

Savita Oil Technologies Limited



# Making the Journey Count for



Annual Report  
2020-21

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# Corporate Information

### BOARD OF DIRECTORS

**Mr. G. N. Mehra**  
Chairman and  
Managing Director

**Mr. S. M. Dixit**  
CFO & Whole-time Director

**Mr. S. G. Mehra**  
Whole-time Director

**Mrs. M. C. Dalal**  
Independent Director

**Mr. R. N. Pisharody**  
Independent Director

**Mr. H. Sunder**  
Independent Director

### COMPANY SECRETARY & EXECUTIVE VP – LEGAL

Mr. U. C. Rege

### BANKERS

State Bank of India  
Bank of Baroda  
Citibank N.A.  
ICICI Bank Limited  
Kotak Mahindra Bank Limited  
Standard Chartered Bank

### AUDITORS

**G. D. Apte & Co.**  
Chartered Accountants

### REGISTERED OFFICE

66/67, Nariman Bhavan,  
Nariman Point,  
Mumbai - 400 021  
Tel.: 91-22-6624 6200 /  
6624 6228  
Fax: 91-22-2202 9364  
CIN: L24100MH1961PLC012066  
Website: [www.savita.com](http://www.savita.com)

### MANUFACTURING FACILITIES

17/17A, Thane-Belapur  
Road, Turbhe,  
Navi Mumbai - 400 703

Survey No. 10/2,  
Kharadpada, Post Naroli,  
Silvassa, Dadra and  
Nagar Haveli and Daman  
and Diu - 396 230

Survey No. 140/1,  
Village Kuvapada,  
Silli, P.O. Kilwani,  
Silvassa, Dadra and  
Nagar Haveli and Daman  
and Diu - 396 230

### SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.  
C-101, 247 Park,  
L. B. S. Marg, Vikhroli (West),  
Mumbai - 400 083  
Tel.: 91-22-4918 6000  
Fax: 91-22-4918 6060  
E-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)



To view this report online, please visit:  
[www.savita.com](http://www.savita.com)

At SAVITA, we believe that it is not the destination alone that matters, but the journey that makes the difference. And, for 60 years, we have been doing just that by creating value for all our stakeholders. Our journey of six decades has been a remarkable one; through which we have overcome challenging industry conditions and have been resolute in our strategy.

With strong focus on innovation and customer excellence, we have pioneered multiple products for the first time in India. These products are helping improve performance and meeting the needs of varied industries. With our reliable and resilient performance, we have been delivering consistent value creation. With our sustainable approach, we have been striding towards a greener future and contributing to holistic development.



#### **'A tribute to a legend - Late Mr. N. K. Mehra'**

The man behind the consistent performance and success of SAVITA, Late Mr. N. K. Mehra was a dynamic and eminent personality. Born in 1934 in the north Indian town of Amritsar, he grew up with a strong will and determination. He had remarkable business acumen and a deep passion for indigenous technology development.

A humble and aspirational personality, he spearheaded SAVITA and achieved significant milestones to make the Company what it is today. For him, SAVITA was like his family and the welfare of the Company and its employees was paramount. His legacy continues to inspire us to build a better and bigger organisation.

## About Us

SAVITA Oil Technologies Limited is a home-grown specialty petroleum products company established by the esteemed late Mr. N. K. Mehra in 1961. We have developed and manufactured a broad array of products including Transformer Oils, Liquid Paraffins, White Oils, Automotive and Industrial Lubricants, Coolants and Greases, among others. We are headquartered in Mumbai and our world-class manufacturing facilities are situated in the state of Maharashtra and at Silvassa in the Union Territory of Dadra and Nagar Haveli and Daman and Diu.

We are an innovation-driven Company and our R&D capability is what sets us apart from our peers. Our R&D has led the development of a comprehensive product portfolio, that serves varied industries such as Power Generation and Distribution, Automotive, Thermoplastic Rubbers, FMCG, Plastics, Pharmaceutical, Agriculture, Refrigeration, Polymers, among others. In addition to catering to a sizeable B2B clientele, our popular range of lubricants, greases, and coolants are sold to retail customers under the brand SAVSOL.

Our consistent investments in green energy production have made us Asia's only petroleum specialty company which is carbon positive. Our Environmental Management System is ISO 14001:2015 certified. Besides, our windmills are located at 18 sites in the states of Maharashtra, Tamil Nadu, and Karnataka. We have an installed capacity to produce 54.15 MW of wind-powered electricity.

### OUR BUSINESS SEGMENTS



## OUR PRODUCT PORTFOLIO



### Transformer Oils

These oils are used as an insulating and cooling medium in distribution transformers, power transformers and instrumentation transformers.



### White & Mineral Oils

We offer a range of highly refined speciality mineral oil-based products used in technical, consumer as well as pharmaceutical applications.

We also offer custom-formulated products for applications in industries like cosmetics, personal care, plastics, pharmaceutical, agriculture and food.



### Automotive Oils

We offer Motorcycles and Scooter Engine Oils (4T and 2T), Passenger Car Motor Oils, Tractors and Farm Oils, Equipment Oils, Heavy-Duty Diesel Engine Oils, Gear Oils, Power Steering Fluids, Automatic Transmission Fluids, Greases and Coolants.



### Industrial Oils

Our offerings in the Industrial range include Hydraulic Oils, Industrial Gear Oils, Refrigeration Compressor Oils, Quenching Oils, Thermic and Heat Exchange Oils, Greases, Metal Working Fluids.



## Our Vision

To create value for all stakeholders by developing a diversified portfolio that builds on our core competencies and to do so in an ethical and socially responsible manner.



## Our Values

### **Integrity**

To be honest in all our dealings with colleagues, customers, suppliers, shareholders, and all other stakeholders.

### **Accountability**

To recognise and be conscious of our impact on the community that we work in and to positively impact our environment and society.

### **Performance-Driven**

To strive to deliver superior products in the most efficient and effective manner.

### **Reliability**

To be responsive and proactive on meeting commitments, and to be responsible and accountable for the same.

### **Continuous Improvement**

To constantly adapt to customer needs and changing environments and to improve current processes to maximise value.

### **Simplicity and Humility**

To maintain a friendly attitude with all stakeholders and stay true to our belief 'Bonds build Businesses'.





## FY 2020-21 HIGHLIGHTS

**75**

Countries  
where we export

**41**

Stock Points

**8**

Products launched

**73.12 MU**

Renewable  
energy generated

### Our Network

**1,265**

Franchisee  
dealers/workshops

**497**

Distributors



**NEW PRODUCT**

# NEW GEN OIL FOR YOUR NEW GEN BIKES

Savsol Premium Plus 4T is formulated with **SYNTHETIC TECHNOLOGY** and is **BS6 compliant** engine oil.

A right oil for your New Generation bikes.

**SAVSOL**  
The Green Performer  
**PREMIUM PLUS 4T**  
20W-40  
API SN  
JASO MA2  
ENGINE OIL

Synthetic Technology

- BS6 compliant
- Improves the engine and
- Maintains health of Engine, Clutch and Gears
- Right oil for new generation Bikes

Available in 1 Ltr & 900 ml pack

**#LoveLocal**  
**SAVSOL**  
LUBRICANTS  
The Green Performer

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66/67, Nariman Bhavan, Nariman Point, Mumbai 400 021, India  
T: +91 22 2281 8042 F: +91 22 2202 9364  
W: www.savsol.com E: customersupport@savita.com

## R&D INFRASTRUCTURE AND MANUFACTURING PROWESS

As one of the initial private sector oil companies to set up a full-fledged certified R&D laboratory, we leverage our R&D expertise to produce and launch innovative, low-carbon products of the highest quality. Customer engagement and quality consciousness is our topmost priority. We use our strong customer connect to leverage user insights to enhance our R&D efforts and develop products to suit their requirements.

Our manufacturing infrastructure comprises three state-of-the-art, highly equipped manufacturing facilities – one of them located in Maharashtra and the other two in Silvassa. Our newest plant in Silli, Silvassa is fully automated. Further, our laboratories are accredited by National Accreditation Board for Testing and Calibration Laboratories (NABL). Our world-class facilities enable us to develop customised products as per customer demands.



# Chairman's **Message**



“

Amid all the unforeseen challenges presented by the year, I am proud to share that your Company demonstrated strong resolve to deliver a robust performance. What is more gratifying is that we achieved these results while safeguarding the health and safety of our employees ”

## **DEAR SHAREHOLDERS,**

As I write this annual letter to you, I reflect upon a year that none could have imagined. The COVID-19 pandemic has devastated the lives of millions and continues to adversely impact the global economy. India too was not spared from the repercussions of the pandemic. The second wave of COVID-19 in the country has been particularly heart-breaking, claiming innumerable lives and causing widespread agony. Despite all the disruption and devastation, the pandemic has also brought to the fore the innovative and resilient spirit of humankind, with communities and countries across the world working

together to overcome the crisis. The development and rollout of multiple, safe and effective vaccines against COVID-19 in record time is further testament to the global solidarity in the struggle against the pandemic. In India, the strong focus of the Government on accelerating the vaccination drive and strengthening the health infrastructure provides optimism that we will be able to better manage future outbreaks of COVID-19, if any.

Amid all the unforeseen challenges presented by the year, I am proud to share that your Company demonstrated strong resolve to deliver

a robust performance. What is even more gratifying is that we achieved these results while safeguarding the health and safety of our employees.

## **ECONOMIC OUTLOOK**

As a consequence of the COVID-19 impact, the Indian economy suffered a massive blow and GDP ended lower by 7.3% for the year ended March 2021. Whilst the possibility of new variants of the virus and subsequent waves does create short-term uncertainties, the long-term outlook for India remains optimistic and this is reflected in the buoyant Capital Markets. The IMF has forecast 9.5% growth in India's GDP for the Financial Year ending in



March 2022. The Government in its recent Budget has allocated large sums for capital expenditure and infrastructure with a view to kickstart the economy; we hope these efforts will help revive both consumer demand and job creation.

## PERFORMANCE

As the nationwide lockdown was announced in March 2020, virtually all companies had to shut down - barring those in essential services. Given that we supply critical products to the power and pharmaceutical sectors, some of our plants were allowed to resume partial operations in May 2020. We could then ramp up our production in a phased manner. By June 2020, most of our plants were approaching normalcy in operations. Though a large part of our teams continued to work from home, we witnessed a resilient comeback in the balance 9 months from July 2020 onwards.

Since we lost 6 weeks of sales during the first lockdown in 2020, our sales volume was lower than the previous year for our Specialty Oil Division, but our Lubricating Oil Division recorded a 6% increase in sales volume over the previous year. All in all, your Company recorded its highest profitability ever with a Profit Before Tax of ₹ 303 crores.

## 60 YEARS AND COUNTING

On 19<sup>th</sup> July, 2021 your Company celebrated the Diamond jubilee of its foundation, as it completed 60 eventful years. As a fitting tribute to this event, your Company recorded its best-ever performance over 6 decades. Profitability aside, we are indeed proud of this achievement as it was an industry-leading performance when benchmarked with our peers.

On this occasion, it is only appropriate for us to pay homage to our founders Late Mr. D. C. Mehra and Late Mr. N. K. Mehra, who laid the foundation for the organisation and its value systems. Their vision, dedication and hard work led to the creation of an organisation that has weathered many challenges over the last six decades. The operating environment over these 60 years has witnessed dramatic changes. We have seen crude at USD 1.80 per barrel in 1961 go up to USD 156.85 per barrel in June 2008 and back to USD 70 per barrel in 2021. The Indian Rupee which was ₹ 4.76 to a USD is now at ₹ 75 to a USD. Customs duty which was at 141.5% on base oils, our key raw material, is now down to 5%. From a socialistic and inward-looking India where the industry was shackled by the licence raj, we now have an India that is resurgent and ready to integrate with the global economy and will soon find a place amongst the five largest economies in the world.

Through all these changes that we have seen, it has been the vision of our founders that has enabled us to continue growing regardless of the external environment.

Throughout our corporate history, we have also always believed that companies must look beyond profits to create value for all stakeholders. In keeping with these beliefs, we have stayed steadfast to the purpose of contributing to the welfare of communities where we live and work. During the year, committed to partnering our nation's fight against the pandemic, we contributed to the PM CARES Fund for COVID-19 mitigation. We also contributed to the

Akshay Patra Foundation for a project involving provision of 'Happiness Kits' to children studying in Government Schools in Silvassa, amongst other CSR activities.

## ACKNOWLEDGEMENTS

I would like to place on record my sincere appreciation for all our employees, customers, suppliers, bankers and service providers who in spite of innumerable challenges worked through these trying times to sustain the Company's operations. I am also thankful to my colleagues on the Board for their valuable guidance and support. Last but not the least, I want to thank all our shareholders for their unstinted support and goodwill during this period. As I conclude, I would like to wish you and your families the very best for a safer and healthier tomorrow. I would also urge you to continue following all precautions, be it proper usage of masks, safe distancing and other protocols. These are small but essential steps that we must all take to contribute to our fight against this pandemic.

Best wishes,

**Gautam N. Mehra**  
Chairman and Managing Director

# Milestone Moments in Our Journey

## 1961

Incorporation of SAVITA by Late Mr. Nandkishore Mehra, along with his father Mr. Devichand Mehra.

Set up SAVITA'S first manufacturing unit at Sakinaka, Mumbai to manufacture liquid paraffin as an import.

## 1976

Set up first-of-its-kind Research and Development Centre in the private sector oil industry.



## 1994

Public issue and listing of SAVITA on the BSE and NSE.



## 1998

Expanded manufacturing of petroleum specialties by setting up fourth manufacturing unit at Kharadpada, Silvassa.



## 1969

Established the second manufacturing unit at Turbhe on the outskirts of Mumbai for the manufacture of petroleum specialties.



## 1989

Set up another manufacturing plant at Mahad in Maharashtra.



## 1997

Accredited with ISO 9001 Certification, the first and only petroleum specialty company in the private sector to receive this certification then.

