number 78, you see moment of oil. And if you see today's news, the oil prices are come down. So how much percentage role oil has performed in to perform to good performance of the company? That please highlight Sir. And debit equity ratio is 0.25. And if I look into the page number 184, electrical consumption is lower. It means this also adds to your our performance, sir. Silvassa plant is the biggest plant of the company, and I would like to know that whether the capacity of this plant is bigger than Castrol Silvassa plant, which was set up in 1996. And sir, I wanted to tell you, this particular plant, 1996, I was involved in that. Then I was involved with Indian oil, BPCL lubricant plant, sir, and the Silvassa plant that time was called as a state of art plant. So whether I would like to know whether my plant of Gulf is a state of art plant that you should tell me, sir.

And another thing, sir what is my observation? That our revenue is 3,284 crores and we are the top in lubricant business. And what is my observation? Whether we are not getting business because we don't have control pumps like VPCL, HPCL, IOCL, MRPL or something like that, whether really our business is taken away by these people, even if my product quality is better than theirs. And second email, what I sent you that I shareholder of ideal [Inaudible 55:35] in from 92 and what has happened, it's very simple thing. I'll tell you when they, your shares were issued to me and what happened, my name was removed by RTI instead of they put somebody's name. And whatever takes I was getting, I was not able to read that and this issue.

Moderator:

Sir, sorry to interrupt you, sir.

Mr. Sharad Kumar Jivraj Shah:

This is the last point, madam. So on that basis last 20 years, I'm following and I have shown you all PDF copies so that it's very clear that RT also agreed that there is an error from this side. And still you have put

my shares in IEPF. So at that time, share price was only 100, 200, something like that. But today's share price is 1500, so please look into it if possible, please do whatever helpful to, so that I'll be very happy. Thank you very much, sir.

Moderator:

The next registered speaker shareholder, Ms. Prakashini Shenoy, is facing some technical issues and has not been able to join this meeting. So moving on to inviting the next registered speaker shareholder, Mr. Chandragupta Acharya.

Mr. Chandragupta Acharya:

Thanks for this opportunity and congrats for very good results. I have a list of questions which I have sent by email also, all of them are pertaining to TyRex actually. So because lubricant business, we already are well aware of, you know, most of the things which get discussed quarter after quarter. But TyRex not much information is known. It's a new field. And also the annual report was not containing much information. So I have sent a list of questions. It's a long list actually, but I was told to register as speaker here. And so I will now read out the questions once again though, you already have the questions, but for the benefit of everyone presented, I'll read them out again. Hopefully you'll be able to provide me the answers.

So the first question is TyRex recorded a full year revenue of 25 crores. So almost the entire revenue is coming from sale of chargers and a small portion from installation. That's what we understand. So how do you see ancillary revenue streams such as servicing, spare parts, you know, AMC, OMM et cetera, developing in future? That is one. Question two. The Gulf oil annual report mentions that TyRex skaters to a diverse clientele such as PSUs, CPOs automotive OEMs, and so on. So please share how many new [Inaudible 58:28] Tyrex has received during the year, and what is the total number as on tape? Number three it is good to see that the number of deployed units has crossed 1000. Please state what is the current manufacturing capacity of the plant and what was the capacity utilization for FY'24, and also are there any plans to manufacture AC chargers, which have significantly higher volumes, so it'll help to improve the capacity utilization. That is the point. Then question number four earlier this year there was a news that Tyrex enter into an MOU with the government of Gujarat to set up a manufacturing facility. So can you please share an update on the current status of the same, you know, and also how much of CapEx will it require and has the work begun because at least in the Tyrex balance sheet there is no capital work in progress line item, which appears. So it looks like so far more work has started on the project. I don't know. Then the question number five can you please share what is the level of backward integration in Tyrex current plan? That is, are the key components such as the control unit and the power module manufactured in-house or they are sourced from outside? Question number six. Please share what the percentage of components imported and also estimated timelines for their indigenization if any. I think the government regulations also require some time indigenization to be carried out for critical components, if I'm not wrong. So please share where we stand on that.

Question number seven, the management had said earlier that Tyrex is sufficiently funded for the next two, three years, and it'll become self-sustainable in terms of cashflow generation by then. So does this still hold?

Moderator:

Sir, I'm sorry to interrupt you. I request you to stay within the time limit and wrap your question as soon as possible. Yeah,

Mr. Chandragupta Acharya:

Yeah. I'll just finish up. Actually, I had sent the questions already but I was asked to register a speaker here. That's why I'm here. Otherwise, I just wanted a reply on email, also would've [Inaudible 60:34], but yeah, I'll just finish it quickly. No problem. So you know yeah, so I was on cashflow generation. So does this still hold or are there any plans to raise funds? You know, and if yes, then how much and will there be external funding or Gulf Oil will provide the funding? That is the question. Then number eight, in the past, the management has estimated that Tyrex can have a revenue of 500 crore by 2028, but does this estimate still hold or is there a revision upwards or downwards? Number nine has Tyrex received any export approval so far, such as from us, Europe, or any other country? Please comment on that. Then number 10, what is the estimated lifecycle of a DC charger? So approximately how many years in your estimate it'll take for the replacement market to begin in DC chargers? This was the point. Number 11 is please comment on the pricing trends if you can, because the prices of chargers are falling rapidly. That's what I understand, at least in AC chargers. So I don't know what is the trend in the DC chargers. And lastly, who owns the brand name Tyrex, you know, brand name or a trademark or whatever it's, so who owns that? So these are the questions I have. Many thanks for giving this opportunity for asking these questions, and congrats for excellent performance. Thank you.

Mr. Sanjay G. Hinduja:

Thank you.

Moderator:

Inviting Mr. Kamal Kishor Jhawar. Sir, kindly unmute yourself before you proceed. Mr. Jhawar, are you there? It appears we're experiencing a technical difficulty with Mr. Jhawar. Previously a speaker shareholder, because of a technical difficulty, had dropped out. Inviting him once again, Mr. Srikant Jhawar.

Mr. Srikant Jhawar:

Yes, sir, I extend my respects to the Chairman and all members of the board. I am speaking from Hyderabad. My first question, Srikant Jhawar, is: who is the brand ambassador? Please make a note, sir. In your presentation, include details about the brand ambassador, next steps, and the healthy reserve bonus. Also, mention the two paid-up items you have, and ensure to cap it. If the stock's face value is spread, it's beneficial, and moral liquidity increases. I am also with the Secretary Department. I would like

to thank Ms. Shweta and Kruti Madam for sending us the balance sheet on time and clarifying the queries about the links. What is your vision for the next two years? If the results for Q2 to Q3 are positive, please propose an entertainment dividend, as it will benefit the promoter as well. Additionally, I would like to thank our scrutinizer, Mr. Ravi Subramaniam, whose service in the field has been exemplary. I thank Mr. Ravi Subramaniam once again. Similarly, please arrange a video conference meeting. Thank you.

Mr. Sanjay G. Hinduja:

Thank you.

Moderator:

That concludes the speaker shareholder query session. Chairman, sir, over to you.

Mr. Sanjay G. Hinduja:

Thank you. I know request Mr. Ravi Chawla, MD and CEO and Mr. Manish Kumar Gangwal to answer the questions raised by our shareholders.

Mr. Ravi Chawla:

Yeah, thank you, sir. So we have, we'll try and answer. I think shareholders have asked a number of questions, so we'll try and link it between me and Manish. Try and answer.

There was a question I think in the beginning about what are the future plans. So as we have been showing in the EV, and you have seen in our results, we've been trying to grow two to three x the market growth, the lubricants market is poised for a 3% plus value growth volume growth, and 6% plus value growth. And that is in spite of the EV penetration, which is going to be in mainly in, as we see in buses, two wheelers, cars, three wheelers. Of course, the other segments will also have minor EV penetration. So for us, the strategies, how do we continue this two to three X growth, increase our market share across the focus segments, both in B2C, B2B, and as a company, we have got a brand which is in the top three position. So obviously increase our distribution in the B2C segments. Our strong OEM partnerships also gear well for us where we've been growing in all these captive segments. So really continue the growth industrial segment, which is going to get even more stronger as India is into a lot of manufacturing and growth overall. And as we see the country growing. For us, we have good market shares in motorcycle and diesel engine oil, which are strong markets for us. Strong growth strong you know, pockets of strength for us. But we will continue growing in that also because we have a lot of scope in terms of our brand power and our distribution. In the other segments, we have lesser market share. So we see ample opportunity to grow faster in those. Segments like passenger car, we want to grow definitely more than two to three x. And overall in industrial industrials, in our infrastructure segments, we're looking to grow ahead of the industry, which we have been doing. We continue investing in our brand and that is the strength of us.

I think a lot of questions we asked in the brand ambassadors and Chennai Super Kings, I must assure everybody here that Gulf has been one of the pioneers here in the brand ambassadors also getting into

IPL. And we have seen the results of that in our brand. We track this quite effectively. We have very professional marketing team which tracks it. And all these assets have enabled us to grow our brand affinity increase our brand awareness and our trials. So we continue that. And obviously with personalities like Mahindra Singh Dhoni, Hardik Pandya, Smriti Mandhana, and our global [Inaudible 66:42] like Williams Racing, we do measure and see how the benefit is coming to us. And we have seen a significant benefit even now. So even if Dhoni is not playing test cricket and cricket and Indian colors, we have seen the brand stickiness is higher and we continue monitoring that. And obviously as you know, a lot of our competitors also are now having brand ambassadors. So, gulf has actually pioneered that. So we continue that growth. And I would say the six strategy, you know, our main strategy, I mean segment wise approach, investing in the brand, OEM, tie-ups, focusing on our you know, our R&D and other efforts on our products, which are led by long drain and other technologies. The sixth strategy we have bought in is the E-mobility or the EV value chain. So where we have a strong brand, we have strong associations with OEMs. Everybody knows the gulf brand in terms of the vehicles in terms of our OEM partnerships, our infrastructure customers. So definitely EV mobility is another, I would say strategy for us, a key block for us. And we have started making investments in this area. We have done a study globally and in India, obviously there are lots of opportunities coming up as you know, the government and also a lot of initiatives by a lot of the OEMs, old and new are in this area, and it is good for the environment. So we have started with EV fluids where we have a number of, as you saw on the EV, we have made an entry. We have also invested in, I would say the charger part. So we are charged up there and we've got AC chargers, which are low chargers. We have a global company investment by Gulf Oil International with Indira, which has got the AC slow chargers for cars, and they have got a good share in UK and other markets. And that is another investment we have made from here. We've also invested in the software as a service company called Electrify, which is again, tying up all the charging software together from the charger to the vehicle and to look at. And they've already got the second most used app there in that area. And of course, the significant move we have made is with the DC charger market, which is a fast charger, which is going into the buses. It is going into the fast charging for cars and many other applications. But this is an investment we have made and it's made in October last year, and we now have Tyrex in our fold. And Tyrex has already got more than a thousand chargers established. They are in the DC charger market with about 8 to 10% market share. And we are looking at this market expanding, and definitely this is going to be where Tyrex we are supporting it with the expansion. They have a roadmap on technology. They're adding customers bus OEMs, the PSUs are buying for the various outlets as mentioned by some of the shareholders in terms of the outlets available. Then we also looking at definitely getting into the ChargePoint operators with the DC charger, and of course looking at the retail which is coming up in terms of in the residential areas. So we will have both AC and DC chargers, which DC chargers of course is Tyrex specialty, but we will be looking at manufacturing AC chargers in India. We have the Indira technology also available to us. So I think this is our strategy of growth. And as you know, we have also heard seen in the AB and you all the shareholders have been seeing Gulf is on a trajectory where we have been able to become, I would say, in the top three brands in the private sector. We are close to number two. At times we are second and in some of the

segments we are clear number two in the private sector and our brand is in the top three. Clearly for us, this is the mantra.

And there was a question on new technology. We have been pioneering long drain lubricants. We have also been today we are proud to have one of India's longest drain products in lubricants for many, many areas, especially the diesel engine oils in tractor also, we are a leader. In two-wheeler also, we have the longest drain interval. So that gives a good longevity to the product and gives the customer a value proposition, which is very strong. Some of the other things that came up was the duplicate products, which I like to cover. Yes, this is an area where all of the brands are facing issues. So we are very you know, careful about, you know, obviously having our manufacturing done entirely in our plants. We also have definitely do hear about our products being duplicated. So actions are taken in terms of seeking the help of the authorities to be able to look at and try to stop these. And definitely we also promoting QR codes, et cetera, and into our products where people can check the authenticity of it. We also have our channels and, you know, other people who are you know part of this endeavor to try to make sure the customer is getting the right and original product. Case now is the [Inaudible 70:59] product we make, which we are making sure that there is a SER code and other things are traceable.

The other areas I'd like to just quickly cover is, I think which you spoke about is you know, the battery business. The battery business for us is an extension of our two wheeler brand golf pride. We've been doing this for many years. We have 12,500 touch points now, and we are looking to further grow in this. It's about 80 crores revenue currently, but we also localized the production, so we'll be able to get more market share here. And I think Tyrex just to explain, I've explained on the strategy on the Tyres DC chargers, Manish will cover a few other details on that. Yeah, I think this is more or less what I wanted to cover. I'll now hand over to Manish.

There was a question on number of employees before I do that. We have 591 permanent employees. Our attrition last year, last few years has been slightly high because industry has faced attrition of people looking at new occupations. It's around, you know, 13, 14%. And we also have in our annual report, given our diversity ratios, which are now we want to grow further, as you saw also in the EV, that diversity is a key theme for us in terms of increasing the strength of our female employees. And that is also one of the conscious areas we are working on.

On capacity and other questions, I would now hand over to Manish to cover and also a few more details. Manish, over to you.

Mr. Manish Kumar Gangwal:

Thank you, Ravi. And good afternoon to all the shareholders. I think many of you have asked the question about the capacity utilization. So as you know from annual report that we have 1,40,000 care of total capacity of lubricant, but that is a blending capacity on two shift basis. So we can run the third shift and we can obviously increase the capacity. We have sufficient blending capacity for next two, three years based on our gross projections. So we are not looking forward to significant CapEx. Our annual CapEx guidance

for the next two, three years is around 25 to 30 crores, which is largely going to be into filling lines and making some storage and base oil tanks, et cetera. Blending wise, we have sufficient capacity if we take both our plants and the third safety into consideration. So that's on the capacity side.

I think there was a question around the oil price and its effect on our margins and profitability. Yes, there is a correlation between the good oil prices and its movement on our key raw material, which is base oil. Usually they follow the trend with a time lag of one to two months. And also the demand supply of various grades of base oil also plays a role in the short term or medium term in terms of the pricing. But over a longer period, if food stays at a lower level, then obviously there is a margin retention which happens in the industry [Inaudible 73:45].

Mr. Sanjay G. Hinduja:

We cannot hear Manish.

Mr. Manish Kumar Gangwal:

Sorry. I think one of the question was on Tyrex holding percentage. We have 51% which is with the Gulf oil, and 49% is held by the founders who have founded the company in 2017, and they continue to be the lead in terms of running the company and growing it further. So we have invested roughly 103 crore, out of this 65 crore was invested as primary investment into the company. So the future CapEx requirement and expansion plan are going to be met with that 65 crore, which we have already put. So we are not emphasizing any significant further cash infusion into Tyrex. Another question was on the royalty. There is a royalty payment to be Gulf Oil Mauritius, which is owning the brand. So the royalty is a combined royalty for use of brand and technical knowhow. The entire R&D for the lubricant products are provided by Gulf International and the combined royalty we pay is less than 2% of the revenues. So overall, yes, 33 crore but it is much, much lower than even 2%, which is there as a part of the contract. So that's a combined royalty we are paying to them.

Overall there was a question around our, I think we have answered on the plant capacity, and there was a question on data security. I guess we are while taking a lot of actions in the cyber security and regularly doing penetration testing, and we are also, we have moved our entire ERP in last two months to cloud. So we are now on SAP cloud and obviously cloud is a much more secure platform in terms of our overall ERP, and at the same time, we regularly have engagement with experts, cyber experts who are looking at all our software and IT for the purpose of data security.

Mr. Sanjay G. Hinduja:

There was one question on safety standards at the plants.

Mr. Ravi Chawla:

Yeah, so I'll just add this. So obviously safety at our plants is always a globally and India is a key priority. So both in terms of you know, looking at our [Inaudible 76:09] whole process and you know, we now have

it digitized where we are coming up with a lot of work done on safety standards. In terms of safety practices. Obviously we keep benchmarking ourselves against the best. You know having programs where safety not only in the plant but right across the organization is a key priority. So that's again, another area where audits are done, where safety walks are done, and a lot of initiatives go around this. So I think that is a key priority for us. And you know, we have a plant audited by more than 40, 45 OEMs. For us, it is a way of life in terms of how we handle safety.

Mr. Manish Kumar Gangwal:

Yeah, there was also a question on the state of the art plant, and I guess we have both our plants are you know, quite state of the art, especially the Chennai one, which was constructed in 2017, is one of the best plants we can say in Asia. And that is where you know, a lot of imported blending technology has been brought in. And we proudly say that it is one of the best state of the art plant in India today in terms of lubricant.

There was also a question around petrol pumps and fuel stations, the market share of those. And as per our estimates, obviously the lubricant sale on fuel stations is now less than 5% of the total industry volumes. So overall, the market has moved outside of the fuel stations to a large extent.

I think with this we have answered most of the questions and we would now like to, you know, our chairman to take over the proceedings back. Thank you.

Mr. Sanjay G. Hinduja:

Thank you, Manish. The E-voting facility will remain open for the next 15 minutes on the E-voting platform to enable shareholder who have not cast their votes, Mr. A. Ravi Shankar practicing company secretary has been appointed as scrutinized to conduct the E-voting process in a fair and transparent manner. The combined results of remote E-voting and E-voting along with the scrutinized report, shall be communicated to BAC Limited and National Stock Exchange of India Limited, where the shares of the company are listed and will also be placed on the company's website. And on the website of NSDL within the statutory time image from the conclusion of the meeting. I authorized the company secretary to declare the results of E-voting. The resolutions are set forth in the notice shall be deemed to be passed today, subject to the receipt of the requisite number of votes. All participants who have completed their voting may log off. I thank you all for your participation and cooperation in conducting today's AGM through audio-video means. Thank you everybody.

END OF TRANSCRIPT