



**GULF OIL India Ltd.**  
**ANNUAL REPORT 1996 - 97**

# Gulf Lubricants

## World wide Since 1901



*For nearly 100 years Gulf Oil has redefined the way in which the world shops for lubricants. It's a journey that began in 1901 when Gulf Oil drilled the world's first oil-well. Since then, it has started the world's first drive-in gas station and pioneered the catalytic cracking technology, revolutionising the lubricant industry forever. Its just a few of the incredible things that Gulf Oil has achieved.*

Today, Gulf Oil is creating history in India. With a presence of over 85 stock points and 1200 dealers all over the country. Armed with a diverse range of lubricants created for every type of engine and equipment.

Cover : Gulf Oil sponsored McLaren (F1 GTR) powers ahead to the FIRST position at the BPR Global Endurance GT Championship, 1996 , held at Jarama, Spain.



## NOTICE

NOTICE is hereby given that the Sixteenth Annual General Meeting of the Members of GULF OIL INDIA LIMITED (formerly known as Pita Ashish Oils & Lubricants Ltd.) will be held at Rang Sharda Auditorium, Bandra Reclamation, Bandra (West), Mumbai - 400 050 on Thursday, the 4th September, 1997 at 11.00 A.M. to transact the following business :

### ORDINARY BUSINESS

1. To receive, consider, approve and adopt the audited Balance Sheet and the Profit and Loss Account for the period ended 31st March, 1997 and to receive, consider and adopt the Report of the Directors and the Auditors thereon.
2. To declare a dividend for the period ended 31st March 1997.
3. To appoint a director in place of Mr B. D. Punjabi, who retires by rotation, and being eligible offers himself for re-appointment.
4. To appoint a director in place of Mr K.N.Venkatasubramanian, who retires by rotation, and being eligible offers himself for re-appointment.
5. To appoint auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

### SPECIAL BUSINESS

6. To consider, and, if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution :

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII of the Companies Act, 1956, approval of the Members, be and is hereby accorded to the appointment of Mr. K. N. Venkatasubramanian as Vice-Chairman & Managing Director of the Company for the period from 28th October, 1996 to 26th June 1997 on a remuneration and perquisites payable to him, as detailed hereunder :

#### A. SALARY :

Rs. 20,000/- Per Month

#### B. COMMISSION :

1% of the Net Profits of the Company subject to the Board's decision every year with a maximum of Rs. 2,50,000 per annum.

#### C. PERQUISITES :

Category 'I'

##### (i) Housing :-

House Rent Allowance or the expenditure by the Company on hiring furnished accommodation will be subject to the ceiling of 60% of the salary, over and above 10% payable by Mr. K. N. Venkatasubramanian.

The Expenditure incurred by the Company on gas, electricity, water and furnishings will be valued as per the Income Tax Rules, 1962. This shall, however, be subject to a ceiling of 10% of the salary.

##### (ii) Medical Reimbursement :

Membership of and subscription paid to any hospital and/or doctors schemes or an insurance

MD	✓		BKC	✓
CS	✓		DPY	NA
RO	✓		DIV	✓
TRA	✓		AC	✓
AGM	✓	✓	SHI	✓
YE	✓	✓		



company in India, and all hospital and medical expenses incurred for self and family, subject to ceiling of one month's salary in a year or three month's salary over a period of three years.

(iii) Leave Travel Concession :

For self and family once in a year incurred in accordance with any rules specified by the Company.

(iv) Club Fees :

Fees of Clubs subject to a maximum of two clubs excluding admission and life membership fees.

(v) Personal Accident Insurance :

Premium not to exceed Rs. 4000/- per annum.

Category 'II'

The Company shall provide a car with driver and telephone facility at the residence of the Vice Chairman & Managing Director. Provision of a car with driver for use on Company's business and telephone facility at his residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Vice Chairman & Managing Director.

RESOLVED FURTHER that notwithstanding anything mentioned above, where in any financial year during the currency of the tenure of Mr. K. N. Venkatasubramanian, the Company has no profits or inadequate profits, the Company will pay salary and perquisites as minimum remuneration as per the limits specified in Section II of Part II of Schedule XIII of the Companies Act, 1956."

7. To consider, and, if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution :

"RESOLVED that subject to the provisions of Sections 198, 269, 309, 310, 311, of the Companies Act, 1956, read with Schedule XIII approval of Members be and is hereby given for appointment of Mr. K. Das Gupta, as Managing Director of the Company, with effect from 26th June, 1997, for a period of three years on a remuneration and perquisites payable to him, as detailed hereunder :

A. SALARY :

Rs. 51,000/- per month in the grade of Rs. 40,000/- to Rs. 65,000/-

The annual increments will be effective from the 1st day of April every year and will be decided by the Board Directors based on his performance.

B. COMMISSION :

Not exceeding 1% of net profit of the Company in any financial year as the Board of Directors may determine from time to time but shall not exceed Rs. 4,00,000/-. Commission may be payable pro-rata on a monthly basis at the absolute discretion of the Board of Directors.

C. SPECIAL ALLOWANCE :

Limited to a maximum of one year's salary per year, subject to the overall limit of the total managerial remuneration of each year as provided under Section 309 of the Companies Act, 1956.

D. PERQUISITES :

- I] In addition to above remuneration, Mr. K. Das Gupta shall also be entitled to perquisites like free furnished accommodation including furnishings, gas, electricity and water, club fees, medical reimbursement, medical insurance, leave travel concession for self and family, etc. The annual value of these perquisites shall be restricted to Rs. 5,00,000/- Only per annum. The annual

value of perquisites shall be as per rules of the Company and shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of any Rule, perquisites shall be evaluated at actual cost.

- II] The Company shall provide a car for official duties and telephone at residence (including payment of local calls and long distance official calls) shall not be computed as perquisites.
- III] Company's contribution to Provident Fund and Superannuation Fund shall be 25% of the remuneration. These, however, shall include Salary and Commission for computation of the Company's contribution.
- IV] Gratuity as per rules of the Company. However, this will not be included in the computation of limits on perquisites as aforesaid.

The appointment will be for a period of three years which may be terminated by either party giving to the other ninety days' notice in writing.

RESOLVED FURTHER that notwithstanding anything mentioned above, where in any financial year during the currency of the tenure of Mr. K. Das Gupta, the Company has no profits or inadequate profits, the Company will pay salary and perquisites as per the limits specified in Section II of Part II of Schedule XIII of the Companies Act, 1956 ."

8. To consider, and, if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution :

"RESOLVED THAT Mr. H. C. Asher who was appointed as additional director of the Company by the Board of Directors with effect from 2nd September 1996 pursuant to the provisions of Article 86 of the Articles of Association of the Company and Section 260 of the Companies Act, 1956 ("the Act") and who holds office upto the date of this annual general meeting and is eligible for reappointment and the Company has received notices in writing from some members of the Company pursuant to the provisions of Section 257 of the Act proposing his candidature for the office of the director of the Company and who has consented, if appointed, to act as a director, be and is hereby appointed as director of the Company."

9. To consider, and, if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution :

"RESOLVED THAT Mr. S. G. Hinduja who was appointed as additional director of the Company by the Board of Directors with effect from 26th June 1997 pursuant to the provisions of Article 86 of the Articles of Association of the Company and Section 260 of the Companies Act, 1956 ("the Act") and who holds office upto the date of this annual general meeting and is eligible for reappointment and the Company has received notices in writing from some members of the Company pursuant to the provisions of Section 257 of the Act proposing his candidature for the office of the director of the Company and who has consented, if appointed, to act as a director, be and is hereby appointed as director of the Company."

10. To consider, and, if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution :

"RESOLVED THAT Mr. R. P. Hinduja who was appointed as additional director of the Company by the Board of Directors with effect from 26th June 1997 pursuant to the provisions of Article 86 of the Articles of Association of the Company and Section 260 of the Companies Act, 1956 ("the Act") and who holds office upto the date of this annual general meeting and is eligible for reappointment and the





Company has received notices in writing from some members of the Company pursuant to the provisions of Section 257 of the Act proposing his candidature for the office of the director of the Company and who has consented, if appointed, to act as a director, be and is hereby appointed as director of the Company."

11. To consider, and, if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution :

"RESOLVED THAT Mr. Nasr E. A. A. Megahed who was appointed as additional director of the Company by the Board of Directors with effect from 26th June 1997 pursuant to the provisions of Article 86 of the Articles of Association of the Company and Section 260 of the Companies Act, 1956 ("the Act") and who holds office upto the date of this annual general meeting and is eligible for reappointment and the Company has received notices in writing from some members of the Company pursuant to the provisions of Section 257 of the Act proposing his candidature for the office of the director of the Company and who has consented, if appointed, to act as a director, be and is hereby appointed as director of the Company."

12. To consider, and, if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution :

"RESOLVED THAT Dr. E. G. Mahadevan who was appointed as additional director of the Company by the Board of Directors with effect from 26th June 1997 pursuant to the provisions of Article 86 of the Articles of Association of the Company and Section 260 of the Companies Act, 1956 ("the Act") and who holds office upto the date of this annual general meeting and is eligible for reappointment and the Company has received notices in writing from some members of the Company pursuant to the provisions of Section 257 of the Act proposing his candidature for the office of the director of the Company and who has consented, if appointed, to act as a director, be and is hereby appointed as director of the Company."

- 13 To consider, and, if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution :

"RESOLVED THAT in accordance with the provisions of Section 293 (1) (a) and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to the Board of Directors of the Company ("the Board") for mortgaging and/or charging from time to time as and by way of first/exclusive charge(s)/second or subsequent charge(s) or charge(s) of any nature whatsoever and on such terms and conditions as the Board may deem fit, all the immovable and/or movable properties of the Company, wheresoever situate, present and future, and the whole or substantially the whole or any of the undertaking of the Company (save and except the current assets that are as may be hypothecated and/or pledged in favour of the company's bankers for securing borrowings for working capital requirements) in favour of one or more banks and/or financial institutions and/or others to secure the monies borrowed/to be borrowed for the business of the Company upto a sum not exceeding Rs. 100,00,00,000 (Rupees one hundred crores) together with interest, compound interest and/or additional interest in case of default, further interest by way of liquidated damages, commitment charges, premia on prepayment or on redemption, costs, charges, expenses and an other money payable by the Company;

AND RESOLVED FURTHER that the Board be and is hereby authorised to finalise the documents for creating/modifying the aforesaid mortgages and/or charges with such financial institutions, banks and/or other parties and to do all such acts, deeds, matters and things as may be necessary, usual or expedient for giving effect to this resolution."

14. To consider, and, if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution :

"RESOLVED THAT consent of the Company pursuant to the provisions of Section 293(1)(d) and other applicable provisions, if any, of the Companies Act, 1956, and the Articles of Association of the

Company be and is hereby accorded to the Board of Directors of the Company ("the Board") borrowing from time to time such sum or sums of money, as it may consider fit for the purpose of the business of the Company notwithstanding that the monies to be so borrowed together with monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed, at any time, the aggregate of the paid-up capital of the Company and its free reserves, (that is to say, reserves not set apart for any specific purpose), provided that the total amount so borrowed shall not at any time exceed the sum of Rs. 100,00,00,000 (Rupees one hundred crores only) over and above the aggregate of the paid up capital of the Company and its free reserves from time to time and that the Board be and is hereby empowered and authorised to arrange or fix the terms and conditions in respect of the moneys borrowed/to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may deem fit, as also to execute all such deeds and documents as may be necessary, usual or expedient for this purpose."

15. To consider, and, if thought fit, to pass, with or without modification(s), the following resolution as a ordinary resolution :

"RESOLVED THAT the consent of the Company be and is hereby accorded to the Board of Directors of the Company ("the Board") for contributing, to charitable, benevolent and other funds not directly relating to the business of the Company or the welfare of its employees, such amounts from time to time as the Board may in its discretion deem fit, not exceeding Rs. 1,00,00,000 ( Rupees one crore only) in any financial year, effective from the financial year commencing 1st April, 1997, notwithstanding that the aggregate of such contributions may be in excess of the limits laid down in Section 293 (1) (e) of the Companies Act, 1956."

16. To consider, and, if thought fit, to pass, with or without modification(s), the following resolution as a special resolution :

"RESOLVED that pursuant to provisions of Section 370 and other applicable provisions, if any, of the Companies Act, 1956 ("the Act"), and subject to the Board of Directors of the Company ("the Board") obtaining such approval of the Central Government and financial institutions/banks in that behalf, the Company hereby accords its sanction and authorities to the Board to make any loans to/deposits with any bodies corporate from time to time not exceeding Rs. 12,50,00,000 (Rupees Twelve crore fifty lacs only) in the aggregate, and on such terms and conditions as the Board may deem fit notwithstanding that the aggregate of such loans/deposits may exceed (1) 30% or such other percentage or the Central Government may prescribe of the aggregate of the subscribed capital and its free reserves where all such bodies corporate are not under the same management as the Company within the meaning of Section 370 of the Act; and (2) 30% of such other percentage as the Central Government may prescribed of the aggregate of the subscribed capital of the Company and its free reserves where all such bodies corporate are under the same management as the Company within the meaning of Section 370.

RESOLVED FURTHER THAT the Board be and is hereby authorised to agree in its discretion to any modifications or conditions that may be suggested or prescribed by the Central Government at the time of granting its approval.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things that may be necessary, usual or expedient to give effect to this resolution including, making application to the Central Government or lenders to the Company, or any other authorities for obtaining their approval if and when and to the extent required."

17. To consider, and, if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution :

"RESOLVED that pursuant to provisions of Section 372 and other applicable provisions, if any, of the Companies Act, 1956("the Act"), and subject to the approval of the Central Government and financial institutions/banks the Board of Directors of the Company ("the Board") obtaining such approvals,



consents and permissions as may be necessary including in addition to the investments in the shares of any body or bodies corporate which the Board is entitled to make upto the limits prescribed under Section 372 of the Act, consent of the Company be and is hereby accorded to the Board invest at a time or from time to time, an aggregate sum not exceeding Rs. 5,00,00,000 (Rupees five crores only).

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such act, deeds, matters and things that may be necessary, usual or expedient to give effect to this resolution including, making application to the Central Government or lenders to the Company, or any other authorities for obtaining their approval if and when to the extent required."

18. To consider, and, if thought fit, to pass, with or without modification(s), the following resolution as a special resolution :

"RESOLVED that pursuant to the provisions of Section 163 of the Companies Act, 1956 ("the Act"), consent of the Company be and is hereby accorded for keeping the Register of Members, the Index of Members, and copies of all Annual Returns prepared under Sections 159 and 160 of the Act, together with the copies of certificates and documents required to be annexed thereto pursuant to Sections 160 and 161 of the Act, at the Company's Share Department situated at IN Centre, 49/50, M.I.D.C., Marol, Andheri (East), Mumbai - 400 093 instead of at the Registered Office of the Company."

19. To consider, and, if thought fit, to pass, with or without modification(s), the following resolution as a special resolution :

"RESOLVED THAT pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the regulations contained in the document submitted to this Meeting, and for the purpose of identification subscribed by the Chairman thereof, be approved and adopted with such modifications, if any, as may be agreed to at this Meeting as Articles of Association of the Company in substitution of the present set of the Articles of Association."

20. To consider, and, if thought fit, to pass, with or without modification(s), the following resolution as a special resolution :

"RESOLVED that subject to all applicable provisions of the Companies Act, 1956, (including any statutory modification or re-enactment thereof for the time being in force and may be enacted from time to time) and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions and which may be agreed to or accepted by the Board of Directors of the Company, the consent of the Company be and is hereby accorded to the Board of Directors to acquire/purchase any of its own shares on such terms and conditions and upto such limits as may be prescribed by law from time to time and that the Board of Directors be and it is hereby authorised to do all such acts, deeds, matters and things as may be necessary or proper to implement this resolution."

By Order of the Board of Directors  
For GULF OIL India Limited

S. B. Joshi  
Company Secretary

**Registered Office :**  
Hinduja House,  
Dr. Annie Besant Road,  
Worli, Mumbai - 400 018.

June 26, 1997



## EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956 :

### Item Nos. 6 & 7 of the Notice :

Consequent upon of the amalgamation with erstwhile Gulf Oil India Limited with the Company the scale of activities and business of the Company has increased to a level which requires a Whole-time Director or a Managing Director for supervision & control of day-to-day activities as well as to report to the Board periodically. Further, w.e.f. 1st September 1996, the paid up Equity Capital of the Company increased to Rs. 7.94 crores and as required under provisions Section 269 of the Companies Act, 1956, the Company is required to appoint a Managing Director. The Board of Directors had, therefore, appointed Mr. K. N. Venkatasubramanian as Vice Chairman & Managing Director at its meeting held on 28th October, 1996.

Mr. K. N. Venkatasubramanian is an eminent personality in the Industry and has experience of almost 37 years in various large sized organisations.

An approval of members is necessary for the appointment and terms of remuneration paid to Mr. K. N. Venkatasubramanian as Vice-Chairman & Managing Director for the period 28th October 1996 to 26th June, 1997. The Board recommends his appointment w.e.f. 28th October, 1996 and remuneration paid to him from that date.

No Director of the Company other than Mr. K. N. Venkatasubramanian is concerned or interested in Resolution No. 6.

Subsequently, Mr. K. N. Venkatasubramanian advised the Board of his various pre-occupation, *inter-alia*, with a refinery project and requested that he be relieved from the post of Vice-Chairman & Managing Director . This was accepted by the Board on 26th June, 1997.

The Board of Directors appointed Mr. K. Das Gupta, as Managing Director of the Company for 3 years w.e.f. 26th June, 1997. Mr. K. Das Gupta is an M.Sc. and has rich experience of over 20 years with a large vehicle manufacturing organisation in senior marketing position.

No Director of the Company other than Mr. K. Das Gupta is concerned or interested in Resolution No. 7.

### Item No. 8 of the Notice :

Mr. H. C. Asher was appointed an Additional Director of the Company by the Board of Directors of the Company ("the Board") at its meeting held on 2nd September 1996. Pursuant to the provisions of Section 260 of the Companies Act, 1956 ("the Act"), he holds the office upto the date of the Sixteenth Annual General Meeting. Notices have been received from some Members of the Company in pursuance of Section 257 of the Act alongwith a deposit of Rs. 500 each proposing Mr. H. C. Asher as a candidate for the office of Director of the Company Mr. H. C. Asher has given his consent, if appointed, to act as Director of the Company.

Mr. H. C. Asher was also a Non-Executive Director in erstwhile Gulf Oil India Limited. The Board of Directors recommend that he be appointed as a Director of the Company.

No Director of the Company other than Mr. H. C. Asher is concerned or interested in Resolution No. 8.

### Item Nos. 9 & 10 of the Notice :

Mr. S. G. Hinduja, Mr. R. P. Hinduja were appointed as Additional Directors of the Company from 26th June, 1997. As per the provisions of Section 260 of the Act, and they will hold office upto the date of the ensuing



Annual General Meeting. The Company has received a notice from some members proposing the candidature of Mr. S. G. Hinduja and Mr. R. P. Hinduja as Directors, under the provisions of Section 257 of the Act.

Mr. S. G. Hinduja and Mr. R. P. Hinduja were also a Non-Executive Directors in erstwhile Gulf Oil India Limited. The Board of Directors recommend that they be appointed as Directors of the Company.

No Directors of the Company other than Mr. S. G. Hinduja and Mr. R. P. Hinduja are interested in Resolutions 9 & 10.

**Item No. 11 of the Notice :**

Mr. Nasr E.A.A. Megahed was appointed as an Additional Director of the Company from 26th June 1997. As per the provisions of Section 260 of the Companies Act, ("the Act") 1956, he will hold office upto the date of the ensuing Annual General Meeting. The Company has received a notice from some members proposing the candidature of Mr. Nasr E.A.A. Megahed for the office of Director, under the provisions of Section 257 of the Act.

The Board of Directors recommend that he be appointed as a Director of the Company.

No other Director other than Mr. Nasr E.A.A. Megahed is concerned or interested in Resolution No. 11.

**Item No. 12 of the Notice :**

Dr. E. G. Mahadevan was appointed as an Additional Director of the Company from 26th June, 1997. As per the provisions of Section 260 of the Companies Act, 1956, ("the Act") he will hold office upto the date of the ensuing Annual General Meeting. The Company has received a notice from some members proposing the candidature of Dr. E. G. Mahadevan for the office of Director, under the provisions of Section 257 of the Act.

The Board of Directors recommend that he be appointed as a Director of the Company.

No other Director other than Dr. E. G. Mahadevan is concerned or interested in Resolution No. 12.

**Item No. 13 of the Notice :**

With the amalgamation of the Company with erstwhile Gulf Oil India Limited from 1st September, 1996, the business activities of the Company have increased considerably. The increased activities the Company requires it to borrow ( apart from the temporary loans obtained by it from banks) from the financial institutions, certain corporate bodies, commercial banks etc. for its expanded activities & the Company will be required to secure such borrowings by mortgaging/charging of its immovable and/or movable properties, both present and future and the whole or substantially the whole of all or any of the undertakings of the Company. Pursuant to Section 293 (1) (a) of the Companies Act, 1956, ("the Act") the consent of such Company in a general meeting is required by the Board of Directors of such Company, to sell, lease or otherwise dispose of the whole, or substantially the whole of the undertaking of such Company, or where such a company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking.

The Directors of the Company may be deemed to be concerned or interested in the Resolution relating to this item, to the extent of the shares held by them in the Company.

**Item No. 14 of the Notice :**

With the amalgamation of the Company with 'erstwhile Gulf Oil India Limited' from 1st September, 1996, the business activities of the Company have increased manifold. The Company may require to borrow ( apart from