



ANNUAL REPORT
2020-21

CHALLENGE-R

RESILIENT

RESPONSIVE

RE-ENERGISED

Gulf Oil Lubricants India Limited



HINDUJA GROUP

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Challenge-R

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Highlights of FY 2020-21

1,15,000 KL

SALES VOLUME

₹1,652 Cr

REVENUE

₹265 Cr

EBITDA

₹200 Cr

PROFIT AFTER TAX (PAT)

₹3,634 Cr

MARKET CAPITALISATION

Zero

NET DEBT

₹869 Cr

NETWORTH

₹496 Cr

CASH & BANK BALANCES





Challenge-R

Resilient, Responsive, Re-energised

Being Resilient

The past year has posed innumerable challenges and forced businesses to reorganise and rebuild, if necessary. We, at Gulf Oil, too had to face a rough tide along with others in the industry. However, our resilience helped us adapt to the changing times and bounce back in action as the markets opened up post the lockdowns. Our robust business model, brand strength, customer-centric approach, resilience of our teams and partners along with our legacy of trust and consistency helped us gain momentum as the year progressed. We not only maintained our financial performance and increased cash conversion, but also expanded our customer base.

Responding with Vigour

We overcame various challenges and proactively responded to the changing demands as we recalibrated our operations, revamped our systems and introduced new and improved products, backed by our agility and flair for innovation. Our quick responsiveness and adaptability of our supply chain, plants, sales as well as support teams helped us provide better service and won us many accolades from our esteemed customers. This enabled us to continue our growth trajectory many times ahead of industry growth rates.

Re-energised Outlook

We have re-energised all key areas of our operations, systems, workforce, and communities through our definitive leadership and empowerment. As we move ahead, we are excited about our future which will be driven by our customer focus, strategic partnerships across current and new segments, expanded reach with our innovative products and our brand strength. The passion of our workforce combined with the 'Unstoppable Hum' spirit propels our growth engines to achieve excellence and leadership, setting the pace for higher growth in the years to come.

Gulf Oil at a Glance

Strengthening Our Position



Gulf Oil Lubricants India Limited (Gulf Oil) is one of the top players and the fastest growing company in the lubricants industry in India.

Gulf Oil, part of the Hinduja Group, is an established player in the Indian Lubricants Industry. The Gulf Brand, owned by our holding company, Gulf Oil International, has a global presence in more than 100 countries. We have a comprehensive business portfolio that covers automotive, industrial and marine applications, and is certified by top industry bodies such as API, JASO, ACEA and approved by leading OEMs globally.

Our emphasis on customer-centricity and innovation drives our approach to business. We have pioneered several industry firsts such as the 'long drain interval' value proposition in India, which have helped us

establish a strong presence in the commercial vehicles sector. We serve our stellar pan-India network of auto distributors, industrial distributors and retailers from our world-class manufacturing facilities at Silvassa and Chennai.

In the recent years, we have consistently outperformed the industry growth rate and emerged as one of the leading lubricant brands in country. Our resilience and operational excellence, in the face of the unprecedented challenges faced during the year, have further strengthened our position as an industry challenger in lubricants in India.

Our Presence

Channel Network

75,000+ touchpoints
300+ auto distributors
~30 depots

Exports

25+ countries

Infrastructure, Mining and Fleet Customers

750+

Independent Work Shops

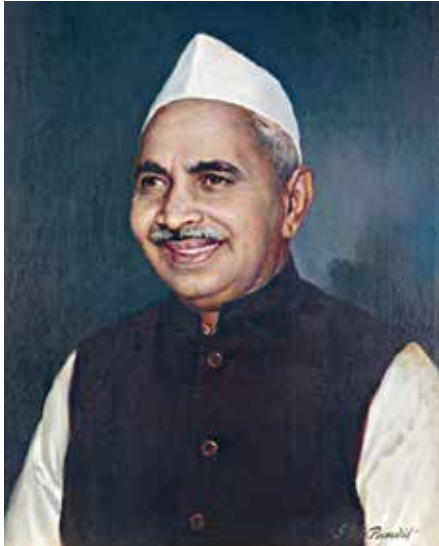
8,000+ bike stops
2,000+ car stops
4 regional offices

B2B Industrial Network

200+ direct industries
50+ industrial distributors

Gulf Rural Stockist

1,000+



The Hinduja Group motto
*My duty is to work, so
 that I can give*

**Shri. Parmanand Deepchand
 Hinduja (1901-1971)**
 Founder, Hinduja Group



About the Hinduja Group

Gulf Oil is a part of the prestigious Hinduja Group, one of India's premier diversified transnational conglomerates. With a business legacy that goes back over a hundred years, the Group has established its presence in the automotive, oil and specialty chemicals, power, banking and financial services, IT and ITeS, real estate, media and entertainment, cyber security, and project advisory businesses. The Group is actively present in more than 100 countries, with a direct presence across 38 countries and powered by a workforce of about 2,00,000 employees.

Founded by Shri Parmanand Deepchand Hinduja, the Group embodies his principles and follows a strong value system. The Group continues to live by this philosophy even today, integrating philanthropy in all business activities. The Group supports various charitable and philanthropic activities across the world through the Hinduja Foundation in the fields of Healthcare (P.D. Hinduja Hospitals), Education, (K.P.B. Hinduja College of Commerce) Art & Culture, Social Welfare, Water Stewardship and Rural Development, to name a few.

The five guiding principles of the Hinduja Group serve as the cultural cornerstones of our business.

- | | | |
|-----------------------------|---------------------------------|----------------------------------|
| 1 Work to give | 2 Word is a bond | 3 Act local, think global |
| 4 Advance fearlessly | 5 Partnership for growth | |

Business Performance

Exploring New Horizons

This past year, we focused on the safety of our employees, supply chain efficiencies, grew in our key segments, sought out new opportunities and invested in new partnerships.

FY 2020-21 was an challenging year as the COVID-19 pandemic vastly impacted lives and livelihoods. As India went into a complete lockdown in the first quarter of the financial year, business came to a standstill. Although we continued our selective operations through the lockdown for essential services, we rebooted our systems and kept the safety of our employees and associates as our topmost priority.

We worked with renewed energy and passion and delivered increased volumes and profits. As a result, we were able to grow holistically in the last three quarters and recorded the highest ever quarterly profits in Q2 and Q3 in FY 2020-21 in the history of Gulf India. We proactively increased our market share across all segments, explored new businesses in industrial sectors and developed strategic partnerships with new OEMs.

Snapshot FY 2020-21

Maintained full year volume, revenue and PAT despite challenging market conditions in Q1

We stepped up our investment in the brand through **social media**

Re-Launch of our flagship motorcycle oil sub-brand – **Gulf Pride**

Forayed into the EV charging space in partnership with Indra Renewable Technologies

Increased payouts to our shareholders **Highest-ever** dividend

40% growth in Gulf branded CI-4 Plus diesel engine oils

First ever digital sales conference 'Unstoppable Hum'

Announced multi-year strategic partnership with **McLaren** covering **Formula 1 and luxury supercars**

Increased CSR expenditure for **COVID support** programmes

More than 40% growth of Premium Range in Greases, Gear Oil, Coolant and Specialty Oils

Formed new strategic **OEM tie-ups**

2-Wheeler Battery business became **profitable**

Our OEM tie-ups



Mahindra
Rise.

SWARAJ



BAJAJ



KOBELCO



TATA MOTORS

New Strategic Partnerships

Automotive



Infrastructure, Mining and Fleet (IMF)



ACE



Industrial



TATA STEEL



Retail

Small Fleet CNG

Garage Aggregator



GoMechanic

E-Commerce

amazon.in

Delivery Aggregator

zomato

From the Chairman's Desk

Towards a Re-energised Future



Dear Stakeholders,

Hope you and your family are well and taking utmost care to follow all the necessary precautions during the ongoing pandemic. I extend my heartfelt condolences to all the families that have been impacted by this global health crisis. We at Gulf Oil, have been taking all actions to extend support to our teams, associates and society at large to lessen their financial, health and emotional pains.

Despite the intensity of the first and subsequent wave of the pandemic, economies and businesses across the world demonstrated remarkable resilience, aided by the support measures of national governments and central banks. Through these challenging times, we stood tall and resilient, withstanding each obstacle that came our way with grit and determination.

A Year of Unprecedented Changes

The first quarter of FY 2020-21 saw a complete lockdown across the country, which halted manufacturing activities and curtailed mobility. Although economic activities gradually resumed from June'20 as the industry saw the demand levels picking up, it was only in December'20 that the economy entered growth territory. India saw a V-shaped recovery with the gradual phasing out of the lockdown and resumption of economic activity. Overall, India's GDP shrank by 8% in FY 2020-21.

Lubricants fall under the semi-essential products category. The demand for lubricants in the agriculture sector and construction sectors remained steady throughout the lockdown. Although the pandemic affected the entire lubricants value chain in the first quarter, we saw demand pick up from Q2FY21, with markets and customer sentiment reverting to near normalcy. Robust rural economy along with an all-round pent-up demand and a festive season added to market buoyancy as the lockdown eased, resulting in higher sale of lubricants. Under an able and efficient leadership, we at Gulf Oil moved swiftly and by adopting a responsive plan we managed to continue an uninterrupted supply of our products and services while also tapping into the growth opportunities with our robust business model and strategies.

Resilient Performance

Despite the market uncertainties and a double digit degrowth in the lubricants industry, we closed the year successfully by growing our volumes by 4% and increasing our market shares and thus retained our rank amongst the top players in the lubricants industry in India. We leveraged our industry knowledge and expertise to analyse