Gulf Oil Lubricants India Ltd.

Investor Presentation

Q3 & 9M-FY 2024-25

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Q3 & 9M FY25 Highlights

Gulf Oil delivers strong performance setting new milestones

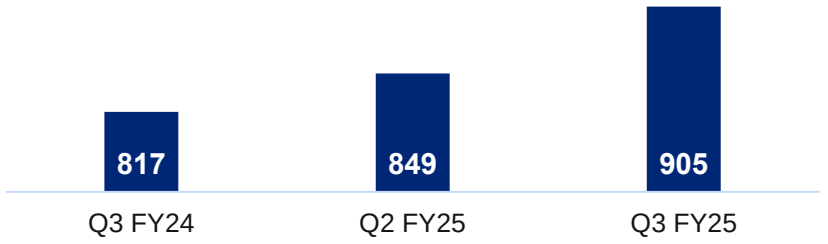
- Crossed **Rs.900 Cr** quarterly topline mark first time
  11% y-o-y growth
- Highest ever Quarterly EBITDA of **Rs.122 Cr**
  Up **10%** y-o-y; Quarterly margin **13.5%**, up **89 bps q-o-q**
  9M EBITDA up by **14%**
- Quarterly PAT at **Rs.98 Cr**, 9M PAT at **Rs.271 Cr**
  Registering **22%** robust growth
- Declares an Interim Dividend of **Rs 20.00** per equity share (**1,000%** on FV of Rs 2 per share)

Quarterly Financial Performance – Q3 FY25

Revenue from Operations- Rs Crore

Up 10.7% YOY

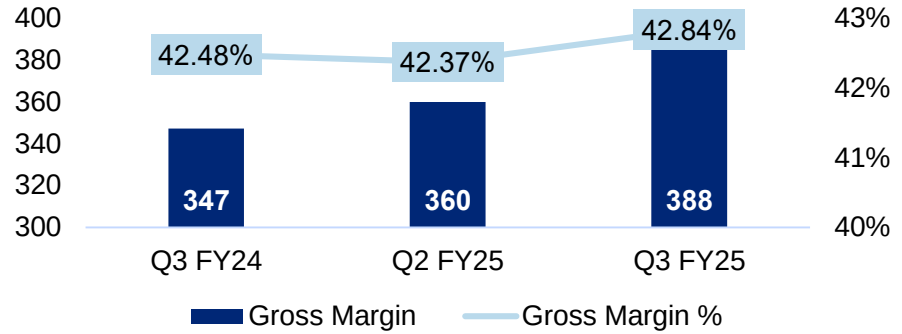
Up 6.5% QoQ



Gross Profit Rs Crore, Margin %

Up 11.7% YOY

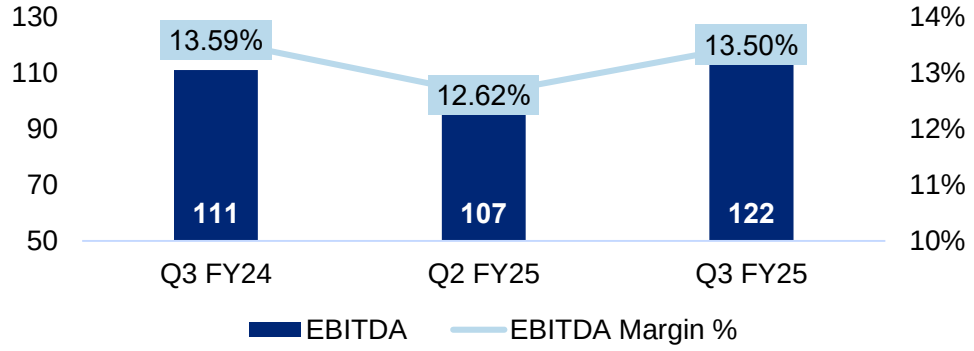
Up 7.7% QoQ



EBITDA- Rs Crore, Margin %

Up 10.0% YOY

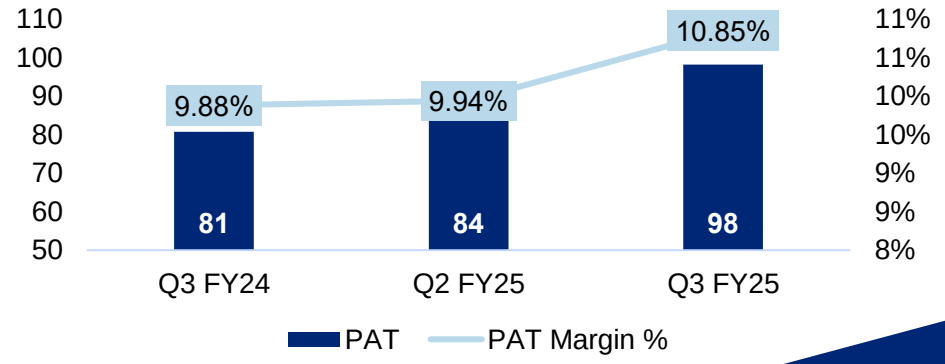
Up 14.0% QoQ



PAT - Rs Crore, Margin %

Up 21.6% YOY

Up 16.3% QoQ

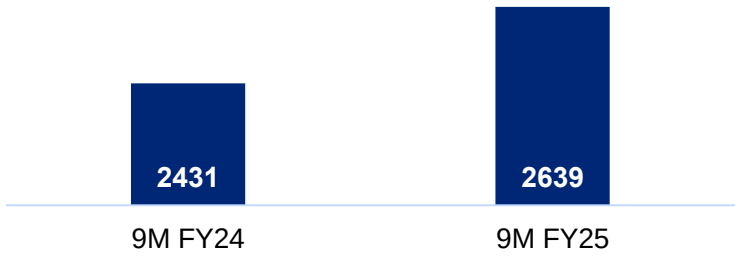


Crosses 1st time quarterly milestones- Revenue Rs 900 Cr, EBITDA Rs 122 Cr & Margins at 13.50%

Nine-Month Financial Performance – 9M FY25

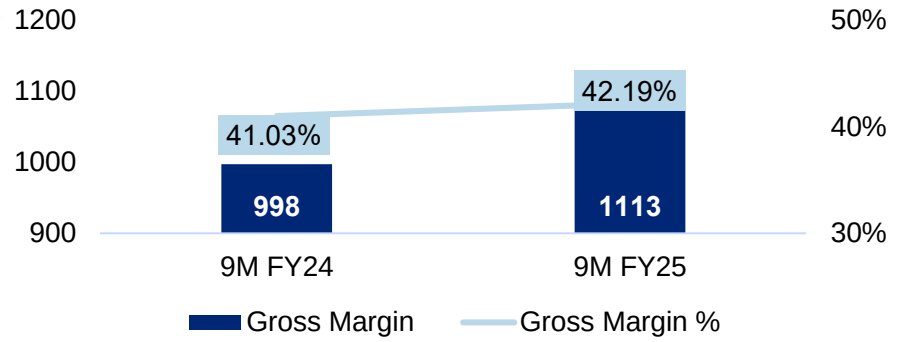
Revenue from Operations- Rs Crore

Up 8.6% YOY



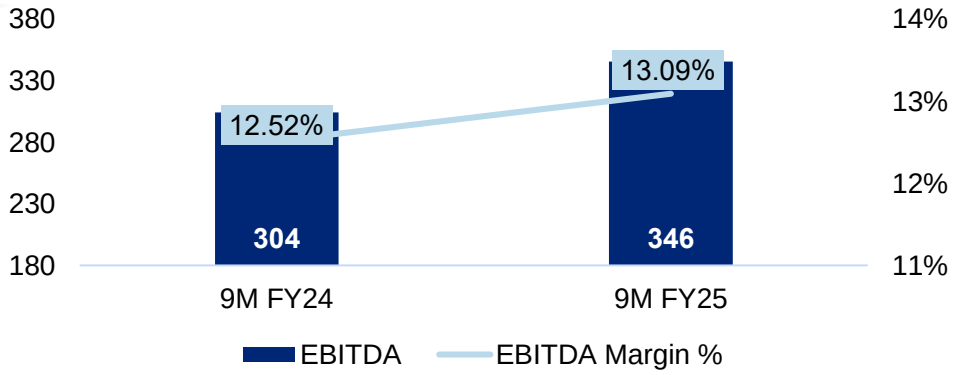
Gross Profit Rs Crore, Margin %

Up 11.6% YOY



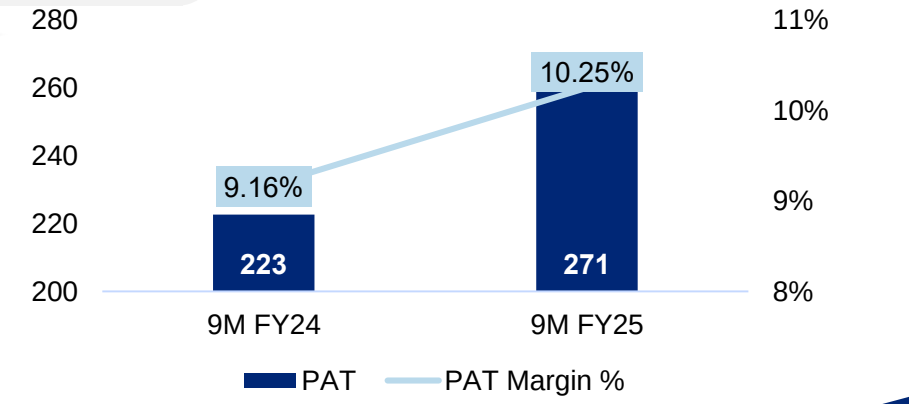
EBITDA- Rs Crore, Margin %

Up 13.6% YOY



PAT - Rs Crore, Margin %

Up 21.5% YOY



Robust 22% growth in PAT demonstrating our resilience to deliver in tough conditions

Other Key Highlights for the Quarter

- Entered into Strategic **Partnership with Nayara Energy** to bring premium Automotive lubricants and AbBlue® nationwide enhancing customer centricity while also expanding distribution base and route-to market

- Renewed our exclusive **Partnership with Piaggio India** until 2032, continuing to deliver high-quality lubricants across the 2-wheeler range, including high-performance sports bikes and superbikes. Additionally, we have extended our strategic long-term partnership with Piaggio India until 2030 for the marketing of high-performance lubricant solutions for the commercial vehicles segment.

- **Sustained growth momentum**, achieving a quarterly volume growth rate more than 2x of the industry. This was mainly driven by high double-digit growth in Motor Cycle Oils segment along with double- digit growth in B2B majorly led by in Infra and Industrial segments.

- **AdBlue® volumes in the quarter picked-up** from the slight dip seen during Q2 as consumption patterns improved.

- Our subsidiary **Tirex, in which we hold a 51% stake, continued to perform very well with nine-month topline at Rs 40 Crores** achieving nearly 300% growth during this period. With a healthy order pipeline, it is well on track to close the year on a strong note. **Techperspect (brand ElectreeFi), our EV SaaS provider investment, continues to perform well, securing new customers** throughout the reported nine-month period

Management Commentary & Outlook

Mr. Ravi Chawla, MD & CEO

"Despite macroeconomic headwinds, we at Gulf Oil focused on creating an agile environment and capitalize on the opportunities to swiftly navigate the evolving landscape. This led us to achieve our highest-ever quarterly volume and strong double-digit topline growth of 11% year-on-year, crossing Rs. 900 Crores in a quarter for the first time.

Our brand-building mega campaign continued at the beginning of the quarter with "The Unstoppables", a 360-degree campaign centered on the theme Har Kadam Berok. Featuring our three esteemed brand ambassadors, this creative fusion of Cinema and Sports together through a full-fledged movie release format, reinforced our brand's consumer-centric approach.

Our strategic priorities remain focused on delivering consistent, profitable, volume-led growth in our core lubricants business, while also strengthening the EV Charging segment to become a growing contributor to the company's vision in the medium to long term.

Looking ahead, we are optimistic about improving demand across B2B and B2C segments with some early signs of demand recovery to be further supported by uptick in Government capex and infrastructure activities in coming quarters. Our focus remains on strengthening our brand, enhancing customer experience, and empowering our people to drive sustainable growth and long-term success."

Mr. Manish Gangwal, CFO

"During the quarter, we continued to deliver a very healthy performance. Double-digit revenue growth of 11% year-on-year along with stable input costs enabled us to achieve our highest-ever quarterly EBITDA of Rs. 122.20 Crores. Our EBITDA-to-revenue stood at 13.50%, with a sequential improvement of 89 BPS, positioning us at the higher end of our guided range of 12-14%. Profitability registered significant 22% growth over nine-month period. This demonstrated our resilience and ability to deliver profitable growth even in challenging market conditions.

Confident in our overall performance and robust cash flow generation, the Board has declared an Interim Dividend of Rs 20.00 per equity share, 1,000% on the Face Value of Rs. 2 per share, aimed at maximizing shareholder returns.

We are shaping a dynamic growth journey with our strategic theme UNLOCK 2.0 by accelerating growth in our core business with premiumization while spearheading transformation for long-term success and our future strategic vision."

Major Marketing & CSR activities

Gulf
EXPERIENCE
UNINTERRUPTED
PERFORMANCE
WITH GULF
THE
UNSTOPPABLES
HAR KADAM BEROK
Scan the QR Code
to watch the film.
Gulf
XHD
SUPREME
MAX
ENGINE
POWER
Gulf
FORMULA
SUV
5W-30
Gulf
SYNTRAC
Gulf
PRIDE
Gulf
FORMULA
ELITE
5W-30
SUPERFLEET
SUPREME
Synthetic Technology
15W-40
28L

“The Unstoppables” momentum continued

THE UNSTOPPABLES
HAR KADAM BEROK

Trended on Spotify amplifying our music-driven connection with audiences

Hindi: https://youtu.be/BhvQ-XCGdq8?si=44LBPuWO-Bwh3woy
Tamil: https://youtu.be/ue7CXpZpGU0?si=i-IYoIIN9_0xOylC
Telugu: https://youtu.be/ZftkvZPwDMM?si=wpAbzHrEzwf8HUjh

YouTube Event: Dhoni on the strike after the epic movie screening

Gulf’s Biggest 360-degree Movie Based Campaign

Creative fusion of cinema & Sports reinforcing brand’s consumer-centric approach

The Unstoppables | Event Premiere - Episode 1
2.1 lakh views 3 mo ago #TheUnstoppables ...more

Full Page Print Ads in Leading Dailies

Launched across large format OOH Media grabbing attention

Cinematic ad campaign stars Gulf's three brand ambassadors- MS Dhoni, Hardik Pandya and Smriti Mandhana exemplifying our brand’s values

Solidified the brand-consumer bond, fostering deeper engagement and long-term affinity. Campaign period: Q2 & Q3 FY25

‘Ride with Gulf’ at India Bike Week (IBW) 2024

2nd consecutive year of partnership with IBW powered by Gulf Syntrac.

#RideWithGulf Initiative

- Over 25,000 motorcycle enthusiasts
- Gulf sponsored attractions like the Check-Up Zone, Club Village, Throttle Mania, Big Trip, and Dyno Wars
- Digital reach of 1.2 billion impressions and over 1 billion engagements

A dedicated initiative igniting high-end premium biking passion and embracing adventures.

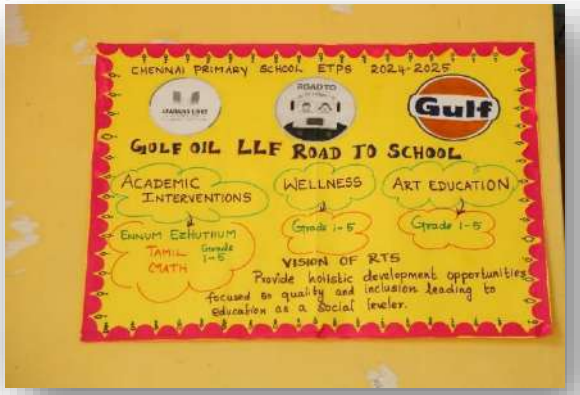
Major CSR Initiatives

Inaugurated water ATMs at three locations in Chennai benefitting over 1,500 families

Raising awareness on safe drinking water.

Road To School (RTS) Project

24 Schools | **3,000+ Students**



Student Engagement in School

Road to Livelihood (RTL) Project

38 Schools | **12,000+ Students**

Spoken English

Digital Literacy

Empowering Communities and Driving Impactful Social Initiatives

Unlock 2.0 – Unlocking the Next Level of Growth and Success

Getting Future Ready

ACCELERATE

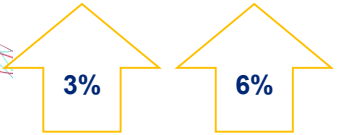
Robust Business Model

India Growth Story

Brand Strength

- 2-3x Volume Growth
- Market Share Growth
- Profitable Growth

PREMIUMIZE



Volume Value
FY22-32 CAGR Growth
eKline

Higher Technology Products

Synthetics Semi-Synthetics

Passenger Car Motor Oil

EV Fluids

TRANSFORM

- Core Transformation
- Digital Transformation
- eMobility Transformation

Indian Lubricants Industry

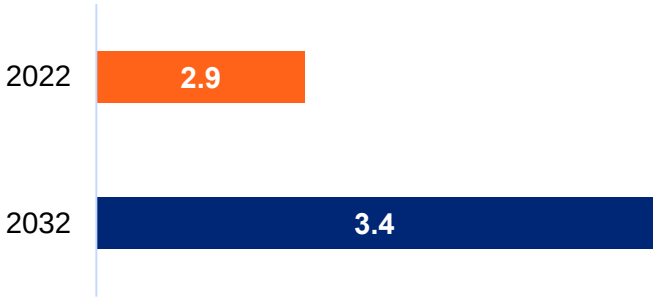
Unlocking growth opportunities in the Indian Lubricants Industry

Shining Bright
Unlocking Growth Opportunities in the Indian Lubricants Market

EVENT @Kline
Supported by Gulf

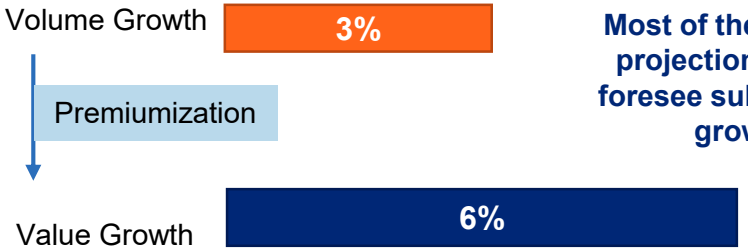
3rd Largest Lubricants market globally

Lubricant Demand (Mn Tonnes)



Despite De-Carbonisation

Volume Growth supported by even stronger value growth (CAGR 2022-32)



Most of the panelists found projections conservative; foresee substantial industry growth ahead.

One of the few fastest growing key markets among USA / Europ, APAC

~2.5% Industrial

~2.3% Automotive

Source: Kline's Global Lubricants 2022: Market Analysis and Assessment report

Growth Enablers for automotive lubricants industry

Beneficial Macros

1. *Rising per capita income crossing $2,700 p.a.*
2. *Current low per capita vehicle penetration in India (8% owns cars, 47% owns 2Ws)*
3. *Strong prospects of the rural economy and rising farm income to boost tractor sales and MCO sales*
4. *Robust GDP growth forecast: 7.2% for FY25 on strong domestic demand and expected normal monsoon.*

Favourable Demographics

1. *Rapidly expanding middle class- increased demand for high quality products, brands & services. (More Than Doubled From 14% In FY05 To 31% Last Year, And Is Projected To Rise To 63% By 2047)*
2. *Reaping the demographic dividend: Holding a significant consumer base and substantial workforce generating high economic growth favourable*

Superior Product & Advanced Technology

1. *Replacement of older BS3 or BS4 with newer BS6*
2. *SUV preferences increasing demand for more and pricier lubricants*
3. *Advancement of engine technology- Stringent emission norms to fuel growth for premium oils*
4. *Increased use of lighter viscosity and synthetic oils will drive value growth*

Source: India Briefing, IBEF, TMA, Invest India, MOSPI, Kline report 2022

Fast transitioning into a premium-quality market
Fast adopting lighter viscosity engine oils & synthetics oils in automotive & industrial applications

Growth Enablers for industrial lubricants industry - India taking bold steps

Increasing foreign and government investment making India as a Manufacturing hub

Flagship Programs

INVEST INDIA

आत्मनिर्भर भारत

MAKE IN INDIA

India's investments in infrastructure will rise to Rs 143 trillion between FY 2024 and 2030

Flagship Programs

- BHARATMALA ROAD TO PROSPERITY — Cross country roads
- SAGARMALA PORT-LED PROSPERITY — Developing port infrastructure
- UDAN — Development of regional airports
- NICDC India Reimagined — Development of industrial corridors

Opportunities Across Sectors

Exciting prospects

- Manufacturing
- Power & Energy

High Growth Sectors with service support

- Mining
- Metals
- Textile
- Cement

Generating High Demand for

- Industrial/Hydraulic Oils
- Metalworking fluids
- Rubber Process Oils
- Premium Oils
- Greases

Source: India Briefing, IBEF, TMA, Invest India, CRISIL, MOSPI, Kline report 2022

Company & Business Overview

Retained Our Strong Position

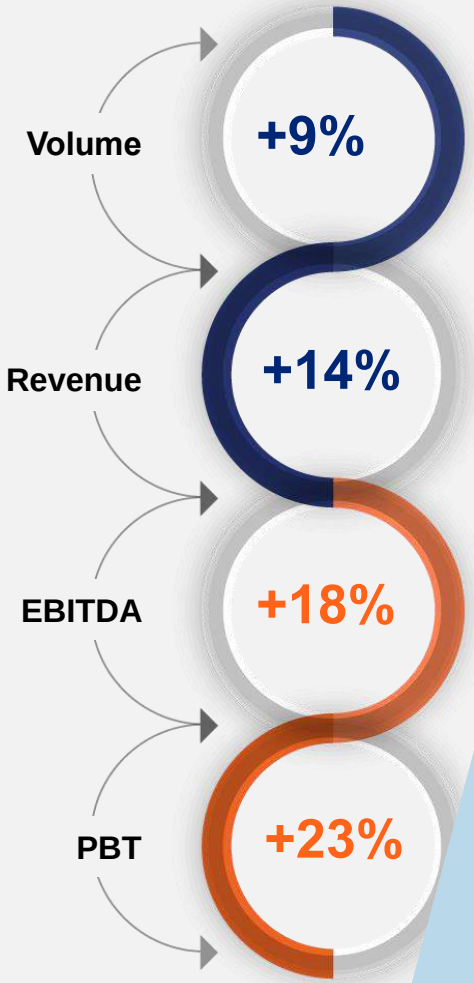
Indian Lubricant Market Growth Estimates

2016-19	2019-2022	2022-24
2-3%	-5-7%	3-4%
High Growth Phase	Auto sector downturn, Economic slowdown, Covid-19 led restrictions	**Back to Growth phase** – Pick up in economic activity, uptick in Auto sales
15% Gulf growth > 6x	1.2% Gulf growth > 2-3x	10% Gulf growth > 2-3x

Amongst the Private Sector in India

No. 2 Brand	No. 2 Volume	No. 2 Bazaar	No. 2 Distribution	No. 2 Pricing
Leading OEM FWS	Growing B2B Ind	Growing IMF	No. 2 AdBlue	No. 4 Battery

15 Year CAGR Growth (2009-24)

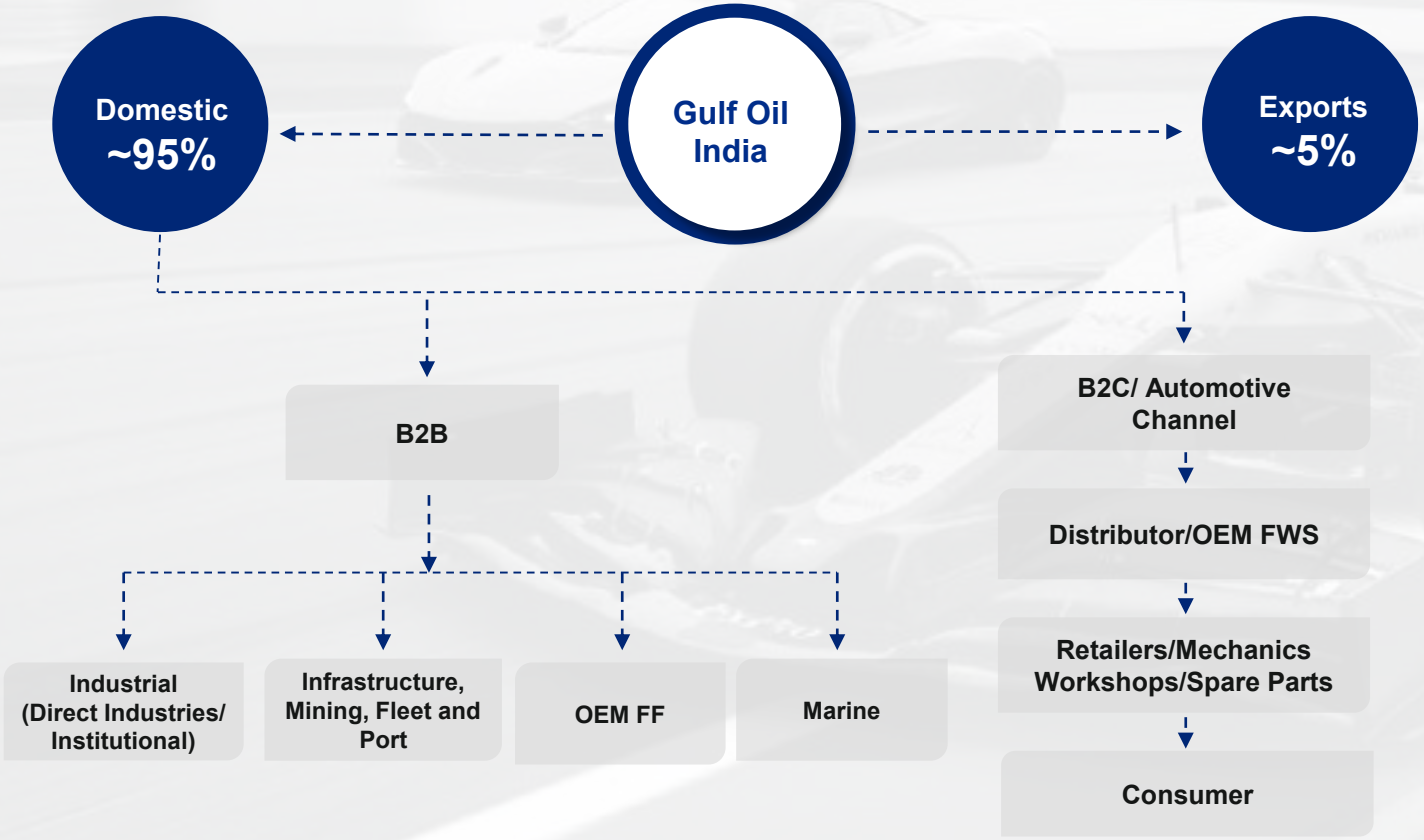


2 Year CAGR Growth (2022-24)

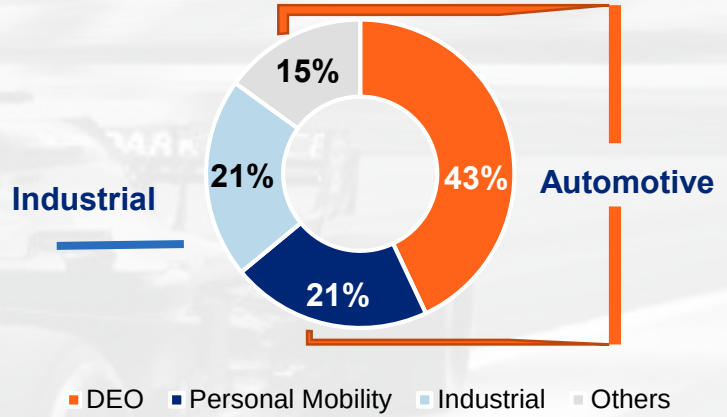
10% Volume	22% Revenue	21% EBITDA	21% PBT

Dynamic Business Framework supported by a Varied Product Portfolio

Business Model (RTM)

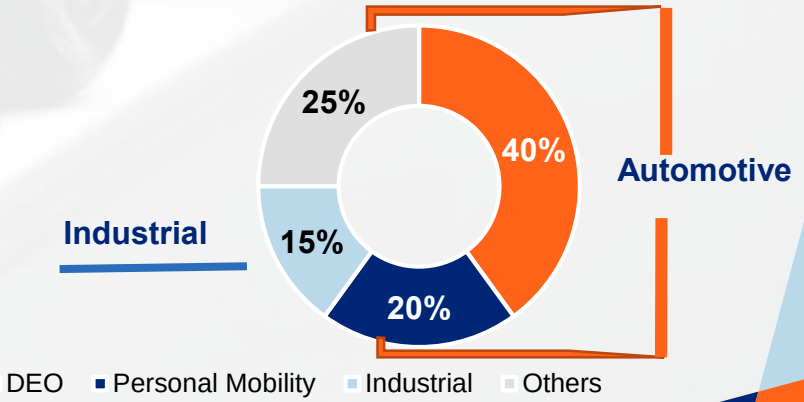


*Industry Product Mix (FY24)



*Internal estimates

*Gulf Oil Product Mix (FY24)



*DEO- Diesel Engine Oil

Others- Gear, Grease Oil, Coolants, Brake Fluids etc

Stellar Pan India Network

B2C Network

85,000+
Touchpoints

300+
Auto Distributors

~1,000
Gulf Rural Stockists

~11,800
Gulf Bike Stops (**~8,700**) &
Car Stops (**~3,100**)
across 522 cities in India

Growing at **10-15%** every year

B2B Network

3,000+
Secondary Customers

~70
Industrial Distributors

500+
B2B Direct Customers

820+
IMF Customers

Battery Sales & Service Network

~12,500 Retail Touch Points,
233 Distributors

15 Service Engineers
Dedicated Service Team PAN India

435 active Gulf Battery Service Points
across India

Manufacturing Facilities

Silvassa Plant (West India)

- Lubricants manufacturing Capacity* of **90,000 KL per annum**
- AdBlue® manufacturing capacity of **36,000 KL per annum**
- **Key certifications include** - ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, IATF 16949:2016
- VDA license by QMC Germany for AdBlue®
- BIS Certification marks license as per IS17042:Part I:2020
- NABL accredited QC lab with Standard ISO/IEC 17025:2017
- **World-class fully automatic PLC** enabled blending operations
- Dedicated manufacturing facility for specialized metal working fluids
- High-speed end-to-end **fully automatic Filling Machine**
- **Finished goods warehouse with fully Automated Storage** and Retrieval System (ASRS)
- **Robust Safety & Disaster Management** Systems and supports
- Sustainability led best practices followed for plant operations
- Advance and fully equipped **Quality Control laboratory**
- Installed and commissioned **rooftop solar panels**
- Plant and exports approved by many Indian and global OEMs

Chennai Plant (South India)

- Lubricants manufacturing Capacity* of **50,000 KL per annum**
- AdBlue® manufacturing capacity of **39,000 KL per annum**
- **Key certifications include** - ISO 9001:2015, ISO 14001:2015, IATF 16949:2016, ISO 45001:2018
- **Gold Certified by IGBC**
- State-of-the-art blending technology from **ABB France— Simultaneous Metered Blender (SMB), Automated Batch Blender (ABB), completely piggable manifold, Drum Decanting Unit (DDU)** all integrated by Lubcel ™ Manufacturing Execution System
- **Finished goods warehouse with fully Automated Storage** and Retrieval System (ASRS)
- A high-tech firefighting & disaster management system
- Installed and commissioned Solar energy for manufacturing, Grey water recycling, rainwater harvesting & natural lighting throughout the day
- Advanced Quality Control Laboratory
- **New global R&D Centre** - Gulf's biggest facility globally
- **Customer Experience Centre** - the first of its kind in India
- Plant approved by many Indian and global OEMs

*On 2 shift basis

AdBlue®

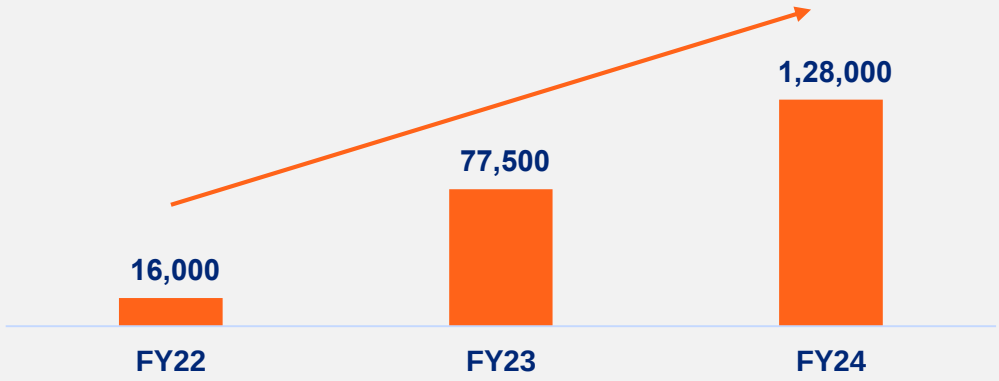
AdBlue® - Eco friendly / Urea based solution

Complementary product; Huge synergy in supply chain, distribution and end customer segments

Gulf Oil holds ~25% market share

- Urea-based eco-friendly product for diesel vehicles, reducing NOx emissions and complying with BS-VI standards
- Market is positioned for high double-digit growth attributed by increasing emissions regulations
- Emerged as a leading supplier of AdBlue® across the entire country. Front runner in catering to OEMs and aftermarket through superior distribution network

Multi-fold growth in volume (KL)



Our Growth Strategy

Leveraging the **extensive distribution network** and **strategic partnerships with multiple OEMs**

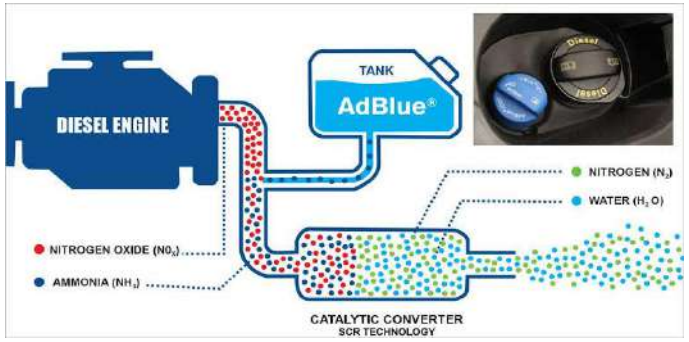
Key Features

- **Consumable product**
- **Complying with BS – VI standards**
- **Reduces NOx emissions**
- **High purity protects PCR systems**

Licenses & Certifications

VDA QMC, OEM, ISO, ASTM Round Robin, NABL

How does it work



Battery Business

Battery - Among the top five players in the replacement two-wheeler segment

Commands **2-3%** market share in replacement market

- Began 7-8 years ago; launched **Gulf Pride quality batteries** to enhance our brand strength in 2-Wheelers, an **extension to Gulf Pride Motor Cycle Oil brand**
- To leverage our lubricants **retail distribution (~40% synergy)**
- Fill the **demand and supply gap**

Gulf Pride batteries:

- Based on **VRLA technology**
- **Superior cranking power**, which gives the rider the benefit of 'Insta Start'
- Low maintenance and longer life

Appointed Indian Cricketer Hardik Pandya as the brand ambassador for this business in 2018

Growth Strategy

- **Leveraging lubricants retail distribution synergy**
- **Localization**
- **Investing in branding**
- **Improving service quality**

Battery Service Point Network

~12,500 Retail Touch Points

Dedicated Service Team PAN India
15 Service Engineers

233 Distributors (**40%** Gulf Auto Distributors)

435 active Gulf Battery Service Points in India

E-Mobility/
EV Value Chain

Gulf Oil gets Future Ready with EV Fluids

Launched globally as well as in India **in 2021**

Formulated specifically for **Hybrid and Fully EVs** for **optimal performance** to help **reduce CO2 emissions**

Basket consist of **transmission lubricants, coolants, greases and brake fluids**

Key strengths to keep Gulf ahead of competition:

- Strong Brand Image
- Access & strong relationship with 2W & Passenger Car OEMs in India
- Good association with Construction/ Infra Cos in India
- Healthy presence at PAN India level

Strategic initiatives to participate in end-to-end EV Value Chain

2021

Indra Renewable Technologies

~INR 30 Crore (~7.5% Stake)
Gulf Group globally holds controlling stake

2022

Techperspect Software Pvt Ltd.

~INR 15 Crore (26% Stake)

2023

Tirex Transmission

~INR 103 Crore (~51% Stake)

Slow Home AC Chargers

- UK based company. Makes Home chargers with advanced features like Vehicle to Grid (V2G).

SaaS provider

- IoT based e-mobility solutions and software as a service provider catering to customers in EV space with leading OEM's

DC Fast Chargers

- Over 1,800 high-capacity EV fast chargers deployed across India
- Caters to PSUs, Charge Point Operators (CPOs), Automotive OEMs and Retail
- Range of 30KW to 240 KW capacity

Potential and Prospects

- Strong relations with OEM's and commands market share of 7-8% in UK home EV chargers segment
- Superior technology chargers to be launched globally, including India after studying the market fit.
- Exclusive rights to use Indra's technology for EV charging and products in India.

- 50K + downloads of ElectreeFi charging app
- Developing solutions and leveraging strengths to cater to rapidly-developing e-mobility space for 2/3 wheelers and cars
- Superior solutions with regards to EV charging, EV fleet management and battery swapping

- Signed MoU with Government of Gujarat for a large EV DC Charger Mfg Plant
- Estimated to be having 8-10% market share in India for DC fast chargers
- Keen for export opportunities

***India's EV Charger segment-**

- Demand surge to ~1 mn chargers (AC+DC) by 2030
- India's Potential DC charger Market size ~$1 bn to $1.4 bn

Global EV Charger segment-

- $20bn to $200 bn by 2030

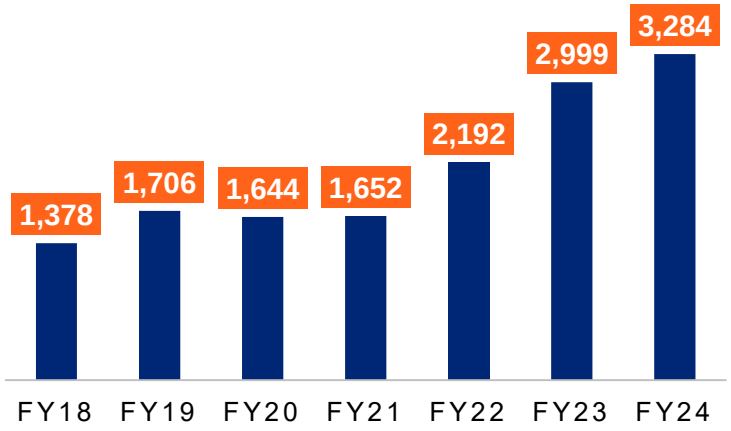
**IESA-Indian Energy Storage Alliance*
***Independent Workshops*

~INR 148 crore Total Investment in EV Ecosystem

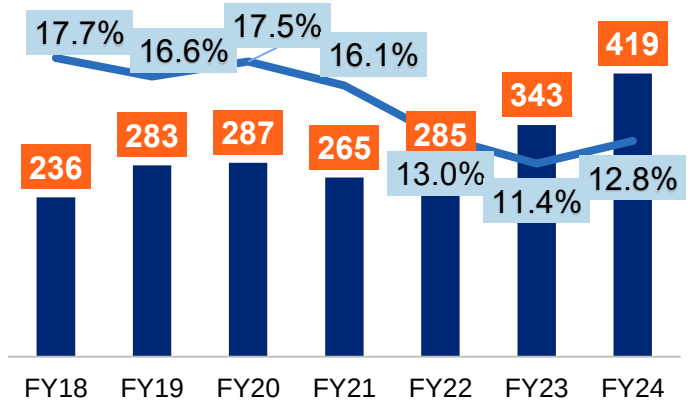
Financial Performance

Standalone- Financial Highlights

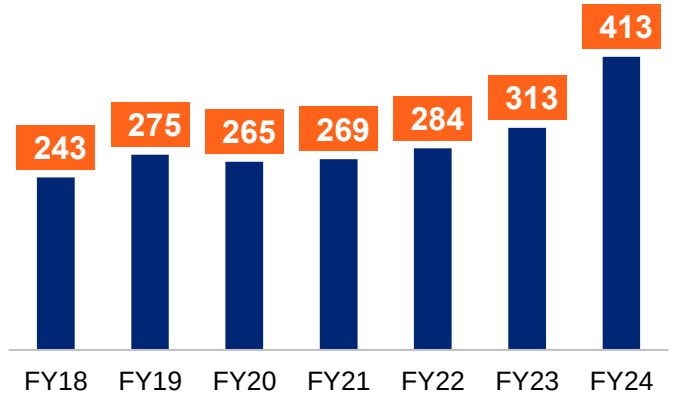
Operational Revenue (Rs Cr.)



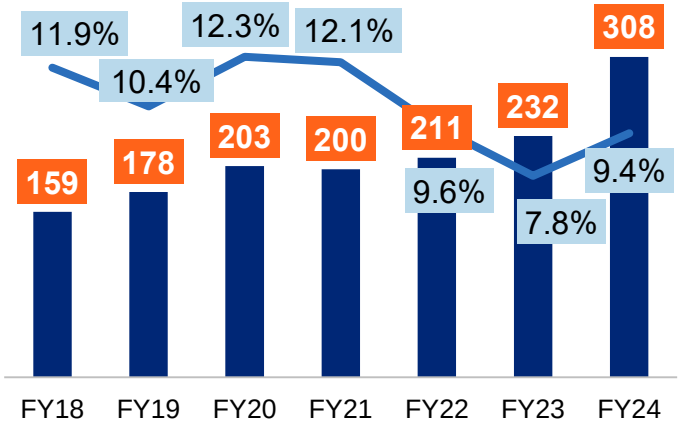
EBITDA (Rs Cr.) & Margins %



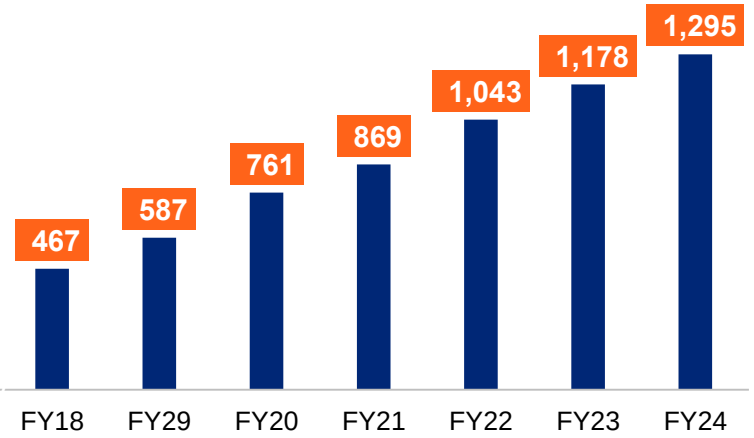
PBT (Rs Cr.)



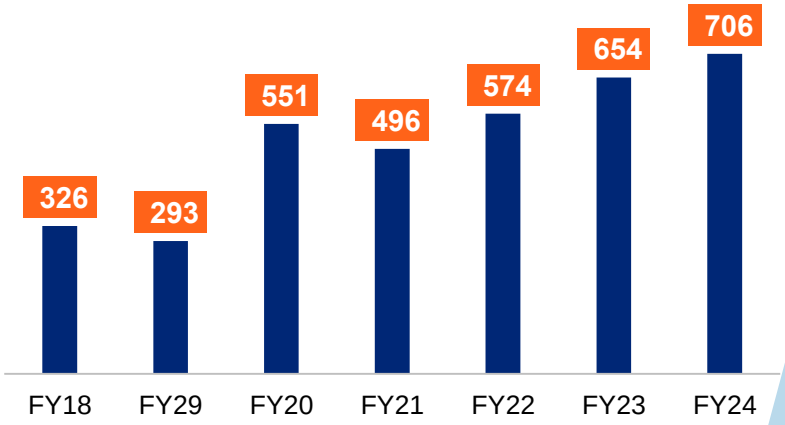
PAT (Rs Cr.) & Margins %



Net Worth (Rs Cr.)



Cash & Bank Balances (Rs Cr.)



Ownership and Stakeholder Value creation

Declared Interim Dividend Rs.20/eq. share i.e.,1,000% on FV of Rs 2 each at the end of Dec'24. Yield at 1.7% *(as on 7th Feb, 2025);*
Declared Total Dividend Rs 36.00 in FY24

Continuous increase in dividend with **23.2%** CAGR (from FY15 to FY24)

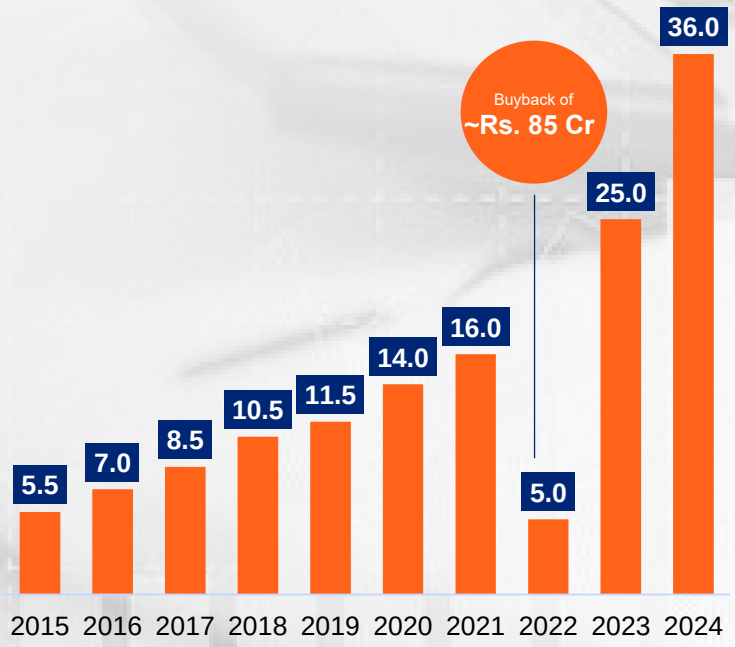
Generated healthy INR **173 crore** Cash flow from operations in 9M FY25; INR **348 crore** cash flow from operations in FY24;

Total quantum of dividend paid in last 5 years (FY'20 to FY'24) **Rs 475 crs**. Additionally, there was **buyback amounting to Rs 85 crs in FY22.**

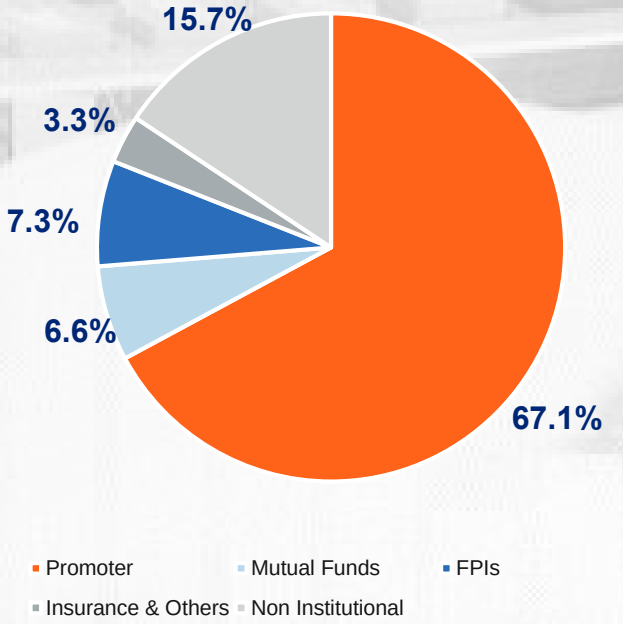
For FY24 & FY23 Payout ratio stands at **57% & 53%** respectively.

Annual maintenance CAPEX requirement of INR **25-30 crore**

Dividend Per Share



Shareholding as on Dec 31, 2024 (%)



Business Levers for higher level of financial growth

- Gradually Expanding margins
- Prudent Cost Management
- Improved Product mix
- Generating Superior Cashflows
- Better Working Capital Management
- Product Premiumsation

Thank You !

For further information:

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