Gulf Oil Lubricants India Limited

August 25, 2021

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001
Scrip Code:538567

National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E)
Mumbai – 400 051
Scrip symbol: GULFOILLUB

Dear Sir

Sub.: Annual Report for FY 2020-21 alongwith Notice of 13th Annual General Meeting ("AGM")
Ref.: Regulation 34 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

We enclose herewith a copy of the Annual Report of the Company for FY 2020-21 alongwith Notice of 13th AGM scheduled to be held on Thursday, September 16, 2021 at 03.00 pm (IST) being held through Video Conference ("VC")/ Other Audio Visual Means ("OAVM").

The schedule of remote e-voting facility is set out as under (both days inclusive):

Event	Day, Date and Time
Cut-off date for e-voting	Thursday, September 09, 2021
Commencement of remote e-voting	From 9:00 a.m. (IST) on Monday, September 13, 2021
End of remote e-voting	Upto 5:00 p.m. (IST) on Wednesday, September 15, 2021

The same has been made available on the Company's website at https://www.gulfoilindia.com/investors/financials/annual-reports/ and on the website of NSDL at www.evoting.nsdl.com and was sent to all eligible shareholders whose email IDs are registered with the Company/Depositories.

Request you to kindly take the same on record and acknowledge.

Thanking you

Yours faithfully
For Gulf Oil Lubricants India Limited
SHWETA VIKAS GUPTA
Digitally signed by SHWETA VIKAS GUPTA
Date: 2021.08.25 15:14:11 +05'30'
Shweta Gupta
Company Secretary & Compliance Officer
Encl.: as above

ANNUAL REPORT
2020-21

CHALLENGE-R

Gulf Oil Lubricants India Limited

HINDUJA GROUP

Contents

Challenge-R

Our Commitment to ESG

Statutory Reports

Financial Statements

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


Gulf
Gulf
720S

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

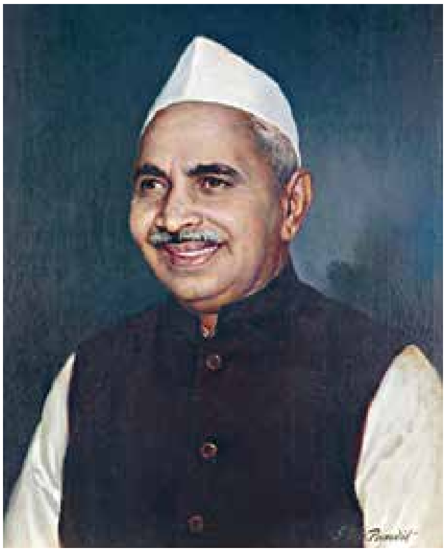
Exports
25+ countries

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**

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

ASHOK LEYLAND
Mahindra Rise.
SWARAJ
BHARATBENZ
BAJAJ
SCHWING Stetter
KOBELCO
FORCE MOTORS
PIAGGIO
TATA MOTORS

New Strategic Partnerships

Automotive

BMW
KIA
HYUNDAI
S-OIL

Infrastructure, Mining and Fleet (IMF)

PM Putzmeister
ACE
Robbins
MAIT

Industrial

vedanta transforming elements
TATA STEEL
JSW
MILACRON
ArcelorMittal

Retail	Garage Aggregator	E-Commerce	Delivery Aggregator
Small Fleet CNG	GoMechanic	amazon.in	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 the changing demand for our products and services and seized every opportunity that came our way to grow from June onwards and set-up new milestones for sales and profits for the last 9 months of the financial year. We closed the year at the same revenue levels as last year in spite of COVID-19, which is a testimony to our responsive business model. The challenges notwithstanding, the Board has recommended a final dividend of ₹9 per share taking the total dividend to ₹16 per equity share for the year (i.e., 800% on face value of ₹2 per equity share), which is the highest ever in our history. This is our way of expressing gratitude to our shareholders for their unwavering support to our Company.

Strengthening our Brand Recall

During the year, we used our brand assets and communication channels effectively to stay relevant to our target audiences. We communicated the importance of following COVID-19 safety protocols through a campaign with our brand ambassador, M.S. Dhoni. I am also happy to report that this year, Gulf Oil International has sponsored the McLaren Formula 1 racing team globally to form an exciting partnership that brings the Gulf brand back into the world of elite motor racing. We became the preferred lubricant supplier to McLaren Automotive in July 2020 and unveiled a special #GulfxMcLaren livery in the Monaco Grand Prix 2020 which received an excellent response.

Towards a Cleaner Future

We are consolidating our position as a key player in the growing electric mobility segment as we launched an innovative range of EV fluids for hybrid and fully electric vehicles. Thanks to the extensive research efforts by our R&D team, we are proud to have developed products that align with the new needs to mobility and are being introduced in all global markets where hybrid and fully electric vehicles are penetrating.

During the year, we at Gulf Oil Lubricants India also made our first strategic move in the EV charging space along with Gulf Oil International and the UK Government's Clean Growth Fund as we co-invested in Indra Renewable Technologies, a UK based fast-growing EV and smart energy technology company. Through this partnership, we have gained exclusive rights to the use of Indra's technology for EV charging in India and work is on to assess the best way to bring these products into India as part of the EV value chain. We endeavour to continue exploring more investment opportunities in the clean energy space.

Extending a Helping Hand

As India grappled through the COVID-19 waves, we stepped up our Corporate Social Responsibility (CSR) efforts and took several measures to provide immediate help and relief to those who were affected the most, including our mechanics and daily wage earners/communities in the vicinity of our facilities in Silvassa and Chennai. During the first wave, our efforts centred around providing safety kits and food packets/vouchers to our communities and mechanics. We also implemented "Gulf Suraksha" campaign to support our distributors and retailers.

During the second wave, when the situation took a turn for the worse, we partnered with the Mukul Madhav Foundation by donating ventilators to the local hospitals and contributed by aiding the transportation of oxygen cylinders. We are now organising vaccination camps for our employees and have undertaken a special drive to vaccinate 10,000 truckers to safeguard them against the virus as part of our "Suraksha Bandhan" campaign across key transport centres.

Road Ahead - Re-energising the Operations

As the Indian economy overcomes the crisis and moves to positive GDP growth, it will ensure the lubricant market also grows in the coming year. Although the resurgence of a second wave has somewhat dampened the recovery, the vaccination push, robust recovery of the automotive, infrastructure and services sector and growth in investments will result in an uptick in India's GDP. We look forward to re-energise our sales growth at 2-3x times of industry growth in the upcoming years while creating value through our brand, strategies, and innovative products. As India gradually shifts towards the use of EVs, together with the rest of the world, we will continue to look for good opportunities in the EV value chain to leverage our brand, distribution and other strengths to create value for all our stakeholders with more vigour in the years ahead.

In Conclusion

I would like to thank our relentless workforce and our leadership at Gulf Oil, for another year of strong all round performance. I would also like to congratulate our business partners for their efforts and dedication. We are grateful to all of you and our valued customers for your trust in us and being an integral part of our journey.

I also take this opportunity to thank the Board of Directors, our bankers, business partners, investors, vendors, customers, and all our stakeholders for their sustained faith in our abilities. I request everyone to take care of their health and safety and look forward to a more successful year ahead.

Best wishes,

Sanjay G. Hinduja
Chairman

Responding with Resilience

Dear Stakeholders,

FY 2020-21 was among the most challenging years in recent times, with the COVID-19 pandemic causing large-scale disruptions to life and livelihood. Gulf Oil too was impacted, but our flexibility and responsiveness, coupled with the passionate commitment of our workforce, enabled us to take quick decisions around cost controls, balancing it with pursuing growth as demand conditions improved.

These actions were in line with the situations that prevailed, providing the drive to capitalise on opportunities that arose.

Through the year, our employees, suppliers, and business partners have displayed immense passion and perseverance. The success we achieved this year has been possible due to their efforts and determination. As an organisation, we value our people and have demonstrated a strong two-way commitment in these difficult times, which has always been one of our strongest pillars. The year saw us take numerous efforts to ensure their safety and well-being. We held awareness trainings and webinars to help them cope with the changing times. We provided online upskilling and leadership courses and digitalised our entire HR process to ensure a smooth transition to work-from-home. We also ensured that medical and financial support was provided to employees and their families affected by the pandemic.

In terms of business performance, after a challenging first quarter we made a strong comeback month-on-month by leveraging our sales and supply chain strengths and adopting a demand sensing approach to regain our growth momentum. Despite a double digit degrowth in the lubricants industry, we were able to grow our sales volume by 4% to 1,15,000 KL. We focused on our collections and adeptly managed our working capital to keep our balance sheet healthy. Our profitability faced another big hindrance in the form of an unprecedented sharp and sudden rise in key raw materials and packaging costs in Q3 and Q4. We responded by taking multiple price interventions across all business segments. At an overall level, our revenue from operations for FY 2020-21 stood at ₹1,652 crores, showing a y-o-y growth of 0.49% from ₹1,644 crores the previous year and a Profit After Tax and EBITDA stood at ₹200 crores and ₹265 crores respectively.

Together with our sustained brand campaigns, we retained a strong focus on our customer-centricity by innovating our products and upgrading our services. We relaunched our flagship brand of motorcycle engine oil as Gulf Pride 4T Ultra Plus, with an upgraded BS VI ready product formulation.

We came up with many customised products with an extra-long drain interval, developed for maximum durability exclusively for some of our elite customers. We also launched value-added products in the CNG segment for 3-wheelers and reinforced our presence in the coolant segment with the introduction of improved glycol-based coolants for the passenger car segment. Also, as the nascent EV industry in India is scaling up, we plan to roll out our global EV Fluid range in India for fully electric cars.

This year, we not only fortified our valued associations and partnerships with our distributors, OEMs, and customers, but also forged new relationships with dealers, OEMs and various infrastructure and industrial sector customers – an achievement we are so proud of. We strengthened our business through customised, value-added products and an uninterrupted supply with significant contribution from all our plant and depot personnel.

This year we stepped up our investments in digital platforms to drive active engagement with our users and harness our brand potential. We gained traction on social media through several creative campaigns such as the #DhoniXDhoni campaign, the 'Mast Starters' campaign with Hardik Pandya and other IPL campaigns like #GulfKaCall. We also launched initiatives such Gulf Surakshabandhan, an initiative to deliver soap strips and safety kits to our truckers on Rakshabandhan to ensure their safety and well-being, and Supreme Tractorotsav, a fair for our farmers which took place online this year.

To increase our operational efficiency further, we incorporated strong digital technologies into our systems to facilitate a seamless transition from offline to online operations. We switched to Microsoft Teams that kept teams connected even as they worked apart. We implemented the SAP S/4HANA and SAP IBP systems to create a single repository of data, compress data size and increase the accuracy and efficiency of our operative system.

Through our mobile applications, we remained closely connected with our customers, business and value chain partners. This helped us understand their expectations and modify our products and services as per their needs. We stayed connected with our new-age customers through our social media platforms. This helped us remain visible and relevant all through the lockdown.

Going forward we are putting our minds together to become an 'unstoppable' force, cementing our position as a challenger in the market. Through our re-energised outlook to grow in the years ahead with more vigor, we are focused on evolving continuously, leveraging our experience, knowledge, and innovation muscle to navigate the changing landscape of the industry. We move forward with the motto "Naya jahaan. Nayi udaan." (New world, new leaps) to strengthen our market share.

As we close an eventful year, I take this opportunity to express my appreciation first and foremost to our frontline warriors who kept our supply chain going and worked tirelessly and passionately in these testing times to ensure that we delivered on our commitment to our customers.

A special thank you to the leadership team and all our businesses, supply chain and support personnel who, together as one, worked relentlessly through the past year to ensure the smooth running of our operations and went beyond the call of duty. I would like to extend my gratitude to each employee of Gulf Oil for their dedication and passion.

I also take this opportunity to thank our Chairman, our Board, the Hinduja Group, Gulf Oil International, customers, trade channel partners, investors, brand ambassadors, partners, agencies, and all other stakeholders for their constant support which motivates us to keep moving forward.

We are fully committed to grow the business and improve our profitability and returns for all stakeholders and assure you of the same.

Best wishes,

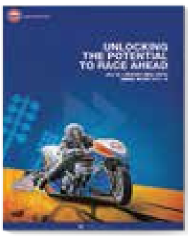
Ravi Chawla
MD & CEO

Key Milestones

Charting a Resilient Path

We have endeavoured to do better each year as we continue our journey of excellence. It is our firm belief that our sustainable growth can be attributed to our ability to create value at every stage of our operations.

We have grown as an organisation owing to the relentless efforts of our workforce and the constant support and trust of our stakeholders. Let us take a look at our journey since FY 2014-15, when we got listed as a pureplay lubricants company.



FY 2014-15

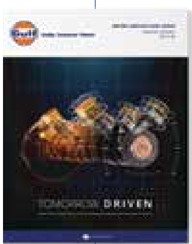
- Received an overwhelming response from investors to the Company's listing on July 31, 2014
- Almost doubled our market capitalisation within just a year of listing
- Clocked double-digit growth in volumes, revenues, EBITDA and PAT
- Embarked on a capacity expansion plan at the Silvassa facility from 75,000 KL to 90,000 KL per year
- Introduced Employee Stock Options Plan (ESOPs) for the senior management to imbibe a sense of ownership

FY 2015-16

- Revenues crossed the ₹1,000 crores mark and net profit raced past ₹100 crores level
- Achieved debt-free position and strengthened the balance sheet
- Completed capacity expansion at Silvassa
- Began construction at the greenfield plant in Chennai

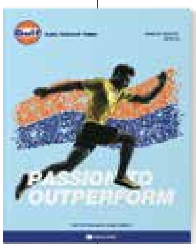
FY 2016-17

- Formed a strategic OEM tie-up with Bajaj Auto to manufacture and supply lubricants
- Launched newly re-cast Passenger Car Motor Oils range successfully
- Introduced Gulf Unnati, an exclusive reward loyalty programme, for our trade partners
- Registered double-digit growth in volumes, revenues, EBITDA and net profit



FY 2017-18

- Commissioned our Chennai plant with a total capacity of 50,000 KL per year
- Associated with cricket icon Hardik Pandya as the brand ambassador for our new businesses
- Our stock was included in the prestigious MSCI World Small Cap Index in November 2017
- Achieved double-digit volume growth across key business segments and the channel business



FY 2018-19

- Highest ever volumes of 1,19,000 KL as core volumes grew 18%, which is 5-6 times of industry growth rate
- Progressed well towards building a IT and digital platform for Gulf Oil
- Formed new OEM tie-ups with Tata Motors and Piaggio

FY 2019-20

- Top 2 lubricants brand in India (as per survey commissioned by AC Nielsen)
- Launched innovative BS VI ready products for our customers
- Increased user base of Gulf Master Scan App to 1,50,000, with a Gulf product being scanned every 3 seconds
- Launched Suraksha Bandhan campaign to promote our consumer value proposition of ‘Superior Protection’ for truck engines
- Plethora of new age partnerships with leading e-commerce portals such as Amazon, delivery aggregators such as Swiggy and Zomato and garage aggregators such as Ramp and GoMechanic

Key Performance Indicators

Our Sustained Growth

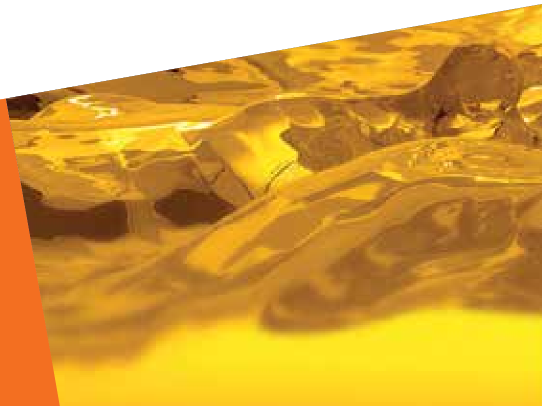
Revenue
(₹ crores)

EBITDA
(₹ crores)

PAT
(₹ crores)

EPS (Basic) (FV ₹2 per share)
(₹)

Net worth
(₹ crores)



Dividend per share (FV ₹2 per share)
(₹)

Dividend payout ratio
(%)

RoA
(%)

Cash and bank balances
(₹ crores)

Business Model

Pillars of Value Creation

The interdependence and interaction of different resources and relationships of our 'capitals', and our access to and impact on them, determine our ability to create value for our stakeholders and for society at large.

Inputs

Financial Capital
Total equity: **₹869 crores**
Borrowings: **₹198 crores**
Capital expenditure: **₹9 crores**
Cash and bank balances: **₹496 crores**

Manufactured Capital
Total capacity: **1,40,000 KL**
Plants in Silvassa and Chennai

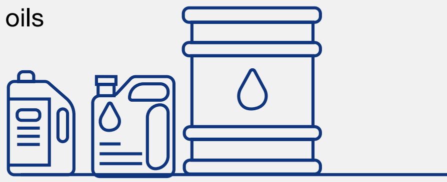
Intellectual Capital
R&D spend during the year: **₹11 crores****

Human Capital
618 employees
1,586 training man-days

Social and Relationship Capital
CSR spends during the year: **₹471.65 lakhs**

Brand Capital
Advertising & Promotional (A&P) expenses for the year: **₹56 crores**
A&P as a proportion of sales: **3.4%**

High-quality Products
- Diesel engine oils
- Passenger car motor oils
- Motorcycle oils
- Genuine and OEM range oils
- Industrial range oils
- Specialties and others
- AdBlue®
- Two-wheeler batteries



Strategic Focus Areas
- Offer differentiated customer value propositions
- Enhance brand equity
- Strengthen distribution network and reach
- Nurture OEM and B2B relationships
- Elevate customer service levels

** On behalf of Gulf Oil International

Sales & Marketing/ Branding

Outputs	Outcomes
Financial Capital	
Revenues: **₹1,652 crores** EBITDA: **₹265 crores** Profit After Tax: **₹200 crores**	Market capitalisation: **₹3,634 crores** as on March 31, 2021 Net worth: **₹869 crores** Strong, net debt-free balance sheet
Manufactured Capital	
Capacity utilisation: **82%** Total sales volumes: **1,15,000 KL**	• Rising market share and position in the domestic market • Driving continuous manufacturing improvements • Ensuring uninterrupted supply and service even during the pandemic-induced market restrictions
Intellectual Capital	
Number of new products launched during the year: **17**	• Pioneered long drain interval in India • Launched future-ready products • Demonstrating how our products are delivering on their distinct customer value propositions
Human Capital	
Women employees as a % of total: **6%** Long service award winners: **86**	• Strong employer brand equity • Motivated workforce striving relentlessly to achieve organisational goals
Social and Relationship Capital	
Number of beneficiaries from CSR: **1,50,000+**	• Active participant in increasing road safety awareness • Significant contribution to providing COVID-relief measures to local communities
Brand Capital	
#2 brand of lubricants in India	• Improved top-of-the-mind brand recall among consumers • Brand recognition is driving more product usage

Gulf Pride 2-Wheeler Battery Business Turned Profitable

Gulf Oil's journey with batteries began in 2013 to supply quality batteries to the two-wheeler retail segment. The essence of this business was to enhance our brand strength in 2-Wheelers, an extension to Gulf Pride Motor Cycle Oil brand and to leverage our retail distribution synergy. Since its launch, Gulf Pride batteries have won the trust of millions of customers.

Our batteries are known for their superior cranking power, which gives the rider the benefit of 'Insta Start'. We appointed Indian Cricketer Hardik Pandya, who is a super starter on the cricket field with all round abilities in bowling, batting and fielding, as the brand ambassador for this business in 2018. We are now amongst the Top 5 replacement market players in the battery business. FY 2020-21 marked an important milestone as our battery business turned profitable.

Our Key Initiatives

- Continued our focused brand building investments, which play an instrumental role in our growth, using multi-dimensional marketing campaigns across different mediums
- Strengthened value chain by remaining connected with each member, retaining all our distributors and close to 11,000 retailers and registering 27,000+ virtual market visits
- Modernised our Gulf Battery Service Points and rolled out pilot systems in Pune and Lucknow at 500+ service set-ups
- Introduced new SOPs for maintaining product quality and settling warranty claims faster during the pandemic
- Set-up the Gulf Universe portal to closely monitor movement of warranty batteries through the 'Track and Trace' service

Feedback from our Channel Partners

"I have been selling Gulf Batteries for the past four years. This year, the Company implemented ERP software, which has helped us process purchase, sales and warranty claims faster. With the process computerised, I can get data about the availability of stock, details about customers and their warrant claims with ease. It is also easier to maintain records.

Mr. Mohsin Hasan Mallya
New India Enterprises

Leveraging Hardik Pandya

During IPL 2020 and Diwali, our digital campaign "Mast Starters" featuring Hardik Pandya strengthened the brand proposition of great 'Starts' – 'Start Mast Toh Din Zabardast'. Leveraging sports as a theme, the campaign celebrated Indian personalities who made a difference to society, such as forester Jadav Payeng, scientist Rajagopalan Vasudevan, educator and entrepreneur Juin Dutta, Dashrath Manjhi, India's mountain man to name a few.

High Consumer Engagement

13.5 Mn
IMPRESSIONS

9.4 Mn
REACH

5 Mn
VIDEO PLAYS

2+ Mn
ENGAGEMENT

30%
INCREASE IN SOCIAL MEDIA FOLLOWERS

Strengthening our Recall Value

Our brand, Gulf Oil is among the top 2 lubricant brands in the country with respect to brand awareness and purchase consideration. During the year, we launched innovative programmes to engage with our trade partners, influencers and consumers alike, which not only helped us grow volumes but also strengthened our B2B and B2C channels.

We engaged with our users on social media platforms, which has resulted in higher brand visibility. We leveraged our associations with Chennai Super Kings, Mahendra Singh Dhoni, Manchester United and newly added McLaren racing to reach our customers through various media channels.

Celebrating 10 years with Chennai Super Kings #GulfCSK10

A limited edition 10th anniversary jersey and special video with Chennai Super Kings (CSK) players commemorated our 10 years of partnership with CSK. CSK fans got a chance to virtually meet their favourite team players, generating substantial momentum on social media.

On the business front, during IPL 2020 we introduced a special CSK consumer promo which boosted our sales. We also launched a nationwide retailer scheme along with attractive match day offers and an exciting incentive scheme for our mechanic partners as well. These focussed programs leveraging our association with CSK significantly contributed to the growth of Bazaar sales.

#GulfKaCall on CSK

We launched the #GulfKaCall campaign with CSK and M.S. Dhoni during IPL 2020, where fans got a chance to win cashback and interact with CSK members by scanning the QR code given on the inside of each pack through the Gulf MasterScan app. This campaign garnered our highest ever 3.29 crores engagements on Facebook and Instagram alone.

High Consumer Engagement

206+ Mn
IMPRESSIONS

1.4 Mn
LINK CLICKS

33.5 Mn
ENGAGEMENT

69 Mn
VIDEO VIEWS

#GulfDhoniXDhoni

We relaunched our flagship brand of motorcycle engine Oil Gulf Pride 4T Ultra Plus with a promise of ‘Consistent Pick-up’ through our campaign, Dhoni Vs Dhoni TVC, an innovative “self-interview” campaign in which present M.S. Dhoni met his younger self from 2005 who shares the same success mantra – Consistency. This campaign gained us accolades and enabled highest ever MCO sales in December 2020 .

Gulf Superfleet Surakshabandhan: Season 2

We showed our gratitude to truckers on Rakshabandhan by creating innovative rakhis, which were actually soap boxes with 50-60 soap strips and also distributed safety kits consisting of 3-ply masks and sanitisers. This gesture was greatly appreciated by truckers and trucker associations . We also won the prestigious WOW Awards Asia 2020 with 2 Golds for ‘Surakshabandhan’ Season 1 (2019 campaign).

10,000+
RAKHIS

30,000+
SAFETY KITS

14
TRANSPORT LOCATIONS

> While most people are safe and with their families during this time of crisis, our truckers are out on the road delivering essential items to people across the country. The Gulf Superfleet Surakshabandhan campaign has boosted their moral and encouraged them to keep going. I hope this campaign continues in the upcoming years and keeps motivating our truckers to do better each year.
>
> **Mr. Kultaran Singh Atwal**
> **President, AIMTC**

Brand Resilience

Safety Awareness Campaigns

Through static ad campaigns such as #GulfSafetyFirst, #NewWayForward and #GulfGetMoving, and ads on social media platforms, we engaged our stakeholders to follow the COVID-19 safety protocol. Our ad campaign with the caption, 'Objects in the mirror are closer than they appear' referring to COVID-19 virus garnered a lot of praise and traction on social media.

Gulf Ultrasynth X: For an Ultra-smooth Drive

The campaign introduced Gulf Ultrasynth X, a fully synthetic passenger car motor oil specially developed for BS VI passenger cars engaged the audience with short 20 second digital videos to reinforce the 'Ultra Smooth Drive' promise.

24.73 Mn
VIEWS

1.3 Lakh
LIKES

83.14 Mn
IMPRESSIONS

2,632
SHARES

206
COMMENTS

3.7 Mn
POST ENGAGEMENT VIEWS

Supreme Tractorotsav

In its third season, Tractorotsav was celebrated in virtual mode with online discussions, activities and challenges, reaching over 2,00,000 farmers and garnering awards for its innovative approach. In the later part of FY 2020-21, Tractorotsav moved to 250 physical locations along with 'Oil change' camps where Gulf Oil grease was gifted to the great delight of farmers.

2,00,000+
FARMERS PARTICIPATED

Jamoora Tesan Campaign

The campaign built around miss-call service has won many awards for its content and performance. With its promise of "Thoda fun, thoda information", we target our suppliers, mechanics, truck drivers and tractor owners with stories about life on the road and tips on truck maintenance and messages for financial education over mobile.

This campaign won three awards for the content produced and the overall campaign performance.

- ACEF Global Customer Engagement Forum – Gold for most creative mobile-marketing campaign
- ACEF Global Customer Engagement Forum – Gold for effectiveness of non-traditional media
- IAMAI – Bronze for brand awareness campaign using Mobile

45,000
UNIQUE LISTENERS

Driving Change Through Innovation

At Gulf Oil, we endeavour to deliver value through our innovative products and services. To cater to the changing landscape of the industry and the rapidly evolving customer needs, we create products that are relevant, efficient and eco-friendly.

EV Fluids

Introducing a global eFLUID range formulated specifically for Hybrid and Electric Vehicles for optimal performance to help reduce CO_2 emissions and extend battery life.

BS VI Range of Products

Launched BS VI ready products across all our segments and grades which are suitable for both BS VI and BS IV compliant vehicles for longer drain intervals.

Gulf AdBlue

As a pioneer in manufacturing and marketing AdBlue® products in India, we have launched Gulf AdBlue EcoPro and AdBlue Force, premium quality automotive grade Diesel Exhaust Fluids recommended for BS IV and BS VI compliant vehicles for enhanced emission reduction.

We have pioneered the wave of "Long Drain" products in India that improve performance of vehicles, reduces oil consumption and maintenance costs. This year, we further improved the drain intervals in all our offerings to provide maximum value to our customers.

Tractor Engine Oil

Gulf XHD Supreme 15-40, a blend of superior high/ low temperature performance oils have enhanced carbon handling capability, better TBN retention and low volatility for tractors and meet the latest TREM III and TREM IV emission standards.

Re-launch of Pride 4T Ultra Plus

Upgraded product formulation to ensure faster pick-up, longer drain interval, sustained acceleration and 40% improved wear protection for latest high-performance 4-stroke bike engine. The customer value proposition has also been upgraded from 'Insta Pick Up' to 'Consistent Pick Up'. We also launched a special M. S. Dhoni Tribute pack which received an excellent response.

Value Added products

Introduced products in the CNG segment for 3-wheelers under Gulf CNG Supreme+ brand and improved glycol-based coolants for passenger car segment - Gulf Kool Guard G48.

"

While most of our suppliers were finding it difficult to deliver spare parts, Gulf Oil stood resolute and made sure that the lubricants essential for continuous operations of trucks were available to our channel partners. It was a critical time as we had just launched our BS VI range of vehicles and the availability of AdBlue was a necessity. Gulf Oil stepped up and made sure that we had adequate stocks at all our outlets. Gulf stood hand-in-hand through the high tide and attributed greater value to our relationship, and, as always, outperformed our expectations.

Mr. Sanjeev Kumar
Head – Aftermarket, M&HCV, Ashok Leyland

"

Farmers carried their harvests through both the COVID waves and this resulted in continued demand for servicing of tractors. While logistics, manufacturing and other support activities of all the companies were severely disrupted, Gulf came out as an exception and ensured seamless supplies of customised products all across. Gulf Oil's responsive team helped to ensure that our farmers tractors were ready in the pandemic. This unstinted support helped gain lot of trust for Mahindra as a brand within the farming community.

Mr. Parikshit Ghosh
Head – Customer Care and Farm Machinery sales, Mahindra

Digitalisation

A New Way Forward through Digitalisation

The pandemic accelerated our efforts to upgrade and transition to a more efficient and sustainable management system. We invested in bettering our IT infrastructure and adopted best-in-class technologies for data management, enhanced accuracy and streamlined processes.

Mobile Applications

To connect with our varied stakeholders, we have several mobile applications such as Gulf Konnect, Gulf Unnati, Gulf Oil Effort, Mechanic Mitr, etc., to not only understand their needs and expectation but also provide them with a platform for raising complaints and grievances.

Our Gulf Master Scan app is an omnichannel digital platform for our customers, mechanics, retailers and all other participants across the entire value chain and provides instant cashback and other rewards on every purchase.

1,50,000
USERS

₹4-4.5 Cr
MONTHLY REWARDS

15 Lakh
TRANSACTIONS PER MONTHS

Every 2 seconds
A Gulf product is scanned

Implementation of SAP S/4HANA and SAP IBP

We successfully upgraded our core ERP system and Sales and Operations to SAP S/4HANA and SAP IBP respectively, leading to integrated systems and increased accuracy and efficiency of our operations. We smoothly transitioned from physical to digital workspaces also during the pandemic.

Investment in Upgrading IT Infrastructure

We upgraded our IT and hardware servers including data centre refreshment, storage, information security, etc., and migrated to professional data centre for enhanced security and functioning.

Enhanced Visual Analytics

MS Power BI has enabled us to shift from simple visuals to 3D and 4D visuals, helping us carry our analytics and data processing more efficiently.

Social Media Traction

Apart from being an important medium for digital marketing, social media also helps us stay closely connected with our growing segment of young buyers. We leverage our association with various sports teams and sporting personalities to put forth creative digital campaigns to promote our products and increase our reach.

Social Media Traction FY 2020-21

9,060
TWITTER FOLLOWERS

8,000+
YOUTUBE SUBSCRIBERS

10,53,000+
FACEBOOK FOLLOWERS

17.70+ Cr
CUMULATIVE YOUTUBE CHANNEL VIEWS

23,800+
INSTAGRAM FOLLOWERS

Entering the E-mobility Space

As the world moves towards cleaner energy sources, we have forayed into the Electric Vehicles (EVs) sector value chain through our co-investment with UK Government's Clean Growth Fund in Indra Renewable Technologies.

Indra Renewable is a market leading UK-based EV and smart energy technology company with its market-leading electric vehicle Smart Charger and a bi-directional 'Vehicle to Grid' (V2G) charger designed for both residential and light commercial use.

The EV sector is gaining traction in India and is expected to grow faster in the coming years. We are focused on creating our foothold in the e-mobility space while looking at opportunities to synergise Indra's technology with our brand, distribution, OEM/Infra-B2B customer relationships in India. Our intention is to stay ahead of the curve in order to cater to the evolving market and consumer requirements in this sector with very strong technology-driven products.

"At Gulf, we believe fast, convenient and smart charging are critical to support consumer adoption of EVs. The combination of Gulf's global footprint and consumer brand, with Indra's extensive knowledge and expertise of energy systems and EVs, will enable Indra to grow its business and customer base internationally with a particular focus on India.

Mike Jones
CEO of Gulf Oil International Ltd.

"Indra is all about technology and using it to support the journey to Net Zero. Thanks to the investment from the Clean Growth Fund and Gulf, we are in a very strong position to take full advantage of the growing EV market and the emergence of V2G solutions in UK and globally.

Mike Schooling
Founder and Chief Technology Officer, Indra Renewable Technologies

Growing Greener with Prudence

A key focus area in our environmental stewardship is the restoration of water bodies and preserving and enhancing water resources to enhance water security.

Restoration of Lake Thamaraikulam

Lake Thamaraikulam is located at a distance of 2.4 km from the Ennore Factory. The rejuvenation and restoration of the lake was completed in FY 2020-21 in partnership with Environmentalist Foundation of India and involved removal of non-degradable waste, bund fencing and building a percolation trench to let the water seep and recharge the lake wells and aquifers. Additionally, tree plantation has increased the green cover and lake's aesthetic appeal. We continue to monitor and maintain the lake.

Restoration of Lake Sathan Kadu

Lake Sathan Kadu, located about 10 km from our Ennore facility, is host to several migratory birds in winter. Human intervention and lack of maintenance led to deterioration of the lake. Several steps have been taken for restoration including construction of a sedimentary pit to regulate the inflow of sewage and desilting to improve its depth and water quality. Further, we installed five artificial islands with around 245 species of native plants to improve its biodiversity.

Our Green Initiatives

Diversifying Energy Basket

Commissioned rooftop solar panels at Silvassa and Chennai plants providing ~50% of energy consumption for our manufacturing processes.

Reduced Energy Consumption

Reduced energy consumption by 9% at Silvassa and 10% at Chennai plants through several initiatives including Online Energy Monitoring system and motion sensors.

Reduced Plastic Consumption

Reduced our plastic consumption by 60 MT through weight optimisation for 1 litre MCO pack at Silvassa unit.

Waste Management

Replaced corrugated carton covers with reusable gunny material covers thereby reducing carton waste generated per year from 19 MT to 'Zero'.

Water Management

Sewage Treatment Plant (STP) at Chennai plant provided 2,900 KL of treated water for horticulture activities during FY 2020-21 while sludge generated from STP is used as a biofertiliser. Implemented rainwater harvesting to maintain groundwater table.

2,900 KL

RECYCLED WATER PROVIDED FOR HORTICULTURE ACTIVITIES

Building a Future-ready Workforce

At Gulf Oil, we strive to ensure a supportive work environment that motivates our employees to give their best at their job while enjoying the opportunity to learn and grow their careers at their own pace.

Our people are our strength and we believe that their performance is enhanced by a conducive and nurturing work environment. Our policies are thus targeted at empowering our human capital and retaining the best talent in the industry. We promote diversity and inclusion at the work space by encouraging people from different age groups, gender, background and expertise to contribute equally to the Company's growth.

This has ensured that we have one of the lowest attrition rates in the industry. We retained all our employees through the pandemic, with increments, bonuses and timely appraisals. The following were notable developments during the year.

618
TOTAL EMPLOYEES

576
MALE EMPLOYEES

42
FEMALE EMPLOYEES

39 Years
AVERAGE AGE OF EMPLOYEES

6%
FEMALE EMPLOYEES
(as a % of total)

Digitalisation of HR Processes

We enabled work from home for employees during the pandemic and deployed Employee Self-Service (ESS) portal to track attendance and leave management, and provided collaborative tools such as MS Office 365. All training was conducted digitally.

Online Learning and Development

We invested the GOLD Academy (Gulf Oil Learning & Development) platform for online courses, training sessions and assessment through live online classrooms, webinars and blended training programmes.

Talent Acquisition

We acquired new talent and undertook an online induction programme and digital on-boarding for new joiners, providing in-depth training via online courses on product technology and portfolio, managerial skills, employee health and safety, code of conduct, etc.

Performance Management

We used ASPIRE, an online performance management platform, to track the performance of our employees on a regular basis. Increments and bonuses were given to employees on the basis of their performance.

86

LONG-SERVICE AWARD WINNERS

Employee Retention Strategy

We set-up a task force at the start of the fiscal year to manage our operations and employees as we transitioned and adapted to the changing times. The task force helped us keep our employees motivated, safe and secure and supported them physically and mentally as we continued with our operations through the pandemic.

Channel Partners

We took initiatives to manage the safety of our channel partners including channel sales, industrial sales and frontline workers under our Synergy business – Eklavya and provided them training via online courses.

> During the last year pandemic outbreak, I visited markets in Karnataka and Kerala for business and I am deeply thankful to the Company for providing me with a safety kit which enabled me to carry out my duties while adhering to all the safety protocols and guidelines. On these visits, our stockists and their retailers expressed their gratitude and appreciation towards the Company for providing them with Suraksha enabling them to carry out their business in a safe manner
>
> **Suhas Kalathimekkad**
> **Territory Business Manager,**
> **Rural (KA-1 & KL)**

COVID-19 Relief Measures

We communicated our COVID-safety protocols to all our employees and also gave them safety kits called Suraksha kits consisting of safety masks, gloves, safety goggles etc., as we continued with our operations across the country.

We have organised vaccination drives at all locations for our employees, channel partners and their families. We also helped employees and their families to access treatment in hospitals and medical facilities since the start of first COVID-19 wave. COVID treatment was covered in the employee health insurance to provide much needed financial comfort to all employees.

Empowering Our Communities

We recognise our responsibility towards our communities and strive to build long-term relationships with them through various initiatives and programmes to create long-term social and economic value. Our most satisfying and rewarding moments come from our Corporate Social Responsibility (CSR) efforts in road safety, skill development, healthcare and other social issues.

Community Support with Mukul Madhav Foundation

We distributed ration and hygiene kits with the help of Mukul Madhav Foundation, based in Pune, to local communities and people in need from underprivileged segments of society. We also donated ventilators and oxygen concentrators to provide medical aid during the second COVID wave.

Ration Distribution with Silvassa Manufacturer's Association

With the help of Silvassa Manufacturer's Association, we held a ration distribution camp for the underprivileged members of the local community in order to provide them some relief in distressing times.

Support to Local Hospital, Silvassa

The disparity between the supply and demand of oxygen was addressed by facilitating oxygen cylinder transportation to Cottage Hospital, Silvassa.

Mobile Medical Unit at Silvassa Engaged in COVID Treatment

We provided support to the local authorities for COVID-19 treatment through MMUs at Silvassa.

'Gulf Hai Saath' Campaign

We launched the 'Gulf Hai Saath' campaign to support mechanics across the country through direct bank payments and food vouchers during the lockdown. Also, we supported our channel partners with 25,000+ face shields.

Safe Drinking Water ATMs at Ennore, Chennai

We supplied safe drinking water to the local community in Attipatu Village through installation of 02 Water ATMs. With these Water ATMs having a recharge bore to recharge groundwater using backsplash water and rooftop harvesting, we aim these Water ATMs to be net Water Positive.

Governance and Ethics

Leading with a Difference

We uphold the highest standards of quality, endurance and passion. Our culture is governed by ethics and integrity while our values are ingrained in our culture and practices. Our top management has set a prime example of exemplary leadership and governance, and our principles percolate throughout the whole system, right from the senior management to our network of distributors and suppliers.

Core Principles of Corporate Governance

Accountability, Transparency, Fairness, Social Responsibility, Environment and Regulatory Compliance

Composition of Board

Our Board is well diversified across gender, age groups, backgrounds and expertise and has field experts who provide strategic direction to the Company with a focus on creating value for all our stakeholders. The Board has an optimum mix of three Non-Executive Independent Directors and two Non-Executive Non-Independent Directors and one Executive Director.

Functions of the Board

The role of the Board is to provide leadership to the Company and deliver shareholder value over the long term. The Board oversees the overall functioning of the Company by providing and evaluating the strategic direction of the Company and its management policies and their effectiveness to ensures that the long-term interests of the stakeholders are being served.

Our Committees

- Audit Committee
- Nomination & Remuneration Committee
- Risk Management Committee
- Stakeholder Relationship Committee
- Corporate Social Responsibility Committee

Risk Management

We encourage strong ethical values and high levels of integrity in all our activities, which by itself, considerably mitigates risks. Different organisational bodies are vested with specific responsibilities to identify, assess and mitigate risks. We have a robust and continuously upgraded risk management structure in place for identification, evaluation and mitigation of potential internal or external risks.

Board Level Committee:

The Board has constituted the Risk Management Committee in accordance with the SEBI Listing Regulations comprising of the members of the Board.

For more, refer to the Report on Corporate Governance for details on the Committee composition and charter.

Risk Management Policy

We have developed and implemented a Risk Management Policy approved by the Board for identification and assessment of risks, their likelihood and impact, mitigation steps and reporting of existing and new risks associated, to facilitate the effective management of risks and opportunities towards achievement of our objectives.

For more, refer to the Risk Management framework followed by the Company is elaborately detailed in the Management Discussion and Analysis section.

Global Associations

Building Iconic Connections Globally

Being a part of Gulf Oil International, we have an impressive and well diversified brand partnership portfolio with the biggest names in sport from football to motorsport. These associations help us strengthen our brand position in India and other key markets worldwide.

Our association with sports goes back to the early 1960s, when Gulf Oil worldwide began sponsoring a number of major-team motor racing programmes. Since then, we have been partnering with various sports personalities and teams and today, we have a notable presence in the world of international sports.

Gulf and Manchester United

We have an ongoing partnership with the world's leading football club, Manchester United. We were the first company to establish an official fuel and lubricants partnership with a Premier League Football club in 2016. We leveraged Manchester United branding and imagery on packs and labels and promoted our brand through this collaboration through electronic hoardings at Old Trafford. The partnership has allowed engagement with United's family of fans, with millions of followers in India.

Gulf and McLaren

In July 2020, we reunited with McLaren, forming a multi-year strategic partnership as the preferred lubricant supplier to McLaren Automotive, with all cars to be filled with Gulf Oil and fuel optimised for high performance engines. The Gulf brand was integrated into the McLaren Formula 1 team from the British Grand Prix 2020 that was held between July 31-August 2, 2020. We designed an innovative livery for the Monaco Grand Prix 2021, marking the return of the sport to one of Formula 1's most emblematic grand prix.

McLaren F1 car in Gulf livery at Monaco F1 race

Gulf Oil and McLaren unveiled a special livery celebrating the historic partnership with a one-off iconic design for the 2021 Monaco Grand Prix on May 21-23, 2021. The whole team, including MCL35M race cars, the race suits of Lando Norris and Daniel Riccardo, the race team kit and social media platforms carried Gulf's racing blue colourway alongside an orange stripe, Gulf's classic design, for the entire race weekend of the Monaco Grand Prix. We also launched a bespoke range of limited edition merchandise inspired by the design of the Gulf liveried MCL35M, allowing fans to own their part of the special weekend.

"The Gulf and McLaren sporting legacy continues to exceed expectations with the reveal of this special livery for the Monaco Grand Prix. We are proud to see the iconic Gulf colours being represented on a global platform by McLaren, a brand which shares similar ambitions and values to Gulf. Having partnered with McLaren, Gulf has reaffirmed its commitment to motorsport and has attained recognition among motorsport fans across India. We will continue to build on this relationship and platform to create more engrossing experiences for our customers and partners

Ravi Chawla
MD & CEO
at Gulf Oil Lubricants India Limited

Board of Directors

Decisive and Prudent Leadership

Mr. Sanjay G. Hinduja
Chairman,
Non-Executive Director

1 2 3 4

Mr. Shom A. Hinduja
Non-Executive Director

5

Mr. Arvind Uppal
Non-Executive
Independent Director

2 3 5

Mr. Munesh Khanna
Non-Executive
Independent Director

1 3

Ms. Manju Agarwal
Non-Executive
Independent Director

1 4

Mr. Ravi Chawla
Managing Director and CEO

2 4 5

Composition

Member | Chairperson

Committee

1. Audit Committee
2. Stakeholders Relationship
3. Nomination and Remuneration
4. Corporate Social Responsibility
5. Risk Management

Leadership Team

Reflecting Transparency and Accountability

Mr. Ravi Chawla
Managing Director & CEO

Mr. Manish Kumar Gangwal
Chief Financial Officer & President-Strategic Sourcing, IT & Legal

Mr. Nagendra Pai
President – Channel Sales, Marketing and Allied Business

Mr. Somesh Sabhani
Vice President – Industrial Sales

Mr. Nilesh Garg
Vice President – Channel Sales

Mr. Gagan Mathur
Head – Business Development (Cluster Markets)

Mr. Dipnarayan Tiwari
Sr. General Manager – Infrastructure, Mining and Fleet

Mr. Anand Sathaye
Sr. General Manager – HR and Administration

Mr. Shiva Raj Mehra
Head – Automotive OEM Business Operation

Mr. Swaminathan K
Sr. General Manager – Technical Services

MANAGEMENT DISCUSSION AND ANALYSIS

Economic Overview

Global Economy

With the COVID-19 pandemic wreaking havoc on human life across the globe, FY 2020-21 has been a watershed moment in modern history. It has significantly affected our social, economic, and healthcare infrastructures. Moreover, the pandemic's impact exacerbated the global economic slump in 2019. As a result, global GDP declined by 3.3% in 2020, with most major economies on the decline.

China was the only major economy to grow in 2020, though at a much slower rate of 2.3%. Without the rapid and coordinated response from central banks and governments, the economic turmoil could have been substantially worse; though, this varied across countries. The expansion of central banks' balance sheets as well as the supportive measures made it possible to fund and support private and public consumption.

This support has been crucial in the slow recovery witnessed in the last two quarters of the calendar year, compared to the significant contractions experienced in the first two quarters. Commodity prices have risen rapidly in the last quarter of FY 2021-21 owing to a sequential improvement in global trade and favourable liquidity circumstances. Large-scale disruptions in the global supply chain have aggravated the situation, posing significant problems in terms of shipping line capacity and container availability.

Indian Economy

The Indian economy was stressed with the nationwide lockdown beginning at the end of March 2020 and halting business activities for the majority of April and May 2020. The Reserve Bank of India (RBI) continued its accommodative monetary stance by bringing key repo rate and reverse repo rate to 4% and 3.35%, respectively, with the aim to provide monetary stimulus and support economic stability. The fiscal and monetary stimulus provided by the government and RBI proved instrumental in the recovery of the economy.

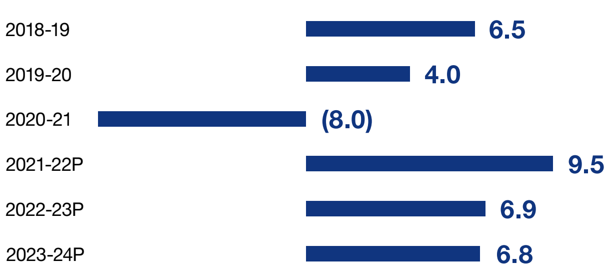
Following a significant drop in the first two-quarters of FY 2020-21, India's real GDP increased by 0.4% y-o-y in the October-December 2020 quarter. The Indian economy grew by 1.6% in the fourth quarter, recording a minor pickup in growth amid the second wave of the COVID-19, which dampened India's rate of recovery. For the full fiscal year, the economy shrunk by 7.3%.

The recovery, on the other hand, is mainly focused on the formal economy. Informal players, particularly Micro, Small, and Medium-sized Enterprises (MSMEs), disproportionately got impacted across various industries. The recovery has been V-shaped, as demonstrated by quarter-on-quarter GDP growth, with a sustained resurgence in high-frequency indicators such as power demand, E-way bills, GST collection, steel consumption, and so on. GST collections reached pre-COVID monthly levels following unlocking of industrial and commercial activity. Imports contracted more sharply than exports, and foreign exchange reserves were at levels covering 18 months of imports. Inflation, mainly driven by food prices, remained above 6% for much of the year.

Given the resurgence of the virus as also its newer variants emerging and the spread of infections, a lot will depend on how the pandemic plays out. Many states have re-imposed restrictions on business activities, leading to lower demand conditions and supply chain disruptions once again. The business challenges posed by inflationary pressure and uncertain market conditions would highlight the importance of flexibly managing the business and altering operational priorities to suit changing market conditions.

Real GDP

(%)



Source: GoI Economic Survey-2020-21, IMF and World Economic Outlook, June 2021

Management Discussion and Analysis

Outlook

According to International Monetary Fund (IMF), the global economy is projected to grow at 6% in 2021 and 4.4% in 2022. This recovery is uneven, with significant recoveries in certain major economies, most notably the United States, owing to substantial fiscal support amid high vaccine access.

Global output will be around 2% below pre-pandemic predictions by 2022, and per capita income losses from the previous year will not be fully recovered in about two-thirds of emerging markets and developing economies (EMDEs). Significant downside risks exist, including the prospect of large COVID-19 waves in the context of new virus variants, as well as financial stress due to high EMDE debt levels. More equitable vaccine distribution is required to control the pandemic on a global scale, particularly in low-income countries.

Overview of the IMF World Economic Outlook Projections

Units

Particulars	2019	2020	2021P	2022P
World Output	2.8	(3.3)	6.0	4.4
Advanced Economies	1.6	(4.7)	5.1	3.6
United States	2.2	(3.5)	6.4	3.5
Euro Area	1.3	(6.6)	4.4	3.8
Emerging Market and Developing economies	3.6	(2.2)	6.7	5.0
China	5.8	2.3	8.4	5.6
India	4.0	(8.0)	10.5	6.9
Russia	2.0	(3.1)	3.8	3.8
Brazil	1.4	(4.1)	3.7	2.6
South Africa	0.2	(7.0)	3.1	2.0

Source: GoI Economic Survey-2020-21, IMF and World Economic Outlook, June 2021

The vaccination drive, which began in the last quarter of FY 2020-21 across major economies, including India, has boosted optimism for long-term recovery in global economic activity. To support the economy's encouraging indicators, almost all major central banks have pledged to continue their accommodative monetary policies. Economic growth is likely to rebound substantially in FY 2021-22, owing to the base effect on the global and local fronts.

The economic recovery is supported by the initiation of a mega vaccination drive with hopes of a robust growth in the services sector and in consumption and investment. The fundamentals of the economy remain strong with the gradual scaling back of lockdowns. The astute support of the Atmanirbhar Bharat Mission has placed the economy firmly on the revival path. India is expected to emerge as the fastest growing economy in the next two years as per IMF.

Industry Overview

After the United States and China, India is the world's third-largest lubricant market. It is also one of the world's fastest-growing lubricant markets. About 15-20 organised players in India's lubricant market and public sector oil marketing companies cater to a significant portion of the market with leading multinational and private domestic companies constituting the rest of the market. They have been swiftly building their brand and scale by launching innovative products and upgrading their services.

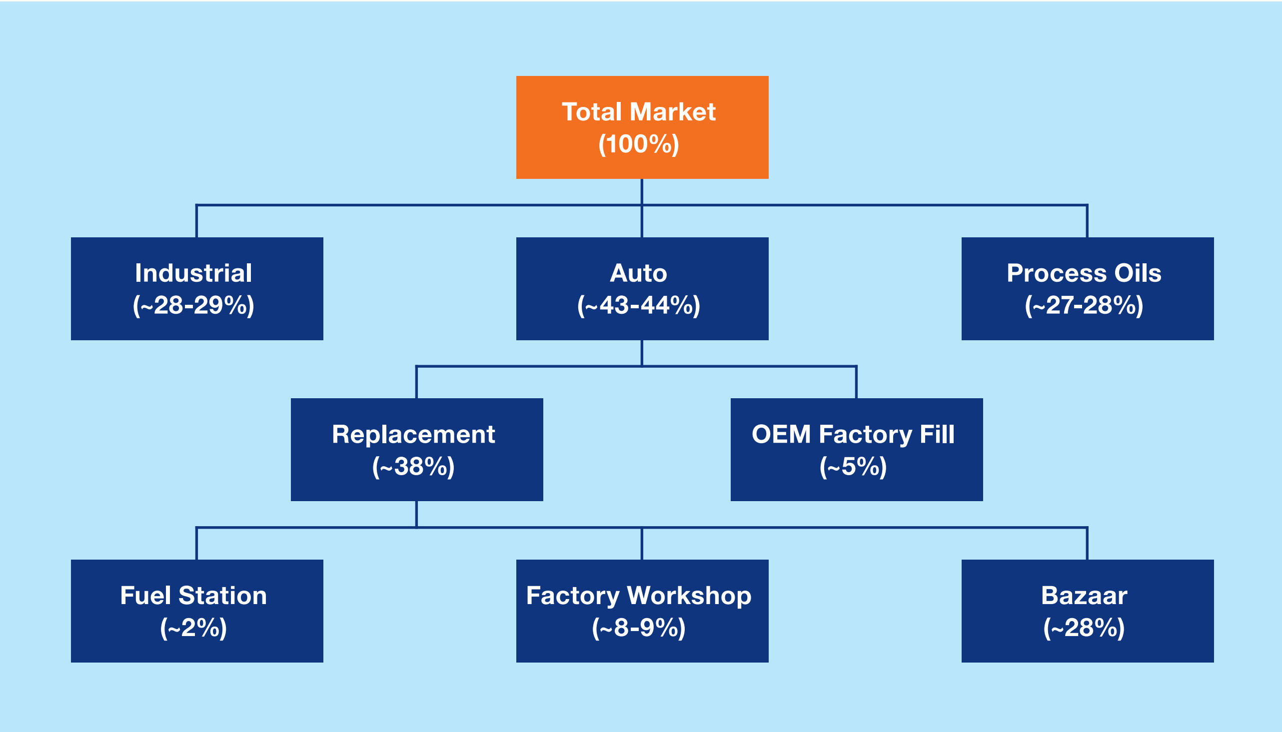
According to a Mordor Intelligence report, the Indian lubricants market was estimated at over 2,610 kilotons in 2020 (including process oils), and the market is expected to grow at a CAGR of more than 2-3% over the forecast period (2021-2026). The automotive segment dominated the market in the country with more than 50% share by end-user industry in 2020.

The lubricants sector in the country suffered a negative impact in 2020 as a result of the COVID-19 in the first half of the year. Due to the lockdowns during the year, production in various industrial sectors had been halted, and plants were temporarily shut down. This, in turn, affected the demand for lubricants in 2020. The automobile industry saw a y-o-y sales decline of 13.6% and registered cumulative sales of 18.6 million units. The aftermarket also shrunk due to lockdown - induced closures. As a result of all these headwinds, the lubricants market is estimated to have degrown by double digits in volumes during the year as compared to the previous year.

Future Growth Enablers

- Growing GDP and domestic consumption
- Growth in the automotive industry
- Resumption in vehicular movement post lockdown
- Strong prospects of the rural economy
- Uninterrupted use of tractors throughout the year
- Low per capita vehicle penetration in India
- Rising brand consciousness
- Advancement of engine technology
- Accelerated investments in infrastructure building
- Implementation of various industrial reforms + emission norms
- Recent policy interventions to attract manufacturing bases in India
- Growing prominence of bio-lubricants is likely to act as an opportunity

Overview of India's Lubricant Industry



Automotive Segment

Of the overall lubricants market in India, the automotive lubricants segment constituted a large pie and is projected to growth substantially by in the next 5 years. Automotive lubricants primarily cater to the segments of Commercial Vehicles (CVs), Passenger Vehicles (PVs) and two-wheeler segments. Diesel Engine Oils (DEO) contribute the most to the automotive lubricant market, followed by Motorcycle Oils (MCO) and Passenger Car Motor Oils (PCMO).

Growth in automobile production and increasing sales of passenger cars and two-wheelers are driving demand for automotive lubricants in the country. The two-wheeler segment led the market in FY 2019-20 with a share of 36.97%, and the trend is likely to continue through FY 2025-26. Expanding production of two-wheelers and continuously expanding the two-wheeler fleet are among the prominent factors aiding the growth of this segment in India.

Moreover, increasing consumer awareness towards utilising better-quality lubricant and implementing Bharat - VI and Automotive Mission Plan 2016-2026 are further expected to fuel the Indian automotive lubricants market in the long-term post medium term hiccups caused in global supply chain by ongoing pandemic.

Auto Industry Domestic Sales Performance

(Sales Figures in '000)

Category	April to March			
	FY18	FY19	FY20	FY21
PVs	3,289	3,377	2,774	2,711
CVs	857	1,007	718	569
3Ws	636	701	637	216
2Ws	20,200	21,180	17,416	15,119
Tractors	711	788	709	899
Construction Equipment	68	69	74	84

Source: Society of Indian Automobile Manufacturers (SIAM), Indian Brand Equity Foundation (IBEF)

In FY 2020-21, there was a de-growth in sales of most of the segments compared to the previous years: (-) 2.24% for Passenger Vehicles with sales of 27.11 Lakh units; (-) 13.19% for Two-Wheelers with sales of 151.19 Lakh units; (-) 20.77% for Commercial Vehicles with sales 5.69 Lakh units and (-) 66.06% for Three-Wheelers with sales of 2.16 Lakh units. However, there was a growth in the number of tractor and construction equipment sales. This was due to the uninterrupted harvesting carried on by farmers and resumption of construction processes post lockdown.

On the sales front, a structural slowdown in the industry even before the pandemic and changing emission norms combined with the impact of COVID-19 in 2020-21, retrograded all vehicle segments back by a few years. The prevailing lockdown has also led to uncertainty in the value chain with respect to supply of semiconductors and other raw material.

Growing investments in the infrastructure sector and other strategic initiatives by the Government of India are expected to boost the construction sector in the country. The government initiatives, such as housing for all, smart cities, and major infrastructure projects, lead to the usage of heavy-duty vehicles and further consumption of a larger quantity of lubricants. The increasing average age of passenger cars and the growing urban population in developing countries are expected to drive growth of engine oils and provide an opportunity for the refill market. The old vehicle scrapping policy will help the sector to revive faster.

Although the Government of India has introduced policies for the EV sector, the adoption of the EVs depends on multiple factors such as infrastructure challenges, etc. Companies are ramping up investments, developing electric vehicles in-house and OEMs are open to collaborations, thus, reducing the speed-to-market and maintaining capital efficiency. Part suppliers are attempting to be segment agnostic, developing components for ICE and EV products. As we navigate through this new sector and look forward to developing it in India, the acceptance of EVs still remains ambiguous in the coming years. Despite this, the lubricant market is expected to remain resilient to EVs for a long period despite growth of the EV sector due to the multiple tailwinds in most sub-segments.

Industrial Segment

Lubricant products, such as hydraulic fluids, metal working fluids, and industrial greases and gear oils, find application across multiple industries like construction, manufacturing, textile, power generation, mining, food processing, light-heavy engineering, marine operations, and metal working. Unlike the automotive segment, these products are largely business-to-business in nature. Demand for industrial lubricant depends on the overall growth trends of the economy and industrial production.

The government has been taking the initiative to increase the renewable energy infrastructure, including wind energy. Power generation from wind energy is growing rapidly in the country, with a consistent increase in installed capacities of wind turbines every year. Subsequently, with the growth in wind energy infrastructure, the demand for industrial lubricants, such as gear oils, and grease, is expected to increase in the country.

The growing construction and mining activities have increased the usage of heavy equipment in the country. With the increased use of such equipment, the demand for industrial lubricants is also growing in the country. With growing modernisation in the sector, the demand for agricultural equipment has also been on the rise in India.

Infrastructure Segment

In this segment, lubricant products are used in both on-highway vehicles as well as off-highway construction equipment. Prospects of this segment depend on the progress of the infrastructure sector in India.

The infrastructure sector has become the most significant focus area for the Government of India. India plans to spend $1.4 trillion on infrastructure during 2019-23 for the sustainable development of the country. The government has further suggested investment of 5 million crores ($750 billion) for railways infrastructure from 2018-30. India and Japan have joined hands for infrastructure development in India's Northeast states and are also setting up an India-Japan Coordination Forum for Development of Northeast to undertake strategic infrastructure projects for the region.

Impact of Crude Oil and the Exchange Rate Movement

We depend on crude oil as our raw material and the price of our base oils is correlated to the movement of crude oil prices over medium to long term. While the rupee strengthened after initial fall in Q1 of last year, crude oil prices have been on the rise after falling sharply to multi year lows in Q1 last year. This led to a drop in base oil costs for first half of last year while the prices hiked significantly from the third quarter.

Post lockdown, we saw a significant growth in sales volumes as vehicular movement resumed and people chose private modes of transport over shared transport. However, while the sales volume remained high, the increase in the base oil prices led to decrease in the profit margin which had to be offset by making necessary increases in the price of products both in our B2C and in B2B during second half of the year.

The prices of crude oil are expected to rise further in FY 2021-22. As the economy attempts a rebound, many industries will likely face headwinds in 2021. Rapid vaccination drive, resumption of air traffic and vehicular movement, investment enhancing measures by the government and better external demand provide an upside to the baseline growth path. Meanwhile, surge in infections, new mutants, deviation of the south-west monsoon from the baseline assumption of a normal monsoon, higher crude oil and non-oil commodity prices and global financial market volatility impart downside risks to the baseline growth path. The evolving COVID-19 trajectory and progress on vaccination remain the key drivers of economic activity and inflation, globally and in India.

Crude and Exchange Rate Movement

	Exchange rate ($ vs ₹)	Brent Crude Oil ($/bbl.)
April-20	76.23	18.38
May-20	75.71	29.38
June-20	75.76	40.27
July-20	74.91	43.24
Aug-20	74.58	44.74
Sept-20	73.52	40.91
Oct-20	73.56	40.19
Nov-20	74.21	42.69
Dec-20	73.66	49.99
Jan-21	73.11	54.77
Feb-21	72.83	62.28
March-21	72.78	65.41

Company Overview

Gulf Oil Lubricants India Limited (Gulf Oil), part of the Hinduja Group, is among India's top three lubricant companies in the private sector. We have classified our business under three segments, namely automotive, industrial and exports. We market a wide range of automotive and industrial lubricants, greases, and 2-wheeler batteries among others.

The Gulf Oil brand is owned by our parent company, Gulf Oil International with a brand presence extending to more than 100 countries and is known for its rich history and association with the world of motor sports. The Gulf Oil International Group's core business is manufacturing and marketing an extensive range of more than 400 performance lubricants and associated products for all market segments.

We have a robust and widespread distribution network in India, spanning both physical and digital platforms. It has two state-of-the-art plants in India—one in Silvassa and the other at Ennore, Chennai. These plants manufacture quality products, which cater to all customer segments in addition to replacement demand.

Competitive Strengths

- 100-year strong legacy in the fuel and lubricant sector - globally
- Fastest growing lubricant player by consistently outperforming the industry growth rate y-o-y over the last decade
- Our strong distribution network helps us reach the remotest corners of the country
- Comprehensive, wide and updated product portfolio across automotive, industrial, and marine applications with approvals from bodies like API, JASO, ACEA and leading global OEMs
- Strong business model and innovative strategy ensure value creation for all stakeholders
- Robust production and distribution with a pan-India network
- Superior technology and ever-evolving innovations to produce world-class lubricants
- Pioneer of the 'long drain interval' value proposition, helping us establish strong positions in Diesel Engine Oil and 2-Wheeler Motor Oil segments. Long Drain products help conserve environment also by lasting longer
- Collaborations (long standing) with top OEM's and B2B customers like Ashok Leyland, Mahindra, Swaraj, Bharat Benz, Bajaj, Schwing Stetter, Piaggio, L&T and many more
- The 'Gulf Oil' brand enjoys a position among the top 3 lubricant brands with respect to brand awareness, purchase consideration and other parameters
- Rich history and association with various esteemed sports associations such as Chennai Super Kings (CSK), Manchester United Football Club

Manufacturing Capabilities

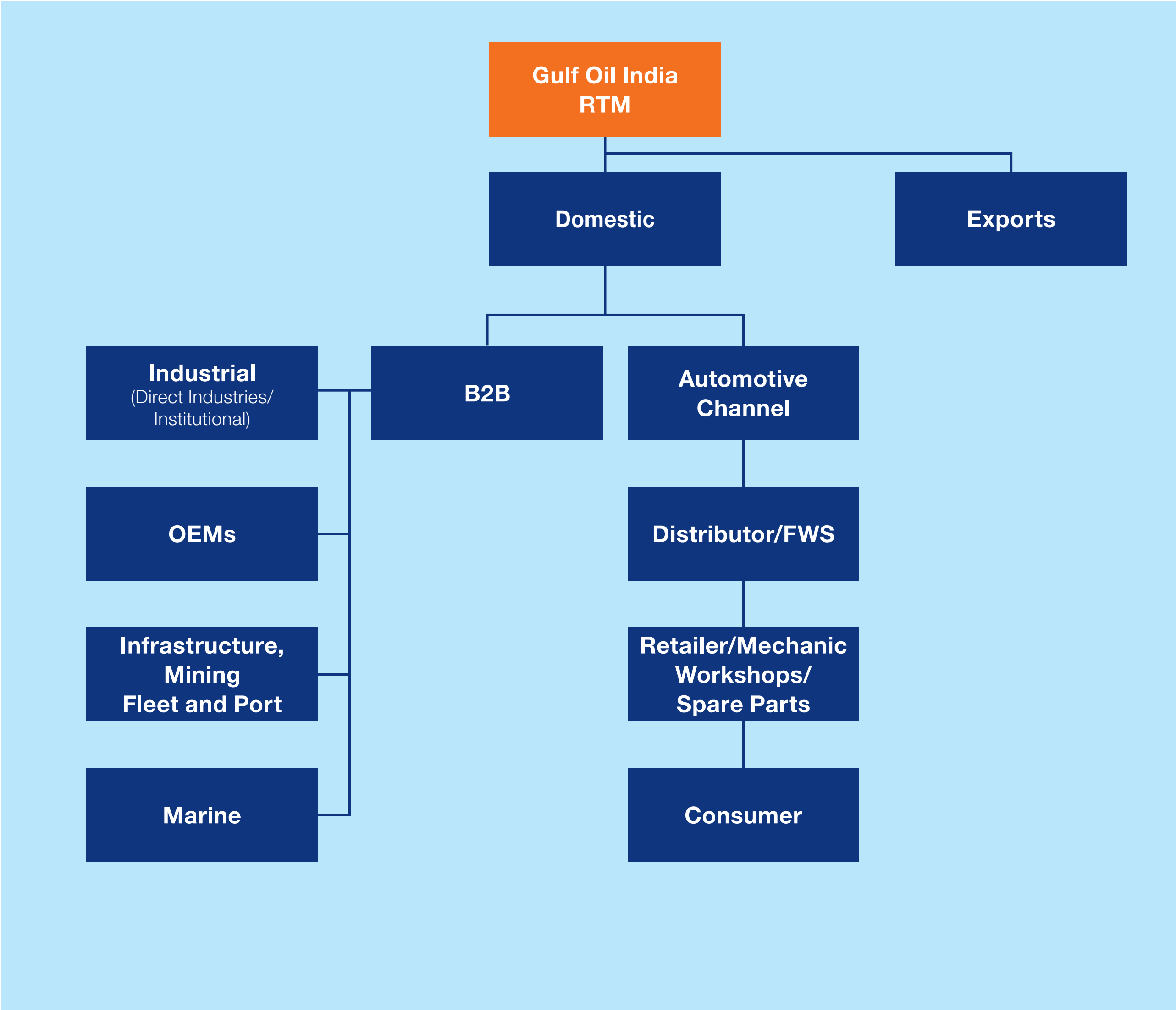
Silvassa plant

- Capacity: 90,000 KL per annum
- AdBlue® manufacturing capacity of 12,000 KL with VDA license from QMC Germany
- Key certifications include
  - ISO 9001:2015
  - ISO 14001:2015
  - ISO 45001:2018
  - IATF 16949:2016
- World-class fully automatic PLC enabled blending operations
- High-speed end-to-end fully automatic Filling Machine
- Fully automatic Blow-Moulding machines including Recycler
- Fully Automatic Storage and Retrieval System (ASRS)
- Robust Safety & Disaster Management Systems and supports
- 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

- Capacity: 50,000 KL
- Key certifications include
  - ISO 9001:2015
  - ISO 14001:2015
  - IATF 16949:2016
  - ISO 45001:2018
  - IGBC Gold Certification
- AdBlue® manufacturing capacity of 18,000 KL to be commissioned in 2021-2022
- State-of-the-art blending technology from ABB France—Simultaneous Metered Blender (SMB), Automated Batch Blender (ABB), completely piggable manifold, Drum Decanting Unit (DDU)
- Advanced ASRS
- A high-tech firefighting and disaster management system
- 100% provision for solar energy for manufacturing, Grey water recycling, rainwater harvesting and natural lighting throughout the day
- 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

Route to Market (RTM)



Gulf Oil: Opportunities and Threats

Business	Opportunities	Threats
Automotive	a) Robust prospects of India's automobile sector and overall economic growth	a) Highly competitive sector
	b) Adoption of new emission norms and enhanced focus on fuel efficiency	b) Possibility of aggressive pricing and discounts being offered by competitors
	c) Evolving technology as well as customer requirements	c) Sudden and sharp volatility in prices of key raw materials
	d) Significant potential to ramp up rural penetration of automobiles	d) Prolonged slowdown in domestic automobile sales
	e) Scope to improve our market share in the PV and tractor segments	e) Growth of EV sector might lead to slower growth in the lubricants sector
	f) Expansion of our reach across various channels and geographies	
	g) Development of innovative products to adapt to changing market requirement	
	h) Shift in customer preferences from public transport to private transport	
	i) New-age customers with an evolving mindset	
	j) Increased digitalisation helps in increasing speed and accuracy of operations while reaching a wider customer base	
Industrial	a) Scope to deepen share of wallet with existing customers and getting new customers – direct and via distributors	a) Any slowdown in industrial activity or further increase of COGS can impact profitability
	b) Opportunity to participate in the exponential growth of roads and infrastructure in India	b) Slower growth of the infrastructure sector
	c) Atmanirbhar Bharat will increase industrial push significantly	c) Slowdown in Auto Ancillaries— our overall dependency being 30%
	d) Opportunity for entire lubricant management at customers' plants	d) Future lockdown due to anticipated third wave can impact industrial production resulting in lower demand
	e) New projects and one-time Initial Fill opportunities in both Direct and Indirect business	e) Aggressive pricing strategy by competitors
Exports	a) Potential to ramp up in existing markets and enter select attractive markets	a) Unprecedented high volatility in the forex market
	b) Chennai plant can cater to nearby countries more efficiently	b) Highly competitive environment
	c) Opportunities of exporting products branded by Indian OEMs	

Business Review

The strength of our brand equity, innovative product offerings, network and team's passion has once again proved to be key differentiators that reflect in our continued growth.

We showcased resilience through our performance with a strong volume growth of ~4% y-o-y, beating the industry once again during the year which has degrown. As we adapted and responded swiftly to changing conditions, all our product segments saw a growth as we progressed through the year. All key products under the B2C segment reported a growth as vehicular movement resumed post lockdown. Also, B2B and industrial segments supported sales growth. Personal mobility jumped 20% while factory fills reported significant y-o-y growth. Diesel vehicles contributed the highest at 37% to total volume while personal mobility share was 24% and industrial at 15%, rest being others.

As the economic and industrial activities gained significant momentum and personal and commercial mobility levels improved, we were responsive and could quickly ramp up our supply capabilities and regain the rhythm of our production and supply chain to a large extent. Re-energising our supply chain and distribution strengths combined with our strong demand sensing strategies resulted in record-level volumes in key sub-segments, and the gap from average pre-COVID volumes reduced rapidly, aided by some pent-up demand. This helped us deliver record breaking quarters from Quarter 2 in an otherwise tough environment overall.

In addition to our committed and dedicated supply chain network, our sales teams displayed exceptional resilience and responsiveness in catering to OEM's dealership network requirements and other B2B customers in the Industrial and Infrastructure space. On the one hand, existing OEM tie-ups witnessed healthy momentum, while on the other hand, we continued to add marquee names to this business. We entered into strategic partnerships with Ford, KIA, Hyundai, and S-Oil in the Automotive segment; Vedanta, Tata Steel, JSW, Milacron, Arcelor Mittal in the Industrial segment; Putzmeister and ACE in IMF segment; and Small Fleet and CNG in our Retail business.

Automotive Segment

Gulf has developed a wide range of engine oil, gear oils, greases and specialities for bikes, scooters, cars, light and heavy commercial vehicles and tractors.

Agri Business

Our Agri category of products grew in double digits during the year providing support to our overall volumes. We could capitalise on meeting the demand buoyancy in agricultural outputs in otherwise tough market conditions. COVID lockdowns less impacted the rural markets. Our initiatives in recent years to build a strong and focused approach to cater to rural distribution augured well in these times.

B2C Business

Barring PCMO, for which major metro cities are key markets, all other segments in the after-market saw a return to normalcy for the industry in H2 before 2nd wave started hitting again and for our B2C segment, all key product categories recorded good growth, majorly in MCO and CVO, where we managed to achieve double-digit growth.

Battery Business

FY 2020-21 has been a good year of growth for our battery business where we clocked in nearly ₹80 crores of revenue (a growth of more than 50%) and a positive bottom line. We also strengthened our service infrastructure by introducing Gulf Battery Service Point—branded service outlets that would address the service-related requirements of the aftermarket. This new identity will aid brand awareness and strengthen our market confidence. 500+ service setups were placed across the network, including depots. On-time warranty settlement and new SOPs proved critical for maintaining product quality and settling warranty faster during the pandemic.

Training Programmes-responsiveness

We continued to engage with our channel partners and distributors in innovative ways during the year along with the regular programmes. Rigorous training was provided on the 'new normal' scenario through digital courses during the lockdown which helped us empower our workforce to capture the market as people resumed their daily operations post lockdown. We remained closely connected with them which helped us retain all our distributors and capture demand-supply gap opportunities in FY 2020-21.

Digital Initiatives-responsiveness

We made extensive progress on our plan to digitalise the value chain. Some prominent initiatives include integrating coupons on packs into QR codes to provide benefits directly into the mechanics' accounts and plugging the leakages. Sales force automation was initiated by leveraging mobile apps integrated into our customer relationship management platform, Gulf Konnect. We also leveraged advanced digital systems such as SAP to strengthen our systems internally and create a single platform for all data storage. We communicated with our stakeholders using platforms such as MS Teams and various mobile applications which helped us communicate with them uninterruptedly without having to physically meet them.

Indra Renewables-Acquisition

We acquired a minority stake in Indra Renewable Technologies, UK, which operates in the EV space and makes chargers for home charging and other V2G (Vehicle to Grid) requirements. We will primarily focus on passenger car and light commercial vehicle residential charging segment with Gulf branded Indra's smart chargers for Indian market requirements. We will also be evaluating opportunities in the two-wheeler segment with Indra going forward. With new technologies such as V2G chargers, which are already being developed by Indra, we plan to support the power requirements of individual homes as a backup. There exist considerable opportunities to form partnerships with potential microgrid solution providers in the future.

Brand-building Campaigns, Initiatives, and New Product Launches

Brand-building activities restarted selectively, focusing on social media usage, while considering the current context. #GulfkaCall, our campaign With Chennai Super Kings (CSK) and M. S. Dhoni, targeted trade, consumers, and mechanics, and received an excellent response on social media.

Innovative programmes engaging our trade partners, influencers, and consumers alike, which leveraged our association with CSK during this season's premier league, significantly contributed to the growth of Bazaar Sales. We also launched an exciting M. S. Dhoni tribute MCO pack.

We launched season 2 of "SurakshaBandhan" for truckers through our collaboration with a leading radio channel partner. We distributed special, unique rakhis (containing soap strips during COVID) to more than 10,000 truckers across various transport locations. Even as truckers and truck associations appreciated this gesture, Gulf Oil was rewarded for 'SurakshaBandhan' season 1 (2019 campaign) at the prestigious WOW Awards Asia 2020 with two Golds and a Bronze for our agri-related brand property – Gulf Supreme Tractorotsav.

We re-launched Gulf AdBlue EcoPro, for the Diesel Exhaust Fluid (DEF) product segment for BS-VI vehicles, which is seeing growth and traction in cleaner, more environment-friendly emission norms.

A high-impact Diwali campaign – Start Mast Toh Din Zabardast featuring Hardik Pandya was introduced to strengthen the Gulf battery's digital presence during IPL and Diwali. The campaign highlighted the promise of great beginnings. While the campaign leveraged sports as a theme, the Diwali campaign celebrated Indian personalities who made a difference to the society, such as Jadhav Payeng, Rajgopalan Vasudevan, Juin Dutta, Dashrath Manjhi to name a few.

We also re-launched our flagship brand of Motorcycle engine oil as Gulf Pride 4T Ultra Plus with an upgraded product formulation that delivers longer drain, faster pick-up and better protection, which is also BS-VI ready. The customer value proposition (CVP) has also been upgraded from 'Insta Pick-up' to 'Consistent Insta Pick-up'. Our #DhoniXDhoni features M. S. Dhoni in a conversation with his younger self from 2005, drawing a parallel between Dhoni's consistent performance and the product providing consistent performance to the vehicle's instant pick-up.

Marking our 10 year journey with the IPL team Chennai Super Kings (CSK), we ran multiple activations and offers where fans were given special discounts on our products on match days and a chance to virtually meet their favourite team players.

In the CNG segment, we released value-added products for three-wheelers under the Gulf CNG Supreme+ brand and strengthened our presence in the coolant segment by introducing improved glycol-based coolants for the passenger car segment, Gulf Kool Guard G48.

Our new digital campaign on Gulf Ultrasynth X Car engine oil, 'Feel the smoothness,' received great engagement on all our social media platforms. This year, due to limitations caused by the pandemic, we launched our highly appreciated and awarded Agri property 'Gulf Supreme Tractorotsav' online. We saw great participation from tractor owners who received insightful useful farming information from agri experts through this digital platform.

Automotive Segment Outlook

Improved rural demand, a favourable monetary policy outlook, and a supportive environment would be key enablers for demand recovery in the medium term. The improvement in auto sales will also prove to be instrumental as the COVID situation improves.

We will continue to expand our distribution network in FY 2021-22, including relationships with leading e-commerce and other digital businesses. We will also continue to cultivate new strategic partnerships with OEMs in the future. The primary emphasis will be on cost optimisation and digitalising processes to protect EBITDA margins, among others.

Personal Mobility

In the post-pandemic world, a rising emphasis on social distancing brought about a change in customer behavior in the form of a growing preference for private vehicles over shared puclic transportation leading to growth in the purchase of compact cars and two-wheelers. Replacement demand is picking up, which bodes well for lubricant and battery products. Strong rural cash flow following a strong monsoon, financial stimulus by the government, and COVID-19's comparatively lesser impact in the semi-urban and rural markets are big positives.

These elements bode favourably for our personal mobility segment. This segment accounts for ~22-23% of Gulf Oil's sales, with two-wheelers commanding a majority share and is expected to grow further as consumers shift towards personal mobility. We are currently concentrating on expanding our market share in the passenger car segment.

By maximising the potential of our existing and new distribution networks, we will continue to grow our two-wheeler battery business with a focus on significant growth in this sector over the next three to four years.

Commercial Vehicle

Gulf Oil's Diesel Engine Oil (DEO) segment is divided into Commercial vehicle Oils and Agricultural sector. We benefited from a pick-up in demand in the agricultural segment (15% of the DEO segment). To capture the additional demand, we will leverage our partnerships with Mahindra and Swaraj. The CV segment, on the other hand, is yet to witness much demand recovery. Thus, DEO sales are likely to remain under pressure in the near term.

However, the long-term prospects of this segment remain intact with gradual improvement in the construction and the infrastructure segment, stronger replacement demand, growing operational efficiency in transportation, logistics and supply chain activities and demand for BS-VI compliant vehicles. We are among the leading players in this segment and will continue to expand our market share. Our primary focus will be on developing unique, need-based products and expanding our distribution network. Similarly, AdBlue® has been a prime beneficiary from the implementation of BS-VI norms.

Industrial Segment

We continued to strengthen our distribution network (direct and indirect distributors) to grow this business. Currently, our industrial network includes 200+ direct industry accounts and 50+ industrial distributors who supply Gulf Oil's products to small and medium industries and users. The Inner Circle Distributor programme continued to grow at a healthy pace. Gulf Oil's market share in the industrial business is estimated at 3-4%. As we have a relatively lower market share in this segment, we have identified this as a major focus area for the past few years We have stepped up efforts to cross-sell and upsell our products.

Both industrial distribution and direct business channels have grown at impressive rates during the year. B2B Industrial segment showcased outstanding performance during the most challenging year.

Industrial Distributor Business

Our industrial distributor business witnessed a sizeable growth along with complete achievement of the business plan laid out for FY 2020-21. We gained 12 new distributors who contributed significantly to the volume of sales. We witnessed our highest ever collections despite of the pandemic. We successfully completed more than 200 hours of virtual training for our distribution channels partners.

Direct and OEM Business

Our Direct and OEM Business witnessed 74% growth y-o-y and 119% of FY 2020-21 business plan achievement. We gained new customers during the year who contributed sizeably to our sales volumes. Through the year, we managed to retain all OEM business while adding new businesses to our portfolio. We identified and have built a unique business opportunities pipeline, which will help in boosting future growth.

During the year, we also entered into a long-term strategic partnership with S-Oil Corporation, South Korea—one of the leading oil refining and lubricant manufacturing companies in Asia. We plan to exclusively manufacture and market their entire range of lubricants under the brand ‘S-Oil Seven’ for the Indian market. It is the first time that an S-Oil lubricant product has been manufactured outside of South Korea.

With a wide range of technologically advanced automotive products, S-Oil Seven has been a trusted brand for leading automakers such as Hyundai Kia, SsangYong, and other OEMs. It is exported to more than 60 countries in the world from South Korea. The launch of the S-Oil Seven lubricants brand will further strengthen the 15 year-long relationship in the base oil business in India and other Asia Pacific regions with Gulf Oil. Their strong and advanced portfolio in Passenger Car Motor Oil (PCMO) gives a very good opportunity to get additional market share in this segment.

Industrial Segment Outlook

We have a relatively low market share in the industrial segment and sees immense potential for growth across categories and sectors. Within the industrial segment, we are looking to expand our presence in the auto, auto components, manufacturing, and metals sectors. Over the next five years, we are exploring ways to expand existing products and increase the share of value-added items. The demand for special greases, metal working fluids, long drain hydraulic oil and synthetic oils will remain healthy in the future.

We will concentrate on expanding our dealer network and improving our client base along with sector-specific products and services. This will facilitate stability and volume growth, and lead to an increase the total lubricant management contract for customers’ manufacturing plants. To capture market share in some of the high-end industrial segments.

Infrastructure, Mining, and Fleet Segment

The infrastructure, mining, and fleet (IMF) segment registered impressive growth during the year. This business continues to not only focus on top players in the industry but also foray into Tier-2 and Tier-3 cities of the country and the customer bases there. We have gained market share from peers, expanded into newer sectors, and are growing our large flagship accounts at a healthy pace. Gulf Oil has 500+ marquee customers in this segment, including industry heavy weights such as Larsen & Toubro, Dilip Buildcon, Punj Lloyd, Oriental Engineers, Shapoorji Pallonji, Kobelco, Putzmeister, Doosan Bobcat, The Robbins Company and Liebherr.

We are consolidating our infrastructure business and expanding our reach. A significant growth driver for this business is the tie-ups with leading companies. We are also making large investments in technology to improve operational efficiencies to further enhance the service experience for customers.

Infrastructure, Mining, And Fleet Segment Outlook

The demand from the infrastructure sector is picking pace as work on projects is being recommissioned at many sites. Most of the segments in this business are classified as essential services and did not witness a significant direct impact from the lockdown. However, the unavailability of labour, ancillary, and other services that were needed to continue the business had some bearing on this segment. As the situation normalises, this segment will be among the early beneficiaries.

As we advance, favourable government policies to push infrastructure growth and improving economic activity will act as key catalysts for this sector. We will continue to focus on growing the wallet share of existing clients and adding new clients to the business. We have put in place dedicated teams to grow in each of these sectors, tap into all lucrative opportunities, and drive process efficiencies to achieve profitable and sustainable growth.

Exports Segment

We continued to focus on exports as an opportunity to grow volumes. We are currently exporting high-end products in the Personal Mobility segment to a few Southeast Asian countries. We collaborated with Indian automotive OEMs that have been exporting their vehicles to various continents to enable the export of lubricants approved by them to these countries. This resulted in us successfully expanding our export reach to ~25+ countries.

Exports Outlook

With the addition of capacity after commencing operations at our Chennai plant, our focus on exports is increasing. Exports of products are expected to expand along with Indian OEMs exporting their vehicles to various parts of the world.

Managing Risks in a Dynamic Business Landscape

Gulf Oil has a risk management policy that comprises corporate risk (strategic and residual risk), operational risk (specific business and functional risks, including economic and market risks), financial risk, human resources (HR) risk, legal and compliance risks, and so on.

The prominent risks and mitigation strategy is summarised in a table:

Risk	Mitigation strategy	Key stakeholders
Slowing demand in key business segments Some of the segments we operate in are cyclical, exposing us to high volatility in demand. Overdependence on any of these segments, slowdown in demand, along with rising competitive intensity can affect our performance.	Gulf Oil is focusing on achieving an optimum mix of products and business segments to generate better margin and high growth.	Business functions
Constant upgradation in technology Technological upgrades are disrupting businesses across industries with an increasing focus on achieving higher efficiency and launching environment-friendly products. Any delay in adapting to these trends can adversely affect our performance.	We track these developments regularly and responds to them swiftly. Our products imbibe superior and latest lubricant technology in line with global standards.	Technology, Global R&D
Rising prominence of electric vehicles Growing acceptance of electric vehicles around the world could have some bearing on demand for lubricants. In India, though, broad-based adoption and penetration of electric vehicles is still quite some time away given the issues around infrastructure for maintaining/charging them, high-cost, limited government funding and slower regulatory push. Our perspective is that the overall lubricant demand is sizable and will continue to grow in India. Our inability to diversify in a timely manner can put some segments of the business to long-term risk.	Gulf Oil is increasing market shares across the core lubricant segments in India, including looking at higher growth rate and increasing specialty products in the bazaar market. We are also establishing a robust diversification strategy to capture opportunities related to allied products and electric vehicles value chain. Initiatives taken by Gulf Oil International to develop EV fluids and diversification into allied business areas will also help mitigate this risk.	All stakeholders
Volatility in base oil prices and the INR Sudden, adverse movements in crude oil prices and consequently in base oil prices could adversely affect the profitability of Gulf Oil. We have more imports as compared to exports and hence, we are vulnerable to adverse movements in the Indian Rupee.	We have put in place a robust hedging policy designed by forex experts and we monitor closely our to make timely corrections, if needed. We are also increasing exports to partially have natural hedge. We have also established several options for sourcing raw materials and is focused on adding new vendors to keep pricing under check.	Procurement and Finance teams
Inability to maintain robust IT systems Any delay on our part to maintain and upgrade high quality, timely and reliable MIS systems can affect our decision-making process. Delay in adopting digitalisation can impact customer satisfaction.	We are adopting best-in-class, digitalised solutions across business segments to stay ahead of the curve and deliver superior service to our customers, enhance customer experience and impact customer choice decisions.	Information Technology department
Inability to keep teams motivated Employees with low morale cannot contribute to our success. Besides, they also tend to change organisations frequently. Such a scenario can affect our ability to gain market share.	Gulf Oil is committed to provide a growth-oriented environment for our people. We undertake several initiatives to motivate, retain and attract talent and have well-defined people policies in place.	Board of Directors, HR department
Weakening of brand reputation Weakening share of voice and fall in brand recall is a key risk and can affect our prospects.	Gulf Oil invests continuously in strengthening our brands, improving brand scores, and creating high recall. We also undertake brand tracking exercises regularly. We strive to innovatively leverage our brand assets and brand ambassadors, in India and globally, to enhance brand visibility amongst customers.	Marketing department

Risk	Mitigation strategy	Key stakeholders
Inability to comply with regulations and/or maintain high levels of governance Any violation of regulations causes reputation risks and impacts our ability to do business, besides affecting valuations. Weaknesses in tracking regulations, enforcing compliance and audits can lead to breaches and loss of reputation.	We follow strict adherence to all applicable regulations and best-in-class governance practices.	Board of Directors, Legal and Compliance and Finance departments

Empowered Human Assets

We are committed to taking the necessary steps and activities to continue to provide a growth-oriented environment in which our employees may upskill and become future-ready.

Employees imbibe our values through policies such as the Code of Conduct and awareness of the "Prevention of Sexual Harassment at Workplace Policy" (POSH). In FY 2020-21, there were no complaints of sexual harassment at work. We also consciously promote gender diversity, with women accounting for 6% of the overall workforce last year.

We undertake regular communication through townhalls and various digital platforms. Our communication plan includes posters, danglers, team meetings and e-mailers. The employee intranet portal acts as a credible platform for employee engagement and connectivity.

During the COVID-19 pandemic and subsequent lockdowns, employees' safety was of paramount importance to us, and we have undertaken all required measures at our locations, including work from home for most employees at office locations. At the plants and warehouse locations, all protocols were followed to ensure a safe working environment. With IT systems and internet infrastructure already in place for employees, transitioning to a work from home environment during these times was smooth.

Embracing Digital HR Processes

The Employee Self Service (ESS) platform enables employees to conduct their daily business. 'Align Strive Perform Inspire Reward Enable' (ASPIRE), our web-based performance management system, enables managers and employees to conduct periodic role and performance reviews.

Capability Building

At Gulf Oil, capability building is an ongoing process. We develop and implement regular training programmes across different modes, such as classroom sessions via the Gulf Oil Training and Development (GOLD) Academy and also through different online training sessions. During the lockdown period, there was significant focus on imparting online trainings to employees across verticals and 522 man-hours of training were achieved between April and June 2020.

Functional competencies are defined for all the organisational roles and integrated with various HR processes. Specific capability development programmes are also designed and implemented with the help of this competency framework. This framework helps us identify any gaps proactively and plan development interventions.

We continue to train employees to implement 'new ways of working', which boosts organisational sales and enables channel partners to implement processes smoothly. The development of internal trainers has also been a key focus area. The 'new ways of working' modules have been successfully driven by such internal trainers. A total of 2,112 man-days were recorded during the year for training. Specific post-programme initiatives are planned to sustain the capability-building initiatives. We plan to enhance productivity across the organisation through the new performance management system 'ASPIRE' to drive business growth.

Employee Stock Option Scheme (GOLIL ESOP 2015)

We believe that equity-based compensation schemes are an effective tool to motivate and reward eligible employees. These schemes create employee ownership, attract new talent, and retain the key resources in the organisation. They offer significant benefits to the employees. In view of the above, we have instituted the 'GOLIL Employee Stock Option Scheme, 2015' for our eligible employees. We have granted options as per the following vesting schedule or as per modifications approved by the Nomination and Remuneration Committee from time to time:

Completion of tenure	Total grant of eligible employees
1 year	10%
2 years	15%
3 years	15%
4 years	60%

The scheme now covers several critical positions below senior management as well. The options granted under the scheme shall be based on satisfaction of vesting conditions, which can thereafter be exercised, resulting in the allotment or issue of our equity shares.

Employee Relations

Employee relations at the Silvassa and Chennai plants remained cordial during the year and most of the issues were resolved through mutual dialogue. Our total workforce stood at 600+ during FY 2020-21.

Internal Control Systems and their Adequacy

Our internal control mechanism has been designed to provide accurate recording of transactions with internal checks and prompt reporting, adherence to applicable accounting standards, compliance with applicable statutes, policies and procedures, guidelines, and authorisations. Following the implementation of the Companies Act, 2013, we have complied with the specific requirements in terms of Section 134 (5)(e) of the Act, calling for the establishment and implementation of an Internal Financial Control (IFC) framework that supports compliance with requirements of the Act in relation to the Directors' Responsibility Statement. The IFC framework document supports the evaluation of the operative effectiveness of the controls consistently.

Through our own internal audit department, we conduct periodic audits at all locations and functions based on the plan approved by the Audit Committee and brings out any deviation in internal control procedures. The observations arising out of the audits are periodically reviewed and compliances are ensured.

The summary of the internal audit observations and status of implementation are submitted to the Audit Committee every quarter for its review and concerns, if any, are reported to the Board. The statutory auditors review the efficacy and adequacy of the internal audit function as a part of their audit procedures and has full access to all the reports and findings of the internal audit.

Discussion on Financial Performance with Respect to Operational Performance

Key Highlights:

Gulf Oil's revenue marginally increased by 0.49% y-o-y to ₹165,221 Lakh. We achieved Net Revenue of ₹165,221 Lakh and PAT of ₹20,009 Lakh for the year FY 21 as against revenue of ₹164,415 Lakh and PAT of ₹20,252 Lakh respectively in FY 2019-20 in spite of the year being impacted by COVID-19 and spiralling input costs, a sign of significant resilience in our business model.

The Board of Directors have recommended a Final Dividend of ₹9.00 per share (450% on a Face Value of ₹2 per share) subject to approval of members at ensuing Annual General Meeting. Earlier during February 2021, the Board had declared and paid interim dividend for FY 2020-21 of ₹7.00 per equity share (i.e. 350% on face value of ₹2 per equity share).

We continued to create value for our investors as the total dividend for FY 2020-21 stands at ₹16 per equity share (i.e. 800% on face value of ₹2 per equity share).

₹ Lakh

	Year ended March 31, 2021	Year ended March 31, 2020	Growth %
Revenue	1,65,221	1,64,415	0.49%
EBITDA	26,519	28,718	-7.66%
PBT	26,874	26,454	1.59%
PAT	20,009	20,252	-1.20%
EPS (Basic) FV-₹ 2 per equity share	39.86	40.51	

Revenues (in ₹ Lakh)

Revenue stood at ₹1,65,221 Lakh in FY 2020-21 from ₹1,64,415 Lakh in FY 2019-20. COVID-19 induced lockdowns created a significant slowdown in the economy and lubricant industry degrew during the year. However, we achieved a marginally positive Revenue even in this period supported by a significant recovery in economic activities from the second quarter of the year.

1. Breakup of various cost items as a %age of Sales

Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
	₹ Lakh	%	₹ Lakh	%
Sales	1,65,221	100%	1,64,415	100%
Cost of goods sold	88,896	53.80%	82,947	50.45%
Employee Benefit Expenses	11,646	7.05%	11,400	6.93%
Manufacturing & Other Expenses	38,159	23.10%	41,350	25.15%
Total Expenses	**1,38,702**	**83.95%**	**1,35,697**	**82.53%**
EBITDA	26,519	16.05%	28,718	17.47%
Other Income	5,206	3.15%	3,490	2.12%
Finance Costs	1,464	0.89%	2,483	1.51%
Depreciation/ Amortization	3,387	2.05%	3,271	1.99%
PBT (Profit Before Tax)	26,874	16.27%	26,454	16.09%
Tax Expenses	6,865	4.16%	6,202	3.77%
PAT (Profit After Tax)	20,009	12.11%	20,252	12.32%

a. Cost of Goods Sold

Cost of goods sold increased by 7.17% to ₹88,896 Lakh in FY 2020-21 from ₹82,947 Lakh in FY 2019-20 mainly due to sharp increase in base oil prices in the later part of the year which is a key raw material for lubricants manufacturing. As a result, cost of goods sold as a percentage to Net Revenue has also increased from 50.5% in FY 2020-21 to 53.8% in FY 2020-21.

b. Manufacturing and Other Expenses

Manufacturing and other expenses decreased by 7.72% to ₹38,159 Lakh in FY 2020-21 from ₹41,350 Lakh in FY 2019-20. Decrease is mainly on account of decrease in Advertising and Sales Promotion by ₹4,595 Lakh, decrease in Royalty by ₹614 Lakh, increase in Selling and Marketing Expenses by ₹815 Lakh, increase in freight & forwarding expenses by ₹1,842 Lakh.

c. Employee Benefit Expenses

Increased by 1.89% to ₹11,646 Lakh in FY 2020-21 from ₹11,400 Lakh in FY 2019-20 mainly on account of increase in usual increments resulting in increase in payroll cost by ₹246 Lakh.

d. Finance Costs

Finance costs decreased to ₹1,464 Lakh in FY 2020-21 from ₹2,483 Lakh in FY 2019-20 which mainly includes forex gain of ₹358 Lakh in the current year as against forex loss of ₹1,246 Lakh due to rupee depreciation during last year end. Also, there is increase in interest on short term bank borrowings by ₹624 Lakh.

e. Depreciation/Amortisation Charge

Depreciation/amortisation charges marginally increased to ₹3,387 Lakh in FY 2020-21 from ₹3,271 Lakh in FY 2019-20 mainly due to depreciation charge on assets capitalised at both plant locations and also depreciation charge on intangible assets capitalised during the current year.

Balance Sheet

₹ Lakh

Particulars	As at March 31, 2021	As at March 31, 2020	Change
Assets			
Fixed Assets	25,735	28,113	(2,378)
Other Non-current assets	5,937	3,766	2,171
Cash and Bank balances	49,560	55,095	(5,535)
Current assets	63,321	57,681	5,640
Total	**1,44,553**	**1,44,655**	**(102)**
Equities & Liabilities			
Share Holder's funds/ Net Worth	86,938	76,131	10,807
Non-current liabilities	2,463	3,039	(576)
Short Term Borrowings	19,795	35,372	(15,577)
Current liabilities	35,357	30,113	5,244
Total	**1,44,553**	**1,44,655**	**(102)**

2. **Capital Employed**
During FY 2020-21, capital employed marginally decreased from ₹144,655 Lakh to ₹144,553 Lakh due to overall efficient working capital management.

3. **Fixed Assets**
Net block of fixed assets (including CWIP) decreased by ₹2,378 Lakh to ₹25,735 Lakh in FY 2020-21 from ₹28,113 Lakh in FY 2019-20 mainly due to usual depreciation charge on tangible assets (PPE) and also amortisation effects on "Right of Use Assets" due to Accounting Standard Ind-AS-116 on Leases. Also, there was no major addition to assets during the current year.

4. **Other Non-Current Assets**
Other Non-Current Assets at the end of FY 2020-21 increased by ₹2,171 Lakh to ₹5,937 Lakh from ₹3,766 Lakh at the end of FY 2019-20 mainly due to equity investment of ₹1,531 Lakh made by us in Indra Renewable Technologies Limited United Kingdom during the current year.

5. **Cash and Bank Balances**
Cash and Bank Balances decreased by ₹5,535 Lakh and stands at ₹49,560 Lakh at the end of FY 2020-21 as compared to ₹55,095 Lakh at the end of FY 2019-20 mainly due to repayment of short-term borrowings and still demonstrates very healthy cash position and liquidity strength.

6. **Current Assets**
Current Assets at the end of FY 2020-21 Increased by ₹5,640 Lakh to ₹63,321 Lakh from ₹57,681 Lakh at the end of FY 2019-20.

   The overall inventory increased by ₹4,824 Lakh to ₹37,651 Lakh in FY 2020-21 from ₹32,827 Lakh in FY 2019-20.

   Trade Receivables marginally increased by ₹196 Lakh from ₹18,700 Lakh in FY 2019-20 to ₹18,896 Lakh in FY 2020-21.

7. **Net Worth**
Net Worth at the end of FY 2020-21 increased by ₹10,807 Lakh to ₹86,938 Lakh from ₹76,131 Lakh as at FY 2019-20.

Increase in Share Capital by ₹4 Lakh in FY 2020-21 at ₹1,006 Lakh from ₹1,002 Lakh as at FY 2019-20 mainly due to issue of 2,03,817 shares under equity stock options.

Our other Equity has increased by ₹10,802 Lakh in FY 2020-21 at ₹85,931 Lakh from ₹75,129 Lakh as at FY 2019-20 mainly on account Profit After tax of ₹20,009 Lakh for FY 2020-21 and net off payment of three dividends amounting to ₹10,541 Lakh (Interim Dividend of ₹3,507 Lakh for FY 2019-20, Final Dividend of ₹3,512 Lakh for FY 2019-20 and Interim dividend of ₹3,522 Lakh for FY 2020-21).

8. **Non-Current Liabilities**

Non-Current liabilities at the end of FY 2020-21 marginally decreased by ₹576 Lakh to FY 2020-21 ₹2,463 Lakh from ₹3,039 Lakh as at FY 2019-20.

9. **Current Liabilities (including Short Term Borrowings)**

Trade payables have increased by ₹3,130 Lakh to ₹28,981 Lakh in FY 2020-21 from ₹25,851 Lakh in FY 2019-20.

Short-term borrowings have also decreased by ₹15,577 Lakh at the end of FY 2020-21 at ₹19,795 Lakh over previous year of ₹35,372 Lakh as during the current year we have repaid entire unsecured working capital demand loans of ₹17,000 Lakh taken from our bankers during earlier year in order to augment additional liquidity in the event of prolonged pandemic-induced impact on our working capital.

Further, we have a net cash (net of short-term debts) of ₹29,765 Lakh as at March 31, 2021 as against net cash balance of ₹19,723 Lakh as of March 31, 2020 thus demonstrates that we are Net Debt free as at March 31, 2021.

Other financial liabilities increased mainly due to increase in current tax liabilities by ₹1,524 Lakh.

Increase in other current liabilities mainly due to increase in statutory dues payable by ₹442 Lakh and also increase in contract liabilities by ₹461 Lakh.

10. **Liquidity**

We broadly define liquidity as our ability to generate sufficient funds from both internal and external sources to meet our obligations and commitments. Our primary liquidity requirements have been to finance our working capital requirements for our operations and for capital expenditures and investments. We have financed our capital requirements primarily through funds generated from our operations.

11. **Cash Flows**

The table below summarises our cash flow for the periods indicated (Please refer cash flow statement for more details)

₹ Lakh

	March 31,2021	March 31,2020
Net cash generated from operating activities	19,350	23,684
Net cash generated/(used) in investing activities	2,952	1741
Net cash generate/(used) in financing activities	(27,724)	487
Net change in Cash and Cash Equivalents	(5,422)	25,912

Changes in Key Financial Ratios

Sr. No	Key Ratios	As on 31 March 2021	As on 31 March 2020	Remarks /Responses
1	Debtors Turnover (Times)	8.79	9.73	No Significant change
2	Inventory Turnover (Times)	4.69	4.93	No Significant change
3	Interest Coverage Ratio (Times)	15.80	10.22	No Significant change
4	Current Ratio (Times)	2.05	1.72	No Significant change
5	Debt Equity Ratio (Times)	0.23	0.46	No Significant change
6	Operating Profit Margin (%)	14.00	15.44	No Significant change
7	Net Profit Margin (%)	12.11	12.32	No Significant change
8	Return of Equity (ROE-%)	23.01	26.6	No Significant change

Board's Report

Dear Shareholders,

The Board of Directors of Gulf Oil Lubricants India Limited ("the Company" or "your Company") is pleased to present their 13th Annual Report on the business and operations of the Company along with the Audited Financial Statements of the Company for the financial year ended March 31, 2021 ("financial year under review" or "financial year 2020 – 21").

1. FINANCIAL SUMMARY AND OPERATIONAL HIGHLIGHTS

(₹ in Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from Operations	1,65,220.51	1,64,415.20
Profit before finance cost, depreciation & tax	**31,724.61**	**32,207.64**
Less: Finance Costs	1,463.63	2,483.17
Profit before depreciation & tax	**30,260.98**	**29,724.47**
Less: Depreciation/Amortization	3,386.93	3,270.44
Profit Before Taxation	**26,874.05**	**26,454.03**
Taxation		
Current Tax	6,985.26	6,625.26
Deferred Tax	(119.79)	(423.39)
Profit After Taxation	**20,008.58**	**20,252.16**
Balance brought forward from previous year	**51,964.86**	**37,152.78**
Impact of change in accounting policy on adoption of Ind-AS-116-Lease (net of tax)	-	(157.84)
Appropriations		
Interim Dividend declared and paid on Equity Shares for FY-19-20	(3,507.40)	-
Interim Dividend paid on Equity Shares for FY-20-21	(3,521.68)	-
Final Dividend paid on Equity Shares	(3,512.40)	(3,505.91)
Dividend Distribution Tax on Final Dividend for FY-2018-19	-	(720.64)
Other Comprehensive Income (OCI)	13.97	(55.69)
ESOP Adjustment	69.39	-
Transfer to General Reserve	(1,000.00)	(1,000.00)
Balance Carried to Balance Sheet	**60,515.32**	**51,964.86**

2. OPERATIONAL PERFORMANCE / STATE OF AFFAIRS

Financial Performance

The Company has demonstrated strong resilience during a very challenging year by delivering Revenues, PBT and PAT in line with the previous year, in spite of significant market and cost challenges posed by Covid-19 situation.

Net revenues for the year 2020-21 was ₹ 1,65,220.51 lakhs (₹ 1,64,415.20 lakhs in the previous year), Profit before tax for the financial year 2020-21 was ₹ 26,874.05 lakhs (₹ 26,454.03 lakhs in the previous year). Profit after tax for the financial year 2020-21 was ₹ 20,008.58 lakhs (Previous year ₹ 20,252.16 lakhs) resulting in an Earnings Per Share (Basic) of ₹ 39.86 (Previous year ₹ 40.51).

Management Discussion and Analysis

The Management Discussion and Analysis for the financial year under review, as stipulated under Regulation 34(2)(e) read with Part B of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), is presented in a separate section and forms part of this Annual Report. It provides mandatory disclosures required under the SEBI Listing Regulations comprising of inter-alia details about the overall industry structure, economic scenarios, operational and financial performance of the Company, business strategy, internal controls and their adequacy.

Business Impact of COVID-19

The outbreak and prolonged continuation of the COVID-19 pandemic has led to an unprecedented health crisis and has disrupted economic activities and global trade while weighing on consumer sentiments.

Over the past financial year, your Company has been continuously working towards implementing various steps to mitigate the effect of the pandemic while keeping the safety of its employees, trade partners and other associates as of paramount importance. Your Company has been able to keep the wheels of its supply chain moving for most part of the financial year, which helped in achieving business results at similar levels to previous financial year. Your Company's proactive adoption of digital technologies has placed it at a competitive advantage by enabling its workforce to seamless transit to Work From Home environment for most functions except at plants and warehouses and enabled them to perform their respective functions in a seamless manner including many new business development initiatives, which resulted in new customer acquisitions even during lockdowns.

3. DIVIDEND FOR FINANCIAL YEAR 2020-21

The Board of Directors are pleased to recommend a final dividend of ₹ 9/- (Gross) per equity share of the face value of ₹ 2/- each (being 450 % on face value) for the financial year 2020-21, payable to those Members whose names appear in the Register of Members and list of beneficial owners at the close of business hours on Thursday, September 09, 2021.

The final dividend on Equity Shares fully paid is subject to the approval of the Shareholders at the 13th Annual General Meeting ("AGM") scheduled to be held on September 16, 2021. The final dividend once approved by the Shareholders will be paid on or before October 15, 2021.

The Register of Members and Share Transfer Books of the Company will remain closed from Friday, September 10, 2021 to Thursday, September 16, 2021 (both days inclusive) for payment of the final dividend for the Financial Year 2020 – 21.

Earlier, the Board at their meeting held on February 05, 2021, had declared an Interim Dividend of ₹ 7/- (Gross) of the face value of ₹ 2/- each (being 350% of the face value). The said Interim Dividend was paid to all eligible shareholders. Alongwith the final dividend as above, if approved at the ensuing AGM, the total dividend payout for the financial year 2020-21 shall stand at ₹ 16/- per share (800%) on the face value of ₹ 2/- per share.

The Dividend payout is as per the Dividend Distribution Policy of the Company.

Taxation on Dividend

As per the provisions of the Income Tax Act, 1961 as amended by and read with the provisions of the Finance Act, 2020, with effect from April 1, 2020, dividend declared and paid by the Company is taxable in the hands of shareholders. The Company shall, therefore, be required to calculate deduction of tax at source (TDS) at the time of payment of dividend at the applicable rates.

Transfer to Reserves

During the year, Board has approved the appropriation of ₹ 1,000 lakhs to General Reserves. (Previous year ₹ 1,000 lakhs).

Dividend Distribution Policy

The Company has adopted a Dividend Distribution Policy in compliance with Regulation 43A of the SEBI Listing Regulations. The Policy is enclosed herewith as **Annexure - I** and forms part of this Annual Report. The Dividend Distribution Policy is also placed on the Company's website and can be accessed from the weblink: https://www.gulfoilindia.com/investors/investor-information/policies/.

During the financial year under review, there were no amendments in the Dividend Distribution Policy of the Company.

Transfer of unpaid dividend/unclaimed shares to Investor Education and Protection Fund ("IEPF"):

The Company will be transferring the interim dividend declared for the financial year ended March 31, 2015 and shares in respect of which dividend for the financial year 2014-15 and onwards has remained unpaid or unclaimed for seven consecutive years to Investors Education and Protection Fund established under sub-section (2) of section 125 of the Companies Act, 2013 ("Act") and the IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016, within statutory timelines, if not claimed by the concerned shareholders in time. Members are requested to ensure that they claim the dividends before they are transferred to the said Fund. The due dates for the transfer of unclaimed dividends to IEPF are provided in the report on Corporate Governance.

Details of shares/shareholders in respect of which dividend has not been claimed, are provided on the website of the Company at https://www.gulfoilindia.com/investors/investor-information/unpaid-dividend/.

The shareholders are encouraged to verify their records and approach KFin Technologies Private Limited, the Company's Registrar and Share Transfer Agent ("RTA") for claiming their dividends of all the earlier seven years, if not claimed.

4. SHARE CAPITAL

During the financial year 2020 – 21 there has been an increase in the paid-up equity share capital due to equity shares being allotted to eligible employees under Gulf Oil Lubricants India Limited - Employee Stock Option Scheme- 2015. The equity shares issued and allotted during the financial year under review rank pari-passu with the existing equity shares of the Company in all respects. There was no change in the authorized capital of the Company during the financial year under review.

As of March 31, 2021, the Authorized Share Capital and the Issued, Paid-up and Subscribed Capital of the Company stood as:

i. Authorized Share Capital:

₹ 10,46,27,228 (Rupees Ten Crores Forty Six Lakhs Twenty Seven Thousand Two Hundred and Twenty Eight Only) divided into 5,23,13,614 (Five Crores Twenty Three Lakhs Thirteen Thousand Six Hundred and Fourteen) Equity shares of ₹ 2 each.

ii. Issued, Paid-up and Subscribed Capital:

₹ 10,06,19,054 (Rupees Ten Crores Six Lakhs Nineteen Thousand and Fifty Four Only) divided into 5,03,09,527 (Five Crores Three Lakhs Nine Thousand Five Hundred and Twenty Seven Only) Equity shares of ₹ 2 each.

5. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Vigil Mechanism as envisaged in the Act, the Rules framed thereunder and the SEBI Listing Regulations, is implemented through the Company's Whistle Blower and Vigil Mechanism Policy. The Company's vigil mechanism provides for adequate safeguards against victimisation of the Employees and Directors of the Company to report genuine concerns regarding unethical behaviour, actual or suspected fraud or violation of the Company's Codes and Policies, instances of leak/suspected leak of unpublished price sensitive information, accounting or auditing irregularities or misrepresentations, fraud, theft, bribery and other corrupt business practices, etc.

All protected disclosures concerning financial or accounting matters should be addressed, in writing, to the Chairperson of the Audit Committee of the Company for investigation. In respect of all other protected disclosures, those concerning the Ombudsman and employees at the levels of Senior Vice Presidents and above should be addressed to the Chairperson of the Audit Committee of the Company and those concerning other employees should be addressed to the Ombudsman of the Company. The Ombudsman may refer the matter to the Chairperson of the Audit Committee depending upon the importance of the matter.

During the financial year under review, no personnel was denied access to the Chairperson of the Audit Committee of the Board. An update on whistle blower complaints is provided to the Audit Committee of the Company on a quarterly basis. No whistle blower complaints were received during the financial year under review.

The Company has revised the Whistle Blower policy to insert reporting of incidents of "Insider Trading" in terms of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time. The revised Whistle Blower and Vigil Mechanism Policy of the Company is available on the website of the Company and can be accessed at the web link: https://www.gulfoilindia.com/investors/investor-information/policies/.

6. RESEARCH & DEVELOPMENT

Automobile sector has witnessed very difficult period with slowing economy, regulatory changes and the effects of COVID-19 pandemic. In this difficult period, our R&D Centre is working hard on technology solutions addressing market needs, futuristic lubricants and assist OEM businesses. R & D is having well qualified staff with lot of energy to work under experienced scientists and technologists for development of product formulations ahead of the market needs. The Company has been at the forefront in launching longer drain products in the Indian lubricant market and such longer drain products in addition to proving more value to the customers also help in reducing carbon footprint and protection of environment by prolonging the usage of lubricating oils.

The company after successfully developing the solution for BS VI emission norms which has undergone through very stringent field validation, is now gearing towards the next level which demands for fuel economy lubricant and also working to adopt the evolution of e-mobility. We are ready with EV fluids such as transmission lubricants, coolants, greases and brake fluids with possible product differentiation attributes for the future electric vehicle models.

The Company continues to set trend by introducing the lubricants with latest specifications for commercial vehicles, passenger cars, motorcycles and scooters year after year. It adopts the new global products by testing & validating the formulations suiting to local operating conditions based on locally available raw materials. The top tier products aimed at fuel economy benefit, ensures improved fuel economy vs industry standards while protecting the durability of engines/ equipment to reduce the carbon footprint.

We are working closely with various B2B customers and OEMs in Automotive and Industrial segment. We have established various customised products for varied applications. This includes Engine oil, Transmission oil, Greases, Hydraulic oils, Industrial lubricants, Metal working fluids etc.

7. SUBSIDIARIES/JOINT VENTURE/ASSOCIATES

The names of companies that have become or ceased to be its subsidiaries, joint ventures or associate companies during the financial year:

During the financial year 2020-21, none of the companies have become subsidiaries, joint ventures or associate companies of the Company.

Performance and financial position of subsidiaries, associates and joint venture companies:

As the Company has no subsidiaries, associates and joint venture companies as of March 31, 2021, the information related to the performance and financial position of subsidiaries, associates and joint ventures as per rule 8(1) of the Companies (Accounts) Rules, 2014 is not applicable.

8. HUMAN RESOURCES / INDUSTRIAL RELATIONS AND ESOP SCHEME

The financial year of 2020-21 was very unique & most of the time was affected by COVID-19 pandemic. It has accelerated the adoption of new ways of working. In the backdrop of pandemic and the way it impacted lives across the world, the HR initiatives increasingly focused on supporting employee well–being. The company has created safe operating guidelines for its plant & depot operations, sales teams in line with all the Govt. protocols released from time to time. The continuous communication & engagement of the employees was ensured on various related topics.

The company drives all its human capital interventions based on the Group guiding principles & Brand values. Human Resources plays an important role in achieving the required growth for the business through strong and well-structured HR processes.

We have a large diversified workforce spread across the locations within the country. The company follows the "Safety First" programme to promote safe practices across plant & non-plant locations as the employee wellbeing & safety are extremely critical.

During the financial year 2020–21, learning & development has seen a big push for using different approaches such as live online classroom (LOC) which are mainly through webinars, web-based training (WBT) in absence of classroom training. The post-training interventions such as online assessments, online assignments were also carried out to assess the training effectiveness. The "GOLD" Academy (Gulf Oil Learning & Development Academy) has helped the organisation to maintain its cutting edge in this area.

Various online engagement initiatives and continuous, open & transparent communication with employees have helped to maintain the employee morale in these difficult times & resulted in bounce back. This is evident through higher retention rate & improved engagement levels.

The company has further strengthened its online performance management system through ASPIRE (Align, Strive, Perform, Inspire, Reward, Enable) to enable the employees to achieve superior performance.

Employees Stock Option Scheme:

Employee Stock Options have been recognised as an effective instrument to attract and retain talent and align the interest of employees with that of the Company, thereby providing an opportunity to the employees to participate in the growth of the Company and to create long-term wealth in the hands of employees. Grant of share-based benefits to employees is a mechanism to align the interest of the employees with those of the Company, to provide them with an opportunity to share the growth of the Company.

The Company has in force the following Employee Stock Option scheme under the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("the SEBI SBEB Regulations"):

"Gulf Oil Lubricants India Limited- Employees Stock Option Scheme-2015"

The scheme of the Company complies with the provisions of the SEBI SBEB Regulations and there were no changes made to the said scheme during the financial year under review.

During the financial year 2020–21 the Stakeholder Relationship Committee, upon exercise of Options by the employees, allotted 2,03,817 equity shares to the eligible employees of the Company, as per the terms and conditions of "Gulf Oil Lubricants India Limited- Stock Option Scheme-2015" ("GOLIL-ESOP Scheme"). The total Stock Options outstanding as of March 31, 2021, are 2,18,553.

The certificate from the Statutory Auditor of the Company certifying that the above mentioned scheme has been implemented as per the SEBI SBEB Regulations and the resolutions passed by the Members for the Scheme, would be available for inspection during the meeting in electronic mode by the Members.

Disclosure about the Scheme, as required under Regulation 14 of the SEBI SBEB Regulations read with the SEBI Circular CIR/ CFD/POLICY CELL/2/2015 dated June 16, 2015, has been uploaded on the website of the Company and can be accessed at the weblink: https://www.gulfoilindia.com/investors/investor-information/investor-disclosures/.

9. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Your Company has in place a policy on Prevention of Sexual Harassment at Workplace, which is in line with requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"). The objective of this policy is to provide an effective complaint redressal mechanism if there is an occurrence of sexual harassment. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment.

During the year under review, no cases were filed under the POSH Act.

10. REMUNERATION POLICY FOR THE BOARD AND SENIOR MANAGEMENT

The Board on the recommendation of the Nomination and Remuneration Committee ("NRC"), adopted a Remuneration policy entailing Executive Remuneration Philosophy, which covers the remuneration philosophy of the Directors, KMP and Senior Management of the Company.

The salient features of the policy are provided in the "Report on Corporate Governance" **Annexure-II** to this Report. During the financial year under review, there has been no change to the Policy. The Remuneration policy has been uploaded on the website of the Company and can be accessed at the weblink: https://www.gulfoilindia.com/investors/investor-information/policies/.

11. CORPORATE SOCIAL RESPONSIBILITY ("CSR") AND RELATED MATTERS

The CSR policy of the Company sets out our commitment & overall approach towards the CSR activities. The Company is instilled and guided by the values of our Group Founder, Shri. Parmanand Deepchand Hinduja's belief, "My dharma (duty) is to work so that I can give". The Company is actively engaged in various Programmes under CSR during the financial year 2020 – 21. A summary of the same is given below.

The Company has continued its multi year Programmes under CSR initiatives in the area of water conservation, vocational training & education, road safety and promoting healthcare in and around its area of operations and local area at Silvassa, DNH and Ennore, Chennai as detailed below. In addition, a significant part of its CSR budget for the financial year 2020 – 21 have been diverted towards Covid-19 related CSR measures to provide much needed resources to society at large in the fight against ongoing pandemic.These projects are in accordance with Schedule VII of the Companies Act, 2013 and Company's CSR policy.

The Company, in addition from time to time, supports humanitarian aid activities in India, by providing relief and rehabilitation to people impacted by various natural calamities.

Lake Restoration: The Company has taken up the Lake Restoration project in Chennai. The first project taken up was "Thamaraikulam Lake Rejuvenation and Restoration Project" with help from Kathivakkam Municipality which is located 2.4 Kms from our Ennore Plant. The project scope consists of cleaning the lake from non degradable trash, bund fencing, lake recharge wells and developing the percolation trench, plantation & aesthetic development. The project is completed & handed over to the community. During the FY 2019-20 & FY 2020-21, the Company has taken up one more lake restoration project "Sathan Kadu Lake Rejuvenation and Restoration Project" with help from Chennai Municipality. The lake is located 10 Kms from our Ennore Plant. The work is in full swing & the project is expected to be completed by August'2021.

Safe Drinking Water ATM: The Company has established two Safe Drinking Water ATMs at Ennore, Chennai with technical support from Sarvajal Piramal and Hinduja Foundation. The water ATMs are equipped with Watershed building, purification equipment and borewell. Water ATMs will have a recharge bore to recharge groundwater using backsplash water and rooftop harvesting. The Company aims these ATMs to be net Water Positive. The company has already handed over one such ATM to the community. The second project is completed & soon will be handed over to the community.

Mobile Medical Unit: The Company continued its support for the mobile medical unit during the current year in the remote villages near Silvassa, DNH. This CSR project provides much needed free medical support to the tribal population residing in the villages near

Silvassa. The programme is administered through "Rogi Kalyan Samiti" constituted under the direct supervision of Medical Officer Silvassa & Vinobha Bhave Hospital, Silvassa. The state-of-the-art medical facilities available to the villagers free of cost, in the mobile van which includes the diagnostic facility, laboratory test and medicine dispensing. During the Covid period, the MMU has been converted into a Mobile Covid Care Centre.

Kushal Mechanic Program: To make a positive impact on the Mechanics, the Company's initiative on vocational training known as "Kushal Mechanic Program" for two-wheeler mechanics who are lacking in formal education and training has continued although changed to an Online program due to social distancing norms during the pandemic. The Company has changed the training mode delivery to online training. The company also aims to start the similar programme covering four wheeler mechanics in near future with all India coverage. This initiative will be multi year programme with necessary impact analysis assessment.

Other Programs: During the pandemic crisis, a few more community support programmes were undertaken such as distribution of ration for the migrant workers at Silvassa, "Gulf Sath Hai" campaign – providing food voucher for mechanics, COVID Kavach- medical insurance support for the Distributor Sales Representatives, providing the channel to the farmers by sourcing the locally produced food to feed the marginalised communities who lost their livelihood in the pandemic. Some more initiatives includes - The vehicles under essential services were supported with free oil change at specified locations, the community in & around our Silvassa plant was supported with masks, hand sanitisers to protect themselves. These programmes aimed to help the community at large during the crisis situation.

CSR Policy

The Board has, pursuant to the recommendation of the CSR Committee, adopted a CSR Policy. During the financial year under review, the CSR Policy of the Company was amended to incorporate the amendments made in the CSR provisions pursuant to the Ministry of Corporate Affairs notification dated January 22, 2021. The revised policy was approved by the Board of Directors and the same can be accessed through the weblink: https://www.gulfoilindia.com/investors/investor-information/policies/.

The scope of the CSR Policy is as under:

i. Planning Project or programmes which the Company plans to undertake, falling within the purview of Schedule VII of the Act;

ii. Monitoring process of such project or programmes.

CSR Spend

During the financial year under review, out of the gross amount of ₹ 521.65 lakhs required to be spent towards CSR as per requirements of the Act, the Company has spent ₹ 471.65 lakhs on various CSR initiatives and an unspent amount of ₹ 50 lakhs which was earmarked towards ongoing multi-year CSR project(s) and to be spent in the coming years, was transferred within thirty days from the end of the financial year under review to a special bank account in compliance with CSR provisions stipulated in the Act.

Annual Report on CSR

In terms of Section 135 of the Act, the details of the CSR spent during the financial year under review are provided in the Annual Report on CSR activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 and attached to this Report as **Annexure - III**.

12. MEETINGS OF THE BOARD AND COMMITTEES OF THE BOARD

During the financial year under review, seven (7) Board Meetings were convened and held and the details of which are given in the Report on Corporate Governance, which forms part of this Report. The intervening gap between the meetings was within the period prescribed under the Act and the SEBI Listing Regulations. The Committees of the Board usually meets the day before or on the day of the formal Board meeting, or whenever the need arises for transacting business.

13. COMMITTEES OF THE BOARD

The Company has five Board Committees as of March 31, 2021:

1) Audit Committee
2) Nomination and Remuneration Committee
3) Stakeholders Relationship Committee
4) Risk Management Committee
5) Corporate Social Responsibility Committee

Details of all the Committees along with their main terms, composition and meetings held during the financial year under review are provided in the Report on Corporate Governance, forming part of this Report.

14. DIRECTORS & KEY MANAGERIAL PERSONNEL

As of March 31, 2021, the Board of your company consists of six (6) Directors comprising of a Managing Director (Executive Director), two (2) Non-Executive Non-Independent Directors, and three (3) (i.e. 50%) Non-Executive Independent Directors.

Appointment of Directors

During the financial year under review, the Board of the Company, on recommendations of the NRC, inter-alia, approved the following appointment(s) on the Board of Directors of the Company, subject to the approval of Shareholders of the Company and resolution(s) towards the same have been incorporated in the Notice of 13th Annual General Meeting.

Mr. Munesh Khanna – Non- Executive Independent Director

The Board of Directors of the Company, based on the recommendation of the NRC, appointed Mr. Munesh Khanna (DIN: 00202521) as an Additional and Non- Executive Independent Director, not liable to retire by rotation for a term of 5 consecutive years with effect from November 06, 2020. Mr. Munesh Khanna holds office as an Additional Director up to the date of the ensuing 13th AGM of the Company. The Company received a notice under Section 160 of the Act, from a member signifying his intention to propose the candidature of Mr. Munesh Khanna to the office of Director of the Company in the category of Independent Director.

Further, in the opinion of the Board, Mr. Munesh Khanna is a person of high integrity, expertise and experience and qualifies to be appointed as an Independent Director of the Company.

Director Retiring by Rotation

During the year under review, as per the provisions of the Act and the Articles of Association of the Company, Mr. Sanjay G. Hinduja (DIN: 00291692) Chairman retires by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers his candidature for re-appointment as a Director.

The Managing Director & CEO and Independent Directors of the Company are not liable to retire by rotation.

Cessation

Mr. Ashok Kini (DIN: 00812946) ceased to be a Director of the Company effective from December 12, 2020, on completion of his second term as an Independent Director.

The Board places on record its deep appreciation and sincere thanks to our outgoing Director, namely Mr. Ashok Kini, for his invaluable contribution to guide the company & management teams, to shape and achieve the vision for the company. During his tenure, the company has benefitted from his steer, right through the company's progressive journey over all these years, especially in the areas of business strategies, governance and social responsibilities.

Declaration by Independent Directors

The Company has received the following declarations from all the Independent Directors confirming that:

1. They meet the criteria of independence as prescribed under the the Act, read with the Schedule and Rules issued thereunder and the SEBI Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company; and

2. They have registered themselves with the Independent Director's Database maintained by the IICA.

In the opinion of the Board, the Independent Directors fulfill the conditions specified under the Act, the Rules made thereunder and SEBI Listing Regulations, are independent of the management and are persons of high integrity, expertise and experience.

Key Managerial Personnel

As of March 31, 2021, the following persons have been designated as Key Managerial Personnel of the Company according to the provisions of Sections 2(51) and 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

1) Mr. Ravi Chawla, Managing Director & CEO

2) Mr. Manish Kumar Gangwal, Chief Financial Officer

3. Ms. Shweta Gupta, Company Secretary & Compliance Officer

Changes in Key Managerial Personnel

During the financial year under review, Mr. Vinayak Joshi had resigned as Company Secretary and Compliance Officer w.e.f. September 1, 2020. The Board of Directors at its Meeting held on November 6, 2020, on the recommendation of the Nomination and Remuneration Committee ("NRC") appointed Mrs. Shweta Gupta as Company Secretary and Compliance Officer of the Company w.e.f. November 6, 2020.

15. CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES AND INDEPENDENCE OF A DIRECTOR

In terms of the provisions of Section 178(3) of Act and Regulation 19 of the SEBI Listing Regulations, the NRC has formulated the criteria for determining qualifications, positive attributes and independence of Directors, the key features of which are as follows:

- Qualifications – The Board nomination process encourages diversity of thought, experience, knowledge, age and gender. It also ensures that the Board has an appropriate blend of functional and industry expertise.
- Positive Attributes - Apart from the duties of Directors as prescribed in the Act, the Directors are expected to demonstrate high standards of ethical behavior, communication skills and independent judgment. The Directors are also expected to abide by the respective Code of Conduct as applicable to them.
- Independence - A Director will be considered independent if he/she meets the criteria laid down in Section 149(6) of the Act, the Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations.

16. PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND DIRECTORS

According to the provisions of the Act and SEBI Listing Regulations, annual performance evaluation of the Board, the Directors individually as well as the evaluation of the working of its Committees was carried out. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to the energy conservation, technology absorption and foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are provided in **Annexure- IV** and form part of this report.

18. BUSINESS RESPONSIBILITY REPORT

As stipulated in Regulation 34(2)(f) of the SEBI Listing Regulations, the Business Responsibility Report of your Company, highlighting the initiatives taken by the Company in the areas of social, environmental, governance and economic responsibilities of business for the financial year 2020-21, in the prescribed format is provided separately in the **Annexure-V** and forms an integral part of this Report.

19. COPY OF ANNUAL RETURN

Pursuant to Section 92(3) read with section 134(3)(a) of the Act, a copy of the Annual Return of the Company for the financial year under review prepared under Section 92(1) of the Act read with Rule 11 of Companies (Management and Administration) Rules, 2014 in prescribed Form No. MGT 7 is placed on the website of the Company and can be accessed at the weblink : https://www.gulfoilindia.com/investors/investor-information/investor-disclosures/.

20. CORPORATE GOVERNANCE

Your Company is committed to maintaining the highest standards of Corporate Governance and adheres to the Corporate Governance requirements set out by SEBI. The report on Corporate Governance as stipulated under the SEBI Listing Regulations forms part of this Report.

Your Company has duly complied with the Corporate Governance requirements as set out under Chapter IV of the SEBI Listing Regulations and M/s. JMJA & Associates LLP, Company Secretaries, vide their certificate dated May 11, 2021, have confirmed that the Company is and has been compliant with the conditions stipulated in chapter IV of the SEBI Listing Regulations. The said certificate forms part as the annexures to the Report of Corporate Governance.

21. AUDIT COMMITTEE

The details including the composition of the Audit Committee and terms of reference of the Committee are included in the Corporate Governance Report, which is a part of this report.

22. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE ACT

Details of loans, guarantees and investments outstanding as on 31st March 2021 under the provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, are set out in Notes 4, 5 &12 to the Financial Statements of the Company.

23. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN MARCH 31, 2021 AND THE DATE OF THIS REPORT

There were no material changes or commitments affecting the financial position of the Company between the end of the financial year under review and the date of this Report. Further, there was no change in the business of the Company during the Financial Year 2020-21.

24. RISK MANAGEMENT POLICY

The Company has in place a Risk Management Policy for identification, assessment, measurement and reporting of various business risks faced by the Company. The Risk Management Committee has implemented an integrated risk management approach and monitors the risk management process and assesses significant risks on regular basis to ensure that a robust system of risk controls and mitigation is in place. Senior management periodically reviews this risk management framework to keep updated and addresses emerging challenges. The Risk Management framework followed by the Company is elaborately detailed in the Management Discussion and Analysis section, forming an integral part of the Annual Report.

25. INTERNAL FINANCIAL CONTROLS

The Company has well defined and adequate internal control system, commensurate with size, scale and complexity of its operations. The internal financial controls are adequate and are operating effectively to ensure orderly and efficient conduct of business operations. During the financial year, Internal Financial Controls (IFC) testing process was done to review the adequacy and strength of IFC followed by the Company. As per the assessment, no major concerns and no reportable material weaknesses in the design or operation were observed. The Board has also put in place a requisite legal compliance framework to ensure compliance with all the applicable laws and that such systems were adequate and operating effectively.

Further there were no letters of internal control weaknesses issued by the Internal Auditor or the Statutory Auditors during the financial year under review. The Company's Financial Statements are prepared on the basis of the Significant Accounting Policies that are carefully selected by Management and approved by the Audit Committee and the Board. These Accounting Policies are reviewed and updated from time to time.

The details of the internal control system and adequacy are mentioned in the Management Discussion and Analysis section, forming an integral part of the Annual Report.

26. TRANSACTIONS WITH RELATED PARTIES

All related party transactions that were entered during the financial year under review were on arm's length basis and predominantly in the ordinary course of business. Specific approval as required under the Act has been obtained for transaction not in the ordinary course of business.

In line with the requirements of the Act and the SEBI Listing Regulations, the Company has formulated a Policy on Related Party Transactions. The Policy is uploaded on the Company's website and the same can be accessed at the weblink: https://www.gulfoilindia.com/investors/investor-information/policies/. This policy deals with the review and approval of related party transactions. During the financial year under review, there were no amendments in the said policy.

All related party transactions are placed before Audit Committee for review and approval. Prior omnibus approval is obtained for related party transactions which are repetitive and/or entered in the ordinary course of business and are at arm's length basis. A statement on Related Party Transactions specifying the details of the transactions entered, under each omnibus approval granted, is placed for review at the meeting of the Audit Committee every quarter.

All transactions with related parties are as per the policy on related party transactions formulated by the Company.

Further, in terms of the provisions of Section 188(1) of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the SEBI Listing Regulations, except one transaction as detailed below all contracts/ arrangements/ transactions entered into by the Company with its related parties, during the year under review, were

- in "ordinary course of business" of the Company,
- on "an arm's length basis" and
- not "material"

During the year under review, the Company has with the approval of the Board of Directors entered into the transaction with Gulf Oil International Limited (GOIL) being a related party for the acquisition of shares of Indra Renewable Technologies Limited (Indra), a Company incorporated under the laws of England and Wales and said transaction was done at arm's length basis but was not in the ordinary course of business of the Company.

The justification for entering into such contract or arrangement is as below:

- India's Electric Vehicle (EV) scenario will be evolving over the next few years.
- Indra commands around 5% market share in the UK home EV chargers segment and is establishing itself fast.
- The Company will have access to this technology and also exclusivity for the Indian market from Indra.

- Participating in an evolving category will open vast expansion space for the Company in the Indian market.
- In addition, the Company will be able to participate in the growth journey in UK and European markets.

Accordingly, Form No. AOC-2, prescribed under the provisions of Section 134(3)(h) of the Act and rule 8 of the Companies (Accounts) Rules, 2014, for disclosure of details of related party transactions, which are “not at arm’s length basis” and also which are “material and at arm’s length basis”, is not provided as an annexure of this Report.

The details of the related party transactions as per Indian Accounting Standards (IND AS) - 24 are set out in Note 46 to the Financial Statements of the Company.

27. DIRECTORS RESPONSIBILITY STATEMENT

The audited financial statements of your Company for the financial year under review (“financial statements”) conform with the requirements of the Act read with the rules made thereunder and the Accounting Standards. The financial statements fairly reflect the form and substance of transactions carried out during the financial year under review and reasonably present your Company’s financial condition and results of operations.

Your directors confirm that:

a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;

b) accounting policies selected have been applied consistently and reasonable & prudent judgments and estimates were made, to give a true and fair view of the state of affairs of your Company as at the end of the financial year under review and the profit & loss of your Company for the financial year under review;

c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;

d) the annual accounts of your Company have been prepared on a going concern basis;

e) adequate internal financial controls were laid down and followed by your Company and such internal financial controls were operating effectively; and

f) proper systems have been devised by your Company to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

Compliance with Secretarial Standards

Your directors confirm that during the financial year under review, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (“ICSI”).

28. AUDITORS & AUDIT REPORT:

Statutory Auditor:

M/s Price Waterhouse LLP, Chartered Accountants (FRN: 301112E/E300264) were re-appointed as statutory auditors of the Company at the 11th AGM, for a term of 5 years to hold office until the conclusion of the 16th Annual General Meeting of the Company.

Further, the Auditors’ Report “with an unmodified opinion”, given by the Statutory Auditors on the financial statements of the Company for the financial year 2020-21, is disclosed in the financial statements forming part of this Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Statutory Auditor in their Report for the financial year under review.

The notes to the financial statements are self-explanatory and do not call for any further comments.

Secretarial Auditor:

Pursuant to section 204 of the Act and Rules made thereunder, the Company had re-appointed M/s BS & Company, Company Secretaries LLP (Firm Registration No AAE-0638) to carry out Secretarial Audit of the Company for the financial year 2020-21.

The Secretarial Audit Report in Form No. MR-3 given by the Secretarial Auditor of the Company is annexed as **Annexure - VI** to this Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Secretarial Auditor in his Report for the financial year under review.

Reporting of frauds by Auditors

During the year under review, the Statutory Auditor or Secretarial Auditor of the Company have not reported any frauds to the Audit Committee or the Board of Directors under Section 143(12) of the Act, including rules made thereunder.

Cost Records & Cost Auditor:

As per the requirements under Section 148(1) of the Act read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company is required to maintain the cost records and accordingly such accounts and records are made and maintained by the Company.

In terms of the provisions of Section 148(2) of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the Board, on the recommendation of Audit Committee, has re-appointed M/s Dhananjay V. Joshi & Associates, Cost Accountants (Firm Registration No.000030), as Cost Auditors of the Company to audit the cost records of the Company for the financial year 2021-22 for a remuneration of ₹ 3,50,000/- (Rupees Three Lakhs Fifty thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses.

The remuneration payable to the Cost Auditor is subject to ratification by the Members at the Annual General Meeting. Accordingly, the necessary Resolution for ratification of the remuneration payable to M/s Dhananjay V. Joshi & Associates, Cost Accountants, to conduct the audit of cost records of the Company for the Financial Year 2021-22 has been included in the Notice of the forthcoming 13th Annual General Meeting of the Company. The Directors recommend the same for approval by the Members.

29. INTERNAL AUDIT

Your Company has in place an adequate internal audit framework to monitor the efficacy of the internal controls to provide to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance on the adequacy and effectiveness of the Company's processes. The Internal Auditor of your company reports directly to the Audit Committee. The Internal Audit function develops an extensive audit plan for the Company, which covers, inter-alia, corporate, core business operations, factories, regional offices, warehouses as well as support functions. The internal audit approach verifies compliance with the operational and system-related procedures and controls. The Audit Committee reviews the annual internal audit plan. Significant audit observations are presented to the Audit Committee, together with the status of the management actions and the progress of the implementation of the recommendations.

30. REMUNERATION OF DIRECTORS AND EMPLOYEES

Disclosures about remuneration and other details, as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given in **Annexure-VII** to the Board's Report.

Further, a statement containing such particulars of employees as required in terms of the provisions of section 197(12) of the Act read with rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of the Annual Report. However, in line with the provisions of the first proviso to section 136(1) of the Act, the reports and accounts, as set out therein, are being sent to all shareholders of the Company, excluding the aforesaid information and the same is open for inspection at the registered office of the Company during working hours up to the date of the ensuing Annual General Meeting. Any Member desirous of obtaining a copy of the said annexure may write to the Company Secretary at secretarial@gulfoil.co.in.

31. CEO/CFO CERTIFICATION

As required under Regulation 17(8) read with Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CEO/CFO certificate is attached with the annual report as **Annexure-VIII**.

32. OTHER DISCLOSURES

In terms of the applicable provisions of the Act and SEBI Listing Regulations, your Company additionally discloses that during the financial year under review:

- there was no change in the nature of business of your Company;
- your Company has not accepted any fixed deposits from the public falling under Section 73 of the Act

read with the Companies (Acceptance of Deposits) Rules, 2014. Thus, as of March 31, 2021, there were no deposits that were unpaid or unclaimed and due for repayment, hence, there has been no default in repayment of deposits or payment of interest thereon;

- your Company has not issued any shares with differential voting rights;
- your Company has not issued any sweat equity shares;
- no significant or material orders were passed by the regulators or courts or tribunals which impact the going concern status operations of your Company in the future.
- your Company has not raised any funds through preferential allotment or qualified institutional placement as per Regulation 32(7A) of SEBI Listing Regulations.
- no aplication has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the financial year along with their status as at the end of the financial year is not applicable.
- the requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Bank or financial Institutions along with the reasons thereof, is not applicable.

It is further disclosed that:

- There is no plan to revise the financial statements or directors' reports in respect of any previous financial year.

33. ACKNOWLEDGEMENT

Your Directors would like to acknowledge and place on record their sincere appreciation to all stakeholders of the Company viz. various Government and other statutory bodies, customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the financial year and also the valuable assistance and advice received from all the stakeholders including Hinduja Group. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company even during current challenging business environment.

For and on behalf of the Board

Sanjay G. Hinduja
Chairman
(DIN: 00291692)

Place: Italy
Date: August 12, 2021

Dividend Distribution Policy

INTRODUCTION

The Securities and Exchange board of India vide SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016, introduced Regulation 43A in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which requires top five hundred listed entities based on market capitalization (calculated as on March 31 of every financial year) to formulate a dividend distribution policy, which shall be disclosed in their annual reports and on their websites.

The Company being amongst top 500 listed entities has formulated this policy on dividend distribution with a view to inform the shareholders about how it aims to utilize extra profits and the parameters that shall be adopted with regard to the declaration of dividends.

OBJECTIVE

The objective of the policy is to specify the external and internal factors including financial parameters that shall be considered while declaring dividend and the circumstances under which the shareholders of the Company may or may not expect dividend and how the retained earnings shall be utilized, etc.

The Board of Directors (Board) may consider declaration of interim dividend depending upon the cash flow situation of the Company. The dividend distribution shall be as per the recommendations of the Board and shall always be decided at an annual general meeting of shareholders in case of final dividend. Depending on the long-term growth strategy of the Company and the prevailing circumstances, the Board may consider a higher dividend payout ratio, while trying to ensure that sufficient funds are retained for growth of the Company.

DEFINITIONS

(i) **"Act"** means the Companies Act, 2013 and Rules made thereunder, including any statutory amendment or modification thereof for the time being in force.

(ii) **"Dividend"** includes final and interim dividend.

(iii) **"Dividend Payout ratio"** means a fraction of net income (i.e. Profit after tax) a Company pays to its shareholders as dividend.

(iv) **"Market capitalization"** means the aggregate value of the company based on its current market price and the total number of outstanding shares of the company.

(v) **"Paid-up Share Capital"** means such aggregate amount of money credited as paid-up as is equivalent to the amount received as paid-up in respect of shares issued and also includes any amount credited as paid-up in respect of shares of the company, but does not include any other amount received in respect of such shares, by whatever name called.

(vi) **"Regulations"** shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as notified by the Securities and Exchange Board of India, as amended, from time to time.

DECLARATION AND PAYMENT OF DIVIDEND

In compliance with Section 51 of the Act, the Company shall pay dividend proportionately, i.e., in proportion to the amount paid-up on each share. Dividend for a financial year shall be paid after the annual financial statements of the Company are finalised and the amount of distributable profits is available. The declaration and payment of dividend shall be in accordance with the provisions of Sections 123 to 128 of the Act. Pursuant to the provisions of Section 123 of the Act and the rules made thereunder, the Board shall recommend Dividend for any financial year subject to the following:

(a) out of the profits of the Company for that year arrived after providing for depreciation; or

(b) out of the profits of the Company for any previous financial year(s) arrived at after providing for depreciation and remaining undistributed; or

(c) out of both (a) and (b).

PARAMETERS FOR DECLARATION OF DIVIDEND

The Board shall consider the following various circumstances like current year's profit, future outlook, reinvestment opportunities of the Company, tax benefits, Company's present and future performance for declaration and payment of dividend.

(i) Financial parameters

(a) Availability of profits;

(b) Financial feasibility of the Company;

(c) Acceptable Debt Equity ratio;

(d) Debt interest coverage ratio;

(e) Liquidity position;

(f) Business expansions, acquisitions, etc.;

(g) Acceptable state of the capital markets;

(h) Profit growth.

(ii) External Factors

(a) Shareholders' expectations;

(b) Uncertain or recessionary economic and business conditions;

(c) Restrictions imposed under the Act with regard to declaration of dividend;

(d) Sectorial performance;

(e) Future uncertainties and industrial downturn;

(f) Government policy;

(g) Clientele effect;

(h) Risk effect.

(iii) Internal Factors

(a) Growth rate of past earnings;

(b) Growth rate of predicted profits;

(c) Expansion and modernization of existing business;

(d) Investment in research and development;

(e) Working capital requirements;

(f) Mergers and Acquisitions;

(g) Investments in subsidiaries/Joint ventures/ associates;

(h) Future uncertainties and industrial downturn;

(i) Buyback options;

(j) Approach adopted - residual, stability or hybrid.

(iv) Utilization of retained earnings

The decision of utilization of retained earnings of the Company shall be based on the following factors:

(a) Acquisition/Diversification of business;

(b) Long term strategic plan;

(c) High cost of debt;

(d) Market or product development/expansion plan;

(e) Increase in production capacity;

(f) Modernization Plan;

(g) Replacement of Capital intensive assets.

CLASSES OF SHARES

The Company has issued only one class of shares viz., Equity Shares. There are no other class of shares issued or proposed to be issued by the Company. In case of issue of new class of shares in the future, the policy will be reviewed accordingly.

The circumstances under which the shareholders of the Company may or may not expect dividend:

In an event where the Company has undertaken a significant project requiring higher allocation of capital or merger or acquisition which demands higher capital allocation or in an event where the Company profits are inadequate or Company is making losses, the Company may not declare dividend or declare dividend lower than its normal rate of dividend.

PUBLICATION OF POLICY

This Policy, as approved by the Board, shall be disclosed in the Annual Report and on the website of the Company at www.gulfoilindia.com.

AMENDMENT

In case of any subsequent changes in the provisions of the Act or Regulations or Income Tax Act, 1961 or any other regulations which makes any of the provisions of this Policy inconsistent with the Act or such other regulations, then the provisions of the Act or such other regulations would prevail over this Policy and the relevant provisions contained in this Policy would be modified accordingly in due course to make it consistent with applicable laws.

Any such amendments shall be disclosed along with the rationale for the same in the Annual Report and on the website of the Company.

Report on Corporate Governance

(Pursuant to Regulation 34 (3) and Schedule V (C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company continues to be at the forefront of its diverse interests and sustain growth activities through the emphasis on total quality management, adoption of emerging technologies, innovation through research, good corporate governance, adherence to fair business practices and effective use of physical, technological, research & development, information and financial resources, thus fulfilling the aspirations of customers, shareholders, employees and financiers.

The Company, ensures that it evolves and follows the best corporate governance practices. The Company considers it an inherent responsibility to disclose timely and accurate information regarding the performance as well as the leadership and governance of the Company. The Company's philosophy on Corporate Governance is to ensure fairness to the Stakeholders through timely and transparent disclosures, the equitable treatment of all shareholders and empowerment of employee and collective decision making.

A report on compliance with the Corporate Governance provisions as prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") is given hereinbelow:

BOARD OF DIRECTORS

The Company's Board plays a pivotal role in ensuring good governance and functioning of the Company. The Board's role, functions, responsibilities and accountabilities are well defined. An independent and well-informed Board goes a long way in protecting the stakeholders' interests.

Your Company has a balanced mix of eminent executive, non-executive non independent directors and non-executive independent directors on the Board. As of March 31, 2021, the Board consists of three Independent Directors including one woman Independent Director, two Non-Executive Directors and one Managing Director & CEO.

The composition of the Board conforms with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013 ("Act").

Details of meetings of the board of directors and annual general meeting held during the financial year under review, along with attendance of directors at each meeting:

During the financial year 2020-21, seven meetings of the Board of Directors were held on April 9, 2020, June 4, 2020, June 17, 2020, August 12, 2020, September 29, 2020, November 6, 2020, February 5, 2021. The necessary quorum was present in all meetings.

The Board consists of the following Directors as of March 31, 2021, as indicated below:

Name of Director	Category
Mr. Sanjay G. Hinduja	Chairman (Promoter, Non-Executive)
Mr. Shom A. Hinduja	Director (Non- Executive)
Mr. Arvind Uppal	Director (Non- Executive Independent)
Mrs. Manju Agarwal	Director (Non- Executive Independent)
Mr. Munesh Khanna	Director (Non- Executive Independent)
Mr. Ravi Chawla	Managing Director & CEO

Note: Mr. Ashok Kini ceased to be a Non-Executive Independent Director due to expiry of his second term from the closing hours on December 12, 2020.

The names of the Directors on the Board, their attendance at the Board meeting and the Annual General Meeting held during the financial year and the number of Directorships and Committee Chairmanships/ Memberships held by them in other Companies as of March 31, 2021, are given below:

Name of the director	Number of the Board Meetings attended during the FY 2020-21	Whether attended the last AGM	Number of Directorships in other public companies as of March 31, 2021*	Number of Committee positions held in other public companies **	
				Member	Chairman
Mr. Sanjay G. Hinduja	7/7	Yes	-	-	-
Mr. Shom A. Hinduja	7/7	Yes	-	-	-
Mr. Ashok Kini$	6/6	Yes	-	-	-
Mr. Arvind Uppal	7/7	Yes	2	3	1
Mrs. Manju Agarwal	7/7	Yes	4	6	2
Mr. Munesh Khanna***	1/1	NA	2	-	-
Mr. Ravi Chawla	7/7	Yes	1	-	-

*Other directorships do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act.

** As per Regulation 26 of SEBI Listing Regulation, Membership/ Chairmanship of Audit Committee and Stakeholders Relationship Committee have been considered for the purpose.

*** Mr. Munesh Khanna was appointed as an Additional Director in the category of Independent w.e.f. November 06, 2020. He was not associated with the Company at the time of last AGM.

$Mr. Ashok Kini ceased to be a Non-Executive Independent Director due to the expiry of his second term from the closing hours on December 12, 2020.

None of the Directors on the Board is a member of more than ten Committees or Chairman of more than five Committees across all the Public Limited Companies in which he/she is a Director. All the Directors have periodically intimated about their Directorship and Membership in the various Boards / Committees of other companies. The same is within permissible limits as provided by the Act and SEBI Listing Regulations.

The Company has not issued any convertible instruments as on the date and none of the directors are holding any equity shares in the Company as of March 31, 2021, except Mr. Ravi Chawla, Managing Director & CEO, who is holding 1,02,657 equity shares as of March 31, 2021.

Names of other listed entities where the director of your Company is a director, if any, along with the category of directorship, as of March 31, 2021, are as under:

Sr. No.	Name of the Director	Directorship of other listed entity	Category of Directorship
1.	Mr. Sanjay G. Hinduja	NIL	-
2.	Mr. Shom A. Hinduja	NIL	-
3.	Mr. Arvind Uppal	i) Akzo Nobel India Limited ii) Whirlpool of India Limited	Non-Executive Independent Director Non-Executive Non Independent Director
4.	Mrs. Manju Agarwal	NIL	-
5.	Mr. Munesh Khanna	JSW Energy Limited	Non-Executive Independent Director
6.	Mr. Ravi Chawla	NIL	-

None of the Independent Directors on the Board are serving as an Independent Director in more than seven listed entities.

CORE SKILLS/EXPERTISE/COMPETENCIES OF THE BOARD:

The Board of the Company comprises of qualified individuals who collectively possess the skills, competencies and experience across diverse fields that enable them to make effective contributions to the Board and its Committees.

In the table below, the skills/expertise/competencies fundamental as identified by the Board for the effective functioning of the Company available with the Directors associated with the Company during the financial year 2020-21 in the context of the Company's business for effective functioning is given:

Skills / expertise / competence of the Board of Directors as required in the context of its business(es) and sector(s)	Name of the Director
Governance, Strategy, Management & Leadership	Mr. Sanjay G Hinduja Mr. Shom A Hinduja Mr. Arvind Uppal Ms. Manju Agarwal Mr. Munesh Khanna Mr. Ravi Chawla
Financial Management, Risk management, Regulatory & Legal	Mr. Sanjay G Hinduja Mr. Arvind Uppal Ms. Manju Agarwal Mr. Munesh Khanna Mr. Ravi Chawla
Lubricant Technology & Operations	Mr. Sanjay G Hinduja Mr. Shom A Hinduja Mr. Ravi Chawla
Investment Appraisal, Financing & Capital Structures	Mr. Sanjay G Hinduja Mr. Arvind Uppal Ms. Manju Agarwal Mr. Munesh Khanna Mr. Ravi Chawla
Marketing & Branding	Mr. Sanjay G Hinduja Mr. Shom A Hinduja Mr. Arvind Uppal Mr. Ravi Chawla
Entrepreneurship & Nurturing Startup	Mr. Sanjay G Hinduja Mr. Shom A Hinduja

Except mentioned below, none of the Directors of your Company are inter-se related to each other:

Mr. Sanjay G. Hinduja and Mr. Shom A. Hinduja are first cousins.

Information placed before the Board:

For all Board and Committee Meetings, a detailed Agenda setting out the businesses to be transacted thereat, supported by detailed rationale and explanatory notes, and pre-reads is circulated at least seven days in advance to the Directors and the Committee Members in compliance with Section 173 of the Act and SS-1, except for UPSI matters, or additional business proposals placed at the meeting, or documents circulated at or prior to the meetings in certain cases, or in case of Meetings held at shorter notice for urgent proposals. All major agenda items are backed by comprehensive background information to enable the Board to take well-informed decisions.

Information and presentations at Meetings:

To enable the Board and Committee Members to discharge their duties effectively and take informed decisions, the Managing Director & CEO and the CFO of the Company apprise the Board at its Meeting on the overall performance of the Company, followed by presentations by the senior management of the Company on the functions/business verticals of the Company. These presentations include reports on the financial and operational performance of the Company, performance of the functions and business verticals which include review of key project, awards and recognitions, industry updates, outlook, corporate social responsibility ("CSR"), etc.

Periodical review of matters by the Board and its Committees:

During the financial year 2020-21, information as set out in Regulation 17 read with Part A of Schedule II of SEBI Listing Regulations, has been placed before the Board for its consideration. The Board also reviews, on a quarterly basis, compliance reports of all laws applicable to the Company as well as steps taken by the Company to rectify instances of non-compliances, if any, minutes of the Meetings of Committees of the Board, related party transactions, status of borrowings, loans, investments and guarantees given, foreign exchange position and report on compliances under Code of Conduct for Prevention of Insider Trading in securities of the Company.

Mode:
In compliance with the applicable provisions of the Act and Rules made thereunder, the Company facilitates the participation of the Directors in Board/ Committee meetings through video conferencing and another audio-visual mode. The same is conducted in due compliance with the applicable law.

Your Company continues to use the electronic platform for sharing the information with the Directors and maintains a seamless and secured flow of information between the Management and the Board through Nasdaq Boardvantage, an iOS-based platform. While being secure and user-friendly, this platform is also environment-friendly. All the documents relating to a meeting, including agenda, explanatory notes and any other document required to be placed at the meeting, are circulated to the directors in electronic form through the application and the same can be accessed through browsers or iPads.

Independent Directors:
Your Company has appointed Independent Directors who are renowned people having expertise/ experience in their respective field/profession, which brings an ideal mix of expertise, professionalism, knowledge and experience to the table. None of the Independent Directors are promoters or related to promoters.

The separate resolution seeking approval of the members of the Company for the appointment of Mr. Munesh Khanna as Non-Executive Independent Director has been incorporated in the Notice of the Annual General Meeting of the Company along with his brief profile.

In the opinion of the Board, all the Independent Directors fulfill the criteria of Independence as defined under Section 149(6) of the Act read with Rule 5 of Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 16 (1) (b) of the SEBI Listing Regulations and are independent of the management of the Company. In addition, they maintain their limits of directorships as required under SEBI Listing Regulations.

In terms of Regulation 25(8) of SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

During the Financial Year 2020-21, Mr. Munesh Khanna, was appointed as Additional Director in the category of Independent Director w.e.f. November 6, 2020 subject to the approval of shareholders at the ensuing Annual General Meeting of the Company.

The Company had issued a formal letter of appointment to all Independent Directors and the terms and conditions of their appointment have been disclosed on the website of the Company https://www.gulfoilindia.com/investors/investor-information/policies/ .

During the financial year, a separate meeting of Independent Directors was held on June 17, 2020, without the presence of the Executive Director or Management representatives inter-alia to discuss the performance of Non-Independent Directors, the Chairman of the Board and the Board as a whole and assess the quality, quantity and timeliness of the flow of information between the management of the Company and the Board that is necessary for the Board to perform its duties. All Independent Directors were present at the meeting.

Independent Director Databank Registration:
As per the provisions of Section 150 of the Act read with the applicable rules made thereunder, all Independent Directors of the Company have registered themselves with the Independent Directors Databank maintained by the Indian Institute of Corporate Affairs ("IICA"). Requisite disclosures have been received from the Independent Directors in this regard.

In terms of Section 150 of the Act read with the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended, all the Independent Directors of the Company unless exempted have cleared the online proficiency self-assessment test conducted by the said Institute.

Familiarisation Programme for Independent Directors:
In terms of the provisions of Regulation 25 of the SEBI Listing Regulations, your Company has framed a Familiarisation Programme for Independent Directors of the Company. The Company has designed a Familiarisation Programme for its Independent Directors which is imparted at the time of appointment of an Independent Director on Board as well as annually.

The Programme aims to provide insights into the Company to enable the Independent Directors to understand its business in-depth, to acclimatise them with the processes, business and functionaries of the Company and to assist them in performing their role as Independent Directors of the Company. Further, on an ongoing basis as a part of the agenda of meetings of the board/ committee(s), presentations are regularly made to the Independent Directors on various matters inter alia covering the Company's businesses and operations, strategy, risk management framework, industry and regulatory updates and other relevant matters. This deepens the Independent Directors' understanding and appreciation of the Company's business and thrust areas.

The details of the Familiarisation Program conducted during the financial year under review have been disclosed on the website of the Company at https://www.gulfoilindia.com/investors/investor-information/policies/.

COMMITTEES OF THE BOARD OF DIRECTORS

The Committees of the Board plays an important role in the governance and focus on specific areas and make informed decisions within the delegated authority. Each Committee is guided by its Charter or Terms of Reference, which provides for the scope, powers, duties and responsibilities. The recommendation and/or observations and decisions are placed before the Board for information or approval. The Chairman of the respective Committee updates the Board regarding the discussions held/decisions taken at the Committee Meetings.

The Board has constituted the following Committees of Directors to deal with matters and monitor the activities falling within the respective terms of reference:-

1. Audit Committee

The Audit Committee of the Board of Directors meets the criteria laid down under section 177 of the Act, read with Regulation 18 of the SEBI Listing Regulations. All the members of the committee can read and understand the financial statements. The Chairperson of the committee possesses professional qualifications in the field of Finance and Accounting.

Composition:

The committee comprises 3 Non-Executive Directors as its members, out of which 2 are Independent Directors.

Mrs. Manju Agarwal, Non- Executive Independent Director is the Chairperson of the Audit Committee. The other members of the Audit Committee include Mr. Sanjay G. Hinduja and Mr. Munesh Khanna. Mr. Ashok Kini ceased to be a member from the closing hours on December 12, 2020.

Meetings and attendance during the financial year 2020-21:

During the financial year 2020-21, four meetings of the Audit Committee were held on June 16, 2020, August 12, 2020, November 5, 2020, & February 5, 2021. The necessary quorum was present at all the meetings.

The attendance of members during the financial year 2020-21 is as follows:

Name of the Audit Committee member	Position (Chairperson/ Member)	Category	No. of meetings attended
Mrs. Manju Agarwal	Chairperson	Non-Executive Independent Director	4/4
Mr. Sanjay G. Hinduja	Member	Non-Executive Director	4/4
Mr. Munesh Khanna*	Member	Non-Executive Independent Director	1/1

*Mr. Munesh Khanna was appointed as a Member of the Audit Committee w.e.f. November 6, 2020.

Mr. Ashok Kini, Non-Executive Independent Director, ceased to be a Member of Audit Committee w.e.f. December 12, 2020. Three Audit Committee meetings held during the year were attended by him.

Mrs. Shweta Gupta, Company Secretary is the Secretary to the Committee.

The Chairperson of the Audit Committee, Mrs. Manju Agarwal was present at the 12th Annual General Meeting of your Company held on September 18, 2020, to answer the queries of the members of the Company.

The Managing Director & CEO, Chief Financial Officer and Internal Auditor are invitees to the meetings of the Audit Committee. The Statutory Auditors of the Company were invited to join the Audit Committee in the meetings for discussing the quarterly unaudited Financial Results and the Annual Audited Accounts before placing them to the Board of Directors. The representative of the Cost Auditors is invited to the Audit Committee Meetings whenever matters relating to cost audit are considered.

Brief description of terms of reference:

In terms of the applicable provisions of the Act and in terms of Regulation 18 read with Part C of Schedule II of the SEBI Listing Regulations, the scope, functions and terms of reference of the Audit Committee inter alia cover the following matters:

a. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

b. Recommending the appointment, remuneration and terms of appointment of auditors of the Company;

c. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

d. To seek information from any employee. (This would be limited to Heads of functions or divisions who could choose to bring anyone else concerned for the meeting);

e. To obtain outside legal or other professional advice depending on inputs required;

f. To secure attendance of the auditors, internal auditor, if any, and the CFO and of outsiders with relevant expertise, if it is considered necessary; the committee will review and decide on who should be invited from time to time;

g. Reviewing with management the annual financial statements and auditors' report before submission to the Board, focusing primarily on

    i. Matters required to be included in the Director's Responsibility Statement to be included in the

Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Act;

ii. Any changes in accounting policies and Practices;

iii. Major accounting entries based on exercise of judgment by management;

iv. Qualifications, if any in draft audit report;

v. Significant adjustments and/or provisions arising out of audit;

vi. The going concern assumption;

vii. Compliance with accounting standards;

viii. Compliance with listing and legal requirements concerning financial statements;

ix. Any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflicts with the interests of Company at large;

x. Disclosure of any related party transactions;

xi. Key Audit Matters (KAM).

h. Reviewing with the management, external and internal auditors and the adequacy of internal control systems;

i. Review and monitor the auditor's independence and performance, and effectiveness of audit process;

j. Prior approval or any subsequent modification of transactions of the Company with related parties;

k. Scrutiny of inter- corporate loans and investments;

l. Valuation of undertakings or assets of the Company, wherever it is necessary;

m. Evaluation of internal financial controls and risk management systems;

n. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

o. Discussion with internal auditors any significant findings and follow up there on;

p. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

q. Discussion with external auditors before the audit commences regarding nature and scope of audit and post-audit discussion to ascertain any area of concern;

r. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, Shareholders (in case of non-payment of declared dividends) and creditors;

s. Reviewing, with the management – i) the quarterly, and annual financial statements before submission to the board for approval, ii) the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), iii) the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency, iv) monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;

t. To affirm to the Board that no personnel have been denied access to the audit committee and to review and regulate the functioning of the Vigil/ Whistle- Blower Mechanism;

u. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;

v. Reviewing management discussion and analysis of financial condition and results of operations;

w. Reviewing the compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015;

x. In addition, the powers and role of Audit Committee are as laid down under Regulation 18(3) and Part C of Schedule II of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013.

2. Nomination and Remuneration Committee

The Nomination and Remuneration Committee ("NRC") of the Board of Directors meets the criteria laid down under section 178 of the Act read with Regulation 19 of the SEBI Listing Regulations.

Composition:

Mr. Arvind Uppal, Non-Executive Independent Director was re-designated as Chairman w.e.f. December 12, 2020. Mr. Ashok Kini ceased to be the Chairman of the Committee from the closing hours on December 12, 2020. The other members of the NRC are Mr. Sanjay G. Hinduja, Non-Executive Director and Mr. Munesh Khanna, Non-Executive Independent Director.

Meetings and attendance during the financial year 2020-21:

During the financial year 2020-21, three meetings were held on June 4, 2020, June 16, 2020, and November 5, 2020. The requisite quorum was present for all meetings. The attendance of the NRC members is given below:

Name of the NRC member	Position (Chairman/ Member)	Category	No. of meetings attended
Mr. Arvind Uppal	Chairman	Non-Executive Independent Director	3/3
Mr. Sanjay G. Hinduja	Member	Non-Executive Director	3/3
Mr. Munesh Khanna*	Member	Non-Executive Independent Director	-

*Mr. Munesh Khanna was appointed as a member of the NRC, w.e.f. November 6, 2020.

Mr. Ashok Kini, Non-Executive Independent Director, ceased to be the Chairman of the NRC due to the expiry of his second term w.e.f. December 12, 2020. All three NRC meetings were attended by him during his tenure.

Mr. Ashok Kini, Chairperson of the NRC (ceased to be a Director of the Company from the closing hours on December 12, 2020) was present at the 12th AGM of your Company, to answer the queries of the members of the Company.

Mrs. Shweta Gupta, Company Secretary is the Secretary to the Committee.

Brief description of terms of reference:

The terms of reference of the NRC, as approved by the Board in terms of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations, inter alia, include the following:

a. Identify persons who are qualified to become Directors and who may be appointed in the Senior Management as per criteria laid down by the Company and recommend to the Board their appointment or removal;

b. Provide the terms of engagement for Independent Directors, Non-Executive Directors, Chief Executive Officer, Whole-Time Directors and Senior Management.

c. Carry out the evaluation of every Director's performance.

d. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

e. Formulation of criteria for evaluation of Independent Directors and the Board;

f. Devising a policy on Board diversity and succession planning for Board/Senior Management;

g. Recommending to the Board the extension or continuation of term of appointment of the independent director, on the basis of the report of performance evaluation of the Independent Directors.

h. Establish the KRAs and clear metrics of performance for Managing Director against which his performance shall be appraised at the end of the year.

   Review and approve KRAs and performance metrics for senior management proposed by the Managing Director.

   Document the expectations and the actual achievements for a full Board review as may be taken as an audit.

i. Responsibility for:

   a) setting the remuneration for the Managing Director and

   b) review and approval of senior management (one level below MD) remuneration proposed by Managing Director.

   Remuneration in this context will include salary; performance based variable component and any compensation payments, such as retrial benefits or stock options.

j. The committee shall be able to appoint external consultants for assistance on policy and compensation inputs whenever required.

k. In addition, the powers and role of NRC Committee are as laid down under Part D (A) of Schedule II of the SEBI Listing Regulations.

l. The Nomination and Remuneration Committee shall comprise of three members, including its Chairman who shall be an Independent Director.

Board Evaluation process:

Pursuant to the applicable provisions of the SEBI Listing Regulations and the Act, an annual performance evaluation was carried out by the Board and the Independent Directors of the Company of its performance as well as of the working of its Audit, Nomination and Remuneration, Stakeholders Relationship, Corporate Social Responsibility and Risk Management Committees and Individual Directors, including the Chairman of the Board in line with the criteria and methodology of performance evaluation approved by the NRC.

The Board evaluation process was completed through a process of structured questionnaire and taking into consideration various aspects of the Board's functioning, composition, culture, obligation and governance.

Outcome and results of the evaluation:

The Directors expressed their satisfaction on the parameters of evaluation, the implementation and compliance of the evaluation exercise done and the results/outcome of the evaluation process.

Performance evaluation criteria for Independent Directors:

The NRC of the Board has laid down the criteria for performance evaluation of Independent Directors. The performance evaluation has been done by the entire Board of Directors, except the Director concerned being evaluated. The criteria for performance evaluation are as follows:

Factor	Attributes
Role and Accountability	- Application of knowledge for rendering advice to Management for resolution of business issues
	- Offer constructive challenge to Management strategies and proposals
	- Active engagement with the Management and attentiveness to the progress of decisions taken
Objectivity	- Non-partisan appraisal of issues
	- Own recommendations are given professionally without tending to the majority or popular views
Leadership and initiative	- Heading Board sub- committees
	- Supporting any function or identified initiative based on domain knowledge and experience
Participation in and contribution to effective Board meetings	- Commitment to the role and fiduciary responsibilities as a Board Member
	- Attendance and active participation in Board and Committee meetings
	- Proactive, strategic and lateral thinking

In addition to the above criteria, the evaluation criteria for independent directors also included fulfillment of the independence criteria as specified in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and their independence from the management.

Remuneration of Directors:

Remuneration to Non-Executive Directors:

The Non-Executive Directors add significant value to the Company through their contribution to the Management of the Company and thereby they are playing an appropriate control role in safeguarding the interests of the stakeholders at large. They bring in their vast experience and expertise to bear on the deliberations at the Company's Board and its Committees meetings. Although the Non-Executive Directors would contribute to Company in several ways, including advising the Managing Director & CEO and the Senior Managerial Personnel outside the Board/Committee meetings, the bulk of their measurable inputs come in the form of their contribution at Board/Committee meetings.

The Governance policies of the Company contain policy on remuneration to Directors, KMPs and Senior Management Personnel. The Company, has a structure for remuneration of Non-Executive Directors based on certain parameters like the performance of the Company, the current trends in the industry, the director's participation in the board and committee meetings during the financial year and other relevant factors.

Apart from the sitting fees and commission paid by the Company to the Non-Executive Directors, the Company did not have any material pecuniary relationships or transactions with Non-Executive Directors in their individual capacity during the financial year ended March 31, 2021.

At the 11th Annual General Meeting held on September 17, 2019, the Members had approved the payment of remuneration to Non-Executive Directors not exceeding the maximum limit permitted under the provisions of section 197 read with the Rules other applicable provisions of the Act and computed in the manner referred to in Section 198 of the Act as may be decided by the Chairman of the Board of Directors of the Company/NRC.

The details of remuneration paid/payable to the Non-Executive Directors during FY 2020 – 21 are given below:

Sr. No	Name of the Director	Category	Sitting fees (INR)	Commission# (INR)
1.	Mr. Sanjay G. Hinduja	Non-Executive	11,75,000	1,00,00,000
2.	Mr. Shom A. Hinduja	Non-Executive	7,50,000	15,50,000
3.	Mr. Ashok Kini*	Independent Director	9,00,000	22,50,000
4.	Mr. Arvind Uppal	Independent Director	10,25,000	30,50,000
5.	Mr. Munesh Khanna**	Independent Director	1,50,000	3,50,000
6.	Mrs. Manju Agarwal	Independent Director	9,00,000	28,00,000

#The commission to the Non-Executive Directors will be paid after the approval of financial statements for the year ended March 31, 2021, at the ensuing 13th Annual General Meeting of the Company.

*Mr. Ashok Kini ceased to be a Non-Executive Independent Director due to the expiry of his second term from closing hours on December 12, 2020.

**Mr. Munesh Khanna was appointed as an Additional Director in the category of Independent w.e.f. November 6, 2020.

No stock options were granted to Non-Executive Directors of the Company.

Remuneration to Executive Director:

The Company's Board presently consists of one Executive Director viz: Mr. Ravi Chawla, Managing Director & Chief Executive Officer ("MD & CEO"). The NRC approves the annual revisions in the remuneration of the MD & CEO within the overall limit approved by the Members of the Company.

The annual remuneration to the MD & CEO comprises two broad terms – Fixed Remuneration and Variable Remuneration in the form of performance incentive. Additionally, the MD & CEO is entitled to employee stock options granted under the Employee Stock Option Scheme(s) of the Company. The MD & CEO is not paid sitting fees for any of the Board or Committee meetings attended by him. The details of remuneration paid to Managing Director & CEO are given below:

The remuneration paid to Mr. Ravi Chawla, Managing Director & CEO for the FY 2020-21 is ₹ 7,73,75,353/-, which includes

i) Perquisites, allowances and Stock option ₹ 2,46,29,771/-,

ii) Annual Performance Pay ₹ 2,10,00,000/- and

iii) Retiral benefits ₹ 10,48,928/-.

As per "Gulf Oil Lubricants India Limited-Employees Stock Option Scheme-2015 ("Scheme"), no options were granted to Mr. Ravi Chawla during the financial year. The salient features of the Scheme are available on the website of the Company https://www.gulfoilindia.com/investors/investor-information/postal-ballot-notice/.

Service contract, Severance fees and Notice Period

Mr. Ravi Chawla was re-appointed as the Managing Director & CEO of the Company for a period of three years effective from June 06, 2020, to June 05, 2023. His appointment may be terminated by giving three months' advance notice in writing on either side or salary in lieu thereof and no severance fees is payable.

Remuneration Policy:

The Nomination and Remuneration Committee is responsible for formulating and making the necessary amendments to the "Remuneration Policy" for the Non-Executive Directors (NEDs), Chief Executive Officer (CEO), Key Managerial Personnel (KMP) and Senior Executives of the Company from time to time and the Policy is approved by the Board of Directors.

The objective of Gulf Oil Lubricants India Limited (the Company) Remuneration Policy is to attract, motivate and retain qualified individuals that the Company needs in order to achieve its strategic and operational objectives, whilst acknowledging the societal context around remuneration and recognising the interests of the Company stakeholders. The remuneration policy reflects a balance between the interests of the Company's stakeholders as well as between the Company's short-term and long-term strategy.

The Remuneration Policy covers the following aspects:

- Remuneration for Non-Executive Directors
- Remuneration to the Executive Directors, Key Managerial Personnel and employees in Senior Management
- Total Compensation

The total compensation of the Managing Director and Senior Executives consists of the following components:

a. Base salary

b. Variable income

- Annual Performance Pay (APP)
- Performance-related Long-Term Incentive Plan (LTIP)

The Remuneration Policy of the Company can be accessed at the following link https://www.gulfoilindia.com/investors/investor-information/policies/.

3. Stakeholders Relationship Committee

The Stakeholders Relationship Committee ("SRC") of the Board of Directors of the Company meets the requirements of Section 178 of the Act and Regulation 20 read with Part D of Schedule II of the SEBI Listing Regulations.

Composition:

The committee comprises 2 Non-Executive Directors, out of which 1 is an Independent Director and 1 Executive Director as its members.

Mr. Arvind Uppal, Non- Executive Independent Director is the Chairman of the Committee. Mr. Sanjay G. Hinduja and Mr. Ravi Chawla are the other members of the Committee.

Ms. Shweta Gupta, Company Secretary is designated as Compliance Officer of the Company pursuant to Regulation 6 of the SEBI Listing Regulations.

Mrs. Shweta Gupta, Company Secretary is also the Secretary to the Committee. She has also been appointed as the nodal officer in line with statutory requirements.

Meetings and attendance during the financial year 2020-21:

During the financial year 2020-21, five meetings were held on June 17, 2020, August 12, 2020, November 6, 2020, December 3, 2020 and February 5, 2021. The attendance of the SRC members is given below:

Name of the SRC member	Position (Chairman/ Member)	Category	No. of meetings attended
Mr. Arvind Uppal	Chairman	Non-Executive Independent Director	5/5
Mr. Sanjay G. Hinduja	Member	Non-Executive Director	5/5
Mr. Ravi Chawla	Member	Managing Director & CEO	4/5

Mr. Arvind Uppal, Chairman of the SRC was present at the 12th AGM of your Company, to answer the queries of the members of the Company.

Brief description of terms of reference:

The role of the committee is to specifically look into various aspects of interest of shareholders, debenture holders and other security holders including:

(a) Issue of duplicate/consolidated share certificates, allotment of shares under ESOP and transfers/ transmission etc.

To complete the process of transfers in time in compliance with SEBI Listing Regulations, the Committee has delegated authority to approve transfers/ transmissions/ duplicate etc. to the Managing Director and Company Secretary. The said transactions are noted at the subsequent meeting of the Committee.

(b) Resolving the grievances of the security holder of the Company including complaints related to transfer/ transmission of shares, non-receipt of Annual Reports, non-receipts of declared dividends, issue of new/ duplicate certificates, general meetings etc.;

(c) Review of measures taken for effective exercise of voting rights by shareholders;

(d) Review of various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company;

(e) Reviewing of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;

(f) Review of transfer of unpaid/ unclaimed dividend/ shares to the Investor Education and Protection Fund of the Government of India in line with the relevant Rules thereunder;

(g) Any other matters as may be assigned to the committee by the Board of Directors from time to time.

The status of complaints received and resolved during the financial year 2020-21 as under:

No complaints pending as of April 01, 2020	:	Nil
No of complaints received during the year	:	20
No of complaints resolved during the year	:	20
No of complaints pending as of March 31, 2021	:	Nil

4. Risk Management Committee:

The Company has constituted the Risk Management Committee ("RMC") in compliance with Regulation

21 of SEBI Listing Regulations. The RMC is inter alia entrusted with the responsibility of monitoring and reviewing the risk management plan, sustainability and the cybersecurity of the Company and such other functions as may be delegated by the Board from time to time.

Composition:

The Committee comprises of Mr. Arvind Uppal, Non-Executive Independent Director as Chairman, Mr. Shom A. Hinduja, Non-Executive Director (Member), Mr. Ravi Chawla, Managing Director & CEO (Member) and Mr. Manish Kumar Gangwal, Chief Financial Officer (Member).

Meetings and attendance during the financial year 2020-21:

During the financial year 2020-21, one meeting was held on February 5, 2021. The attendance of the RMC members is given below:

Name of the RMC member	Position (Chairman/ Member)	Category	No. of meetings attended
Mr. Arvind Uppal	Chairman	Non-Executive Independent Director	1/1
Mr. Shom A. Hinduja	Member	Non-Executive Director	1/1
Mr. Ravi Chawla	Member	Managing Director & CEO	1/1
Mr. Manish Kumar Gangwal	Member	Chief Financial Officer	1/1

Mr. Arvind Uppal, Chairperson of the RMC was present at the 12th AGM of your Company, to answer the queries of the members of the Company.

Ms. Shweta Gupta, Company Secretary acts as Secretary to the Committee.

Brief description of terms of reference:

The scope, functions and terms of reference of the RMC inter alia include the following:

(a) Ensure that the Company has an appropriate and effective Enterprise Risk Management (ERM) system with appropriate policies and process;

(b) Apprising the Board on a periodic basis on the effectiveness of the ERM system and about the most significant risks and how these are managed;

(c) Review with the management, the identification, prioritization and management of risks, the accountabilities and roles of the functions involved in risk management and the related actions implemented by the management;

(d) Reviewing the Risk Management Policy of the Company in line with the business requirements and SEBI Listing Regulations;

(e) Review risk mitigation measures;

(f) Review and recommend changes to the Enterprise Risk Management system and / or associated framework, processes and practices of the Company;

(g) Review the adequacy of the Company's resources to perform its risk management responsibilities;

(h) Reviewing risks related to cyber security and evaluating the treatment including initiating mitigation actions.

5. Corporate Social Responsibility Committee:

The Corporate Social Responsibility (CSR) Committee is duly constituted under Section 135 of the Act.

Composition:

As of March 31, 2021, the CSR Committee is comprised of three (3) Members, the majority of whom are Non-Executive Directors. The Chairperson of the CSR Committee is a Non-Executive Independent Director.

The Committee comprises of Mrs. Manju Agarwal, Non- Executive Independent Director as Chairperson, Mr. Sanjay G. Hinduja, Non- Executive Director (Member) and Mr. Ravi Chawla, Managing Director & CEO (Member).

Meetings and attendance during the financial year 2020-21:

During the financial year 2020-21, three meetings of the CSR Committee were held on April 9, 2020, June 17, 2020 & February 5, 2021. The necessary quorum was present at all the meetings. The attendance of members during the financial year 2020-21 is as follows:

Name of the CSR member	Position (Chairperson/ Member)	Category	No. of meetings attended
Mrs. Manju Agarwal	Chairperson	Non-Executive Independent Director	3/3
Mr. Sanjay G. Hinduja	Member	Non-Executive Director	3/3
Mr. Ravi Chawla	Member	Managing Director & CEO	3/3

The Company Secretary acts as the Secretary to the Committee.

Brief description of terms of reference:

The Broad terms of reference of the CSR Committee, inter alia, include the following:

a. Formulate and recommend to the Board, the CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act;

b. Monitor the implementation of the CSR Policy of the Company from time to time;

c. Recommend to the Board the amount of expenditure to be incurred on CSR activities undertaken;

d. To decide the annual CSR budget and recommend the same to the Board of Directors for approval;

e. Review the Company's disclosure of CSR matters;

f. Review the CSR Policy from time to time; and

g. Formulate and recommend to the Board an Annual Action Plan in pursuance of a CSR Policy containing inter alia the following:

   i. List of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII;

   ii. Manner of execution of such projects or programmes;

   iii. Modalities of the utilization of funds and implementation schedules for the projects or programmes;

   iv. Monitoring and reporting mechanism for the projects or programmes;

   v. Details of need and impact assessment, if any, for the projects undertaken by the Company and

   vi. Alter the plan at any time during the financial year, based on reasonable justification.

GENERAL SHAREHOLDERS INFORMATION IN TERMS OF PART C, SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

General Body Meetings

i. Location, time and venue where last three Annual General Meetings were held

Financial Year	Location of AGM	Date & Time of AGM
2019-20	Through Video Conference*	September 18, 2020 3.00 p.m. (IST)
2018-19	Hall of Culture, Ground Floor, Nehru Center, Worli, Mumbai-400 018	September 17, 2019 3.00 p.m. (IST)
2017-18	Hall of Culture, Ground Floor, Nehru Center, Worli, Mumbai-400 018	September 24, 2018 3.00 p.m. (IST)

*In compliance with the provisions of the Ministry of Corporate Affairs ("MCA") General Circular No. 20/2020 dated 5th May, 2020 read together with MCA General Circular Nos. 14 & 17/2020 dated 8th April, 2020 and 13th April, 2020 respectively, and Securities and Exchange Board of India ("SEBI") Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, the Company conducted the AGM through Video Conferencing /Other Audio Visual Means ("VC"/"OAVM"). Further, in accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification/Guidance on applicability of Secretarial Standards - 1 and 2 dated 15th April, 2020 issued by the ICSI, the proceedings of the AGM are deemed to be conducted at the Registered Office of the Company being the deemed venue of the AGM.

ii. Whether any special resolutions were passed in the previous three AGMs

The details of special resolutions passed during the previous three AGMs are given below:

Twelfth AGM held on September 18, 2020	1. Appointment of Mr. Arvind Uppal (DIN: 00104992) as an Independent Director of the Company for a term of five years.
	2. Appointment of Mrs. Manju Agarwal (DIN: 06921105) as an Independent Director of the Company for a term of five years.
Eleventh AGM held on September 17, 2019	1. Re-appointed Mr. M. S. Ramachandran (DIN: 00943629), as an Independent Non-Executive Director of the Company to hold office for a second term with effect from June 4, 2019, which will expire on completion of 5 years or attainment of 75 years of age, whichever is earlier and who would not be liable to retire by rotation.
	2. Re-appointed Mr. Ashok Kini (DIN: 00812946), as an Independent Non-Executive Director of the Company to hold office for a second term with effect from June 4, 2019, which will expire on completion of 5 years or attainment of 75 years of age, whichever is earlier and who would not be liable to retire by rotation.
	3. Re-appointed Mrs. Kanchan Chitale (DIN: 00007267), as an Independent Non-Executive Director of the Company to hold office for a second term of 5 years with effect from June 4, 2019, up to June 3, 2024, and who would not be liable to retire by rotation.
	4. Approved the payment of commission to the Non-Executive Directors of the Company.
Tenth AGM held on September 24, 2018	There was no special resolution passed at the Tenth AGM held on September 24, 2018.

iii. Whether any special resolution passed last year through the postal ballot- details of voting pattern and the person who conducted postal ballot exercise and its procedure and voting pattern:

During the financial year under review, no resolution was passed through the postal ballot and as of the date of this report, no special resolution is proposed to be conducted through postal ballot.

Means of Communication

The Company recognises the importance of two-way communication with its Shareholders and regular reporting of results and progress. To this end, the Company makes full and timely disclosure of information regarding the Company's financial position and performance and material matters.

Financial Results

The quarterly unaudited results and annual audited results are published in nationwide English newspapers Business Standard / Economic Times and in the local newspaper Maharashtra Times in the district where the registered office of the Company is situated and are also disseminated on the website of the Stock Exchanges i.e. www.bseindia.com and www.nseindia.com .The said financial results are also simultaneously published on the website of the Company http://www.gulfoilindia.com.

However, pursuant to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, the Company was exempted from publication of results in the newspapers due to COVID-19 pandemic.

The Official press releases are sent to stock exchanges and simultaneously published on the website of the Company. The schedule of the conference call held with Investors/ Analysts is also disseminated on the website of the stock exchanges and the website of the Company.

The Annual Audited Financial Statements along with the Annual Report is circulated to all Members and is also available on the Company's website.

Disclosures

The Company discloses to the Stock Exchanges, all information required to be disclosed under Regulation 30 read with Para A and B of Part A of Schedule III of the SEBI Listing Regulations including material information having a bearing on the performance/ operations of the Company and other price sensitive information, if any, in line with the Company's Policy for determination of materiality for disclosure of events or information. All information is filed electronically on BSE Corporate & Listing Centre (Listing Centre), online portal of BSE and on NSE Electronic Application Processing System (NEAPS), the online portal of NSE and is also simultaneously uploaded on the website of the Company at: http://www.gulfoilindia.com.

Dial-in details of the earnings conference calls made available on Company's website

Dial-in details of the earnings conference calls made available on Company's website. The Company hosts earnings conference call for the investors/analysts/funds on a quarterly basis after declaration of the financial results, schedule of which is intimated well in advance to the stock exchanges and uploaded on the website of the Company. Dial- in details of the earnings conference calls are also uploaded on the website of the Company.

Website

The Annual Report of the Company, the quarterly/ half yearly financial results and the annual audited financial statements and the official news releases of the Company are also disseminated on the Company's website and as per the Archival Policy of the Company would remain hosted on the website for a period of five years from the date of respective disclosures.

The Company's website http://www.gulfoilindia.com contains all information as prescribed under the Act and the SEBI Listing Regulations, including details of the contact persons and the Registrar and Share Transfer Agent of the Company, shareholding pattern, policies etc.

General Shareholders Information

a) 13th Annual General Meeting for the financial year 2020-21 (13th AGM) :

Date	:	Thursday, September 16, 2021.
Time	:	3.00 p.m. (IST)
Mode of convening the AGM	:	The Company is conducting AGM through Video conference facility/any other audio- visual means ("VC / OAVM') and as such there is no requirement to have a venue for AGM. For details, please refer to Notice of this AGM.
Link and Instructions for e-voting and attending the AGM through VC/OAVM		1. For all Shareholders through NSDL Portal- https://www.evoting.nsdl.com/ 2. For Individual Shareholders holding shares in demat mode with NSDL- https://eservices.nsdl.com/ 3. For Individual Shareholders holding shares in demat mode with CDSL- https://web.cdslindia.com/myeasi/home/login Detailed instructions for e-voting and attending the AGM is provided in Notes to the Notice convening the AGM.

Members can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice of AGM, and this mode will be available throughout the proceedings of the AGM.

During the live AGM, Members may post their queries in the message box provided on the screen or may submit questions in advance on the email ID of the Company at secretarial@gulfoil.co.in.

b) **Financial Calendar for the financial year 2021-22 (Tentative):**

Financial year of the Company: April 1 to March 31

- Unaudited results for 1st quarter of next Financial Year – on or before August 14, 2021.
- Unaudited results for 2nd quarter of next Financial Year – on or before November 14, 2021.
- Unaudited results for 3rd quarter of next Financial Year – on or before February 14, 2022.
- Audited results for 4th quarter of next Financial Year – on or before May 30, 2022.

c) **Date of Book Closure:**

Friday, September 10, 2021 to Thursday, September 16, 2021 (both days inclusive)

d) **Date of Dividend Payment:**

The final dividend for the previous year 2019-20 (₹ 7/- per equity share) was paid to the eligible shareholders on October 01, 2020.

During the financial year 2020-21, the Company declared and paid an Interim Dividend of ₹ 7/- (Gross) per equity share, (i.e. 350%) on the face value of ₹ 2/- per equity share, paid on or after February 25, 2021. The Board of Directors has recommended a final dividend of 9/- (Gross) per equity share (i.e. 450% on the face value of ₹ 2/- per equity share) for the financial year 2020-21, subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company. The final dividend shall be paid to the eligible shareholders on or before October 15, 2021.

Dividend for the last three financial years:

2018-19	:	Declared and paid Interim Dividend of ₹ 4.50 per equity share i.e. 225% of face value during the financial year 2018-19. The Board has recommended a final dividend of ₹ 7/- per share (350% on the Face Value of ₹ 2 per share) per equity share for the year 2018-19.
2019-20	:	Declared and paid an interim dividend of ₹ 7/- (Gross) per equity share i.e. 350% of face value during the financial year 2019-20. The Board has recommended a final dividend of ₹ 7/- (Gross) per share (350% on the Face Value of ₹ 2 per share) per equity share for the year 2019-20.
2020-21	:	Declared and paid an interim dividend of ₹ 7/- (Gross) per equity share i.e. 350% of face value during the financial year 2020-21. The Board has recommended a final dividend of ₹ 9/- (Gross) per share (450% on the Face Value of ₹ 2/- per share) per equity share for the year 2020-21.

e) **Listing of Equity Shares:**

The equity shares of the Company are listed on BSE Limited (www.bseindia.com) and the National Stock Exchange of India Limited (www.nseindia.com). In terms of Regulation 14 of the SEBI Listing Regulations, the requisite listing fees have been paid in full to both the Stock Exchanges for financial year under review and for financial year 2021-22.

f) **Stock (Scrip) Code:**

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001	:	538567
National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400051	:	GULFOILLUB
ISIN	:	INE635Q01029
Face Value per equity share	:	₹ 2/-
Corporate Identification No. (CIN)	:	L23203MH2008PLC267060

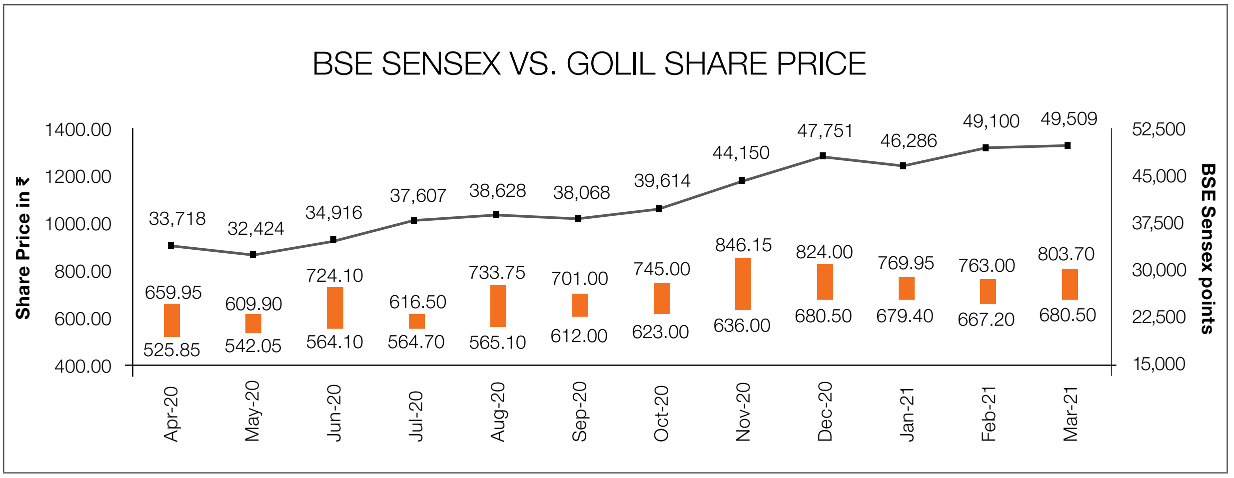
g) **There was no suspension of trading of scrip during the financial year.**

h) **Market Price Data of equity shares of the Company (in Rupees):**
High and low during each month in the last financial year on BSE Limited and the National Stock Exchange of India Limited:

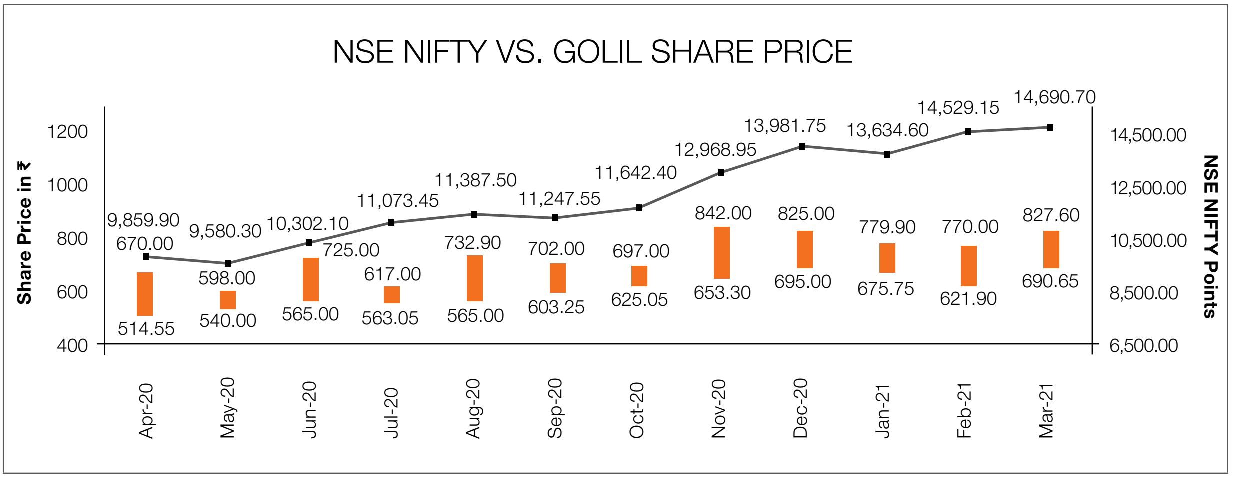
Month & Year	BSE		NSE	
	High	Low	High	Low
April 2020	659.95	525.85	670.00	514.55
May 2020	609.90	542.05	598.00	540.00
June 2020	724.10	564.10	725.00	565.00
July 2020	616.50	564.70	617.00	563.05
August 2020	733.75	565.10	732.90	565.00
September 2020	701.00	612.00	702.00	603.25
October 2020	745.00	623.00	697.00	625.05
November 2020	846.15	636.00	842.00	653.30
December 2020	824.00	680.50	825.00	695.00
January 2021	769.95	679.40	779.90	675.75
February 2021	763.00	667.20	770.00	621.90
March 2021	803.70	680.50	827.60	690.65

i) **Performance of stock in comparison to BSE Sensex and NSE Nifty:**

BSE Sensex vs. GOLIL Share Price:



NSE Nifty Vs. GOLIL Share Price:



j) **Designated depository:**
In terms of circular no. IMD/FPIC/CIR/P/2018/61 dated April 5, 2018, issued by Securities and Exchange Board of India ("SEBI"), your Company has appointed Central Depository Services (India) Limited ("CDSL") as the "Designated Depository" for the purpose of monitoring of Foreign Investment limits on behalf of the Company.

k) **Registrar and Share Transfer Agent:**
The Company has appointed M/s KFIN Technologies Private Limited as its Registrar and Share Transfer Agent ("RTA" or "KFintech"). The contact details are given below:

KFIN Technologies Private Limited,
Unit: Gulf Oil Lubricants India Limited
Selenium Tower B, Plot 31 & 32,
Financial District, Nanakramguda, Serilingampally
Mandal, Hyderabad – 500 032, Telangana.
Toll-Free No: 1800-309-4001
Contact person: Mr. Dharmesh Somayajula
Email: einward.ris@kfintech.com
Website: https://www.kfintech.com and/or
https://ris.kfintech.com/

l) **Share Transfer/Transmission System:**
Trading in equity shares of the Company through recognised Stock Exchanges is permitted in dematerialised form. As per SEBI norms, with effect from 1st April, 2019, only transmission or transposition requests for transfer of securities shall be processed in physical form. SEBI has mandated that securities of listed companies can be transferred only in dematerialised form w.e.f. April 1, 2019. Accordingly, the Company / it's RTA has stopped accepting any fresh lodgment of transfer of shares in physical form. Members holding shares in physical form are advised to avail of the facility of dematerialisation. However, investors are not barred from holding shares in physical form.

SEBI has vide it's circular dated 7 January 2010 made mandatory to furnish a copy of PAN Card in the following cases for transmission of shares in physical form:

a) Deletion of the name of the deceased shareholder(s), where the shares are held in the name of two or more shareholders.

b) Transmission of shares to the legal heir(s), where the deceased shareholder was the sole holder.

The Compliance Officer and Managing Director & CEO of the Company are authorised to approve transmission requests. A report on the transfer/transmission of equity shares of the Company is presented to the SRC at every meeting by the Compliance Officer.

Company's recommendations to the shareholders:
Members are requested to state their DPID & Client ID/Ledger Folio number in their correspondence with the Company/RTA and provide their email address and telephone number to facilitate prompt response from the RTA/ Company.

a. **Dematerialisation of shares:**
Transfers in electronic form are much simpler and quicker as the shareholders have to approach their respective depository participants and the transfers are processed by NSDL/ CDSL, as the case may be, with no requirement of any separate communication to be made to the Company.

Also, in accordance with the amendments to Regulation 40 of SEBI Listing Regulations, requests for effecting transfer of listed securities shall be processed only if the securities are held in dematerialized form, thereby curbing the risks of fraud and manipulation in the physical transfer of securities. Transfer of securities only in demat form will improve the ease, facilitate convenience and safety of transactions for investors.

Accordingly, shareholders holding shares in physical can contact the RTA for assistance in converting their holdings to demat form.

b. **Intimate/ update contact details:**
Shareholders are requested to update/ intimate changes, if any, about their name, postal address, e-mail address, telephone/ mobile numbers, with necessary documentary evidence, to the RTA at the above mentioned address or emailing at einward.ris@kfintech.com, if shares are held in physical mode and such requests should be signed by the first-named member, as per the specimen signature registered with the Company. The RTA/Company may also, intending to safeguard the interest of its members and that of the Company, request for additional supporting documents such as proof of identity and/or address as considered appropriate in addition to the requirement of certified copies of PAN card.

As a support to 'Green Revolution' (saving of paper), Members are requested to register their email address with the Company's RTA at einward.ris@kfintech.com to enable the Company to send notices, documents, communications, Annual Reports, etc. through email and also advice any changes in their email address from time to time to the Company's RTA.

c. **Furnish/ update bank account particulars with the Company/ DP:**
SEBI has, vide its circular no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018, made it mandatory for all the companies to use the bank account details furnished by the depositories and the bank account maintained by the RTA for payment of dividend in electronic mode.

Members holding shares in physical form are requested to submit a scanned copy of a covering letter, duly signed by them along with a cancelled cheque leaf with their name and bank account details and a copy of their PAN card duly self-attested, with Company's RTA at below address for updating their bank account particulars. This will facilitate receipt of dividend directly into their bank account. In case the cancelled cheque leaf does not bear their name, please attach a copy of the bank pass-book statement, duly self-attested.

KFIN Technologies Private Limited,
Unit: Gulf Oil Lubricants India Limited
Selenium Tower B, Plot 31 & 32,
Financial District, Nanakramguda, Serilingampally
Mandal, Hyderabad – 500 032, Telangana.
Toll-Free No: 1800-309-4001
Contact person: Mr. Dharmesh Somayajula
Email: einward.ris@kfintech.com

Members may also address all other correspondences to the Registrar and Share Transfer Agent at the address mentioned above.

Shareholders holding shares in demat form may update their bank account details with their respective DP. This would facilitate in receiving direct credits of dividends etc., from company and avoid events such as postal delays and loss in transit.

d. **Consolidation of folios and avoidance of multiple mailing:**
To enable the Company to reduce costs and duplicity of efforts for providing services, shareholders who have more than one folio/ demat account in the same order of names, are requested to consolidate their holdings under one folio/ demat account. They may write to the RTA/ DP in that regard. This would facilitate one-stop tracking of all corporate benefits on the shares and would reduce the time and efforts required to monitor and service multiple folios/ demat accounts.

m) Distribution of Shareholding as of March 31, 2021:

Category (Shares)	Number of Shareholders		Number of Shares	
	Number	%	Number of shares	%
1-5000	50599	99.55	2716449	5.40
5001-10000	113	0.22	387507	0.77
10001-20000	42	0.08	315209	0.63
20001-30000	22	0.04	279273	0.56
30001-40000	7	0.01	117721	0.23
40001-50000	3	0.01	67966	0.14
50001-100000	11	0.02	372365	0.74
100001 & Above	33	0.06	46053037	91.54
Total	**50830**	**100.00**	**50309527**	**100.00**

Shareholding Pattern as of March 31, 2021:

Category	No. of Shareholders	No. of Shares	% of Shareholding
Promoter	1	36219224	71.99
Public:			
Institutional Investor: Mutual Funds, Financial Institutions/ Banks, Overseas Corporate, Bodies, Foreign Nationals	97	8817292	17.53
Central Government/State Government(s)/President of India	1	149490	0.30
Non-Institutional Investors:			
Individuals	49961	3976808	7.90
Trusts, Non-Residents, Clearing Members, Bodies Corporates, Unclaimed Suspense Account	770	1146713	2.28
Grand Total	**50830**	**50309527**	**100**

n) Dematerialization and liquidity of equity shares:

As of March 31, 2021, 4,96,65,619 equity shares (98.72% of the total paid-up capital) were held in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). International Securities Identification Number (ISIN) in NSDL and CDSL is INE635Q01029. The stock has reasonable liquidity on NSE and BSE.

o) Outstanding Global Depository Receipts (“GDRs”)/ American Depository Receipts (“ADRs”)/ warrants or any convertible instruments, conversion date and likely impact on equity:

Your Company has not issued any GDRs/ ADRs/ warrants/ convertible instruments and hence, there are no outstanding GDRs/ ADRs/ Warrants or any convertible instruments pending for conversion as of March 31, 2021.

p) Disclosure of commodity price risks and commodity hedging activities:

Exposure of the Company to commodity and commodity risks faced by the entity throughout the financial year:

a. Total exposure of the listed entity to commodities: Nil

b. Exposure of the listed entity to various commodities:

Commodity Name	Exposure in INR towards the particular commodity	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				
			Domestic market		International market		Total
			OTC	Exchange	OTC	Exchange	
NOT APPLICABLE							

c. Commodity risks faced by the Company during the year and how they have been managed:

The Company being a sizable user of Base oil, exposes it to the price risk on account of exchange fluctuations. The Company uses foreign currency derivative contracts to hedge its risks associated with foreign currency fluctuations relating to firm commitments and highly probable forecast transactions. Refer Note No. 42 of the financial statements.

q) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Your Company has adopted 'Policy for Prevention of Sexual Harassment at Workplace' in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Act") on a companywide level to ensure the respect and dignity of all its employees.

The policy applies to all persons employed by the Company at a workplace for any work on a regular, temporary, ad hoc or daily wage basis, either directly or through an agent, including a contractor, and also co-worker, a contract worker, probationer, trainee, and apprentice or called by any other such name. An Internal Complaints Committee ("ICC") has been set up to redress complaints received regarding sexual harassment. During the financial year under review and pursuant to Rule 8(5)(x) of the Companies (Accounts) Rules, 2014, the Company has complied with the provisions relating to the constitution of ICC under the POSH Act. All employees are briefed on the POSH Policy during induction.

The details of complaints related to sexual harassment are provided below: -

No. of complaints filed during the financial year	: Nil
No. of complaints disposed of during the financial year	: Nil
No. of complaints pending as of the end of the financial year	: Nil

r) Total fees for all services paid by the Company to Price Waterhouse LLP (Statutory auditor of the Company) and other firms in the network entity of which the statutory auditor is a part, as included in the financial statements of the Company for the financial year ended March 31, 2021, is as follows:

₹ in lakhs

Payment to Statutory Auditors	FY 2020-21
Statutory Audit Fees (including Quarterly Limited Review fees)	43 .00
Tax Audit	4.50
Other Services (Certification fee)	6.50
Reimbursement of expenses	0.15
Total	**54.15**

s) Plant Locations:

The Lubricant plants of the Company are located at:

Sr. No.	Plants	Address
1	Silvassa Plant	Survey No.27/1/2, Masat Village, Masat, Khanvel Road, Silvassa-396230, UT of Dadra & Nagar Haveli and Daman Diu
2	Chennai Plant	New Survey No. D 25 – 1 /2, D 26 – 12/2, Kathivakkam High Road, Ennore, Chennai – 600057

t) Shareholders/ Investors Complaint's received and redressed:

The Company gives utmost priority to the interests of the investors. All the requests complaints of the shareholders have been generally resolved to the satisfaction of the shareholders within the statutory time limits.

As stated in the SEBI circular dated March 26, 2018, whereby SEBI has issued new policy measures concerning SEBI Complaints Redress System (SCORES), shareholders are requested to approach the Company directly at the first instance for their grievances.

Address for correspondence:

Company Registered Office address: (General Correspondence)	IN Centre, 49/50, 12th Road, M.I.D.C Andheri (East) Mumbai 400093 Maharashtra Tele: +91 22 6648 7777 Fax: +91 22 2824 8232
Website of the Company	www.gulfoilindia.com
Registrar and Share Transfer Agent: (General & Shareholding related queries)	KFIN Technologies Private Limited, Unit: Gulf Oil Lubricants India Limited Selenium Tower B, Plot 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032, Telangana. Toll-Free No: 1800-309-4001 Contact person: Mr. Dharmesh Somayajula Email: einward.ris@kfintech.com
Company's Designated email id for Investors	secretarial@gulfoil.co.in

u) **Credit Ratings and revisions thereto for all debt instruments or any fixed deposit programme or any scheme or proposal of the Company obtained during the financial year under review:**

ICRA has reaffirmed the long term rating as [ICRA]AA (pronounced ICRA double A) and the short-term rating as [ICRA]A1+ (pronounced ICRA A one plus) assigned earlier to working capital limits.

Disclosures:

a. **Disclosures on materially significant related party transactions that may have potential conflict with the interest of the Company at large:**
During the financial year 2020-21, there were no materially significant transactions or arrangements entered into between the Company and its Promoters, Directors or their Relatives or the management, etc. that may have potential conflict with the interest of the Company at large. Details of the related party transactions entered into by the Company during the financial year under review are given in note no. 46 of the Financial Statements of the Company for the financial year ended March 31, 2021.

Half-yearly disclosure of transactions with Related Parties:
In compliance with Regulation 23(9) of the SEBI Listing Regulations, disclosures of transactions with related parties of the Company on a consolidated basis have been filed with the stock exchanges within prescribed timelines.

b. **Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to the capital markets, during the last three years:**
Your Company has complied with all the requirements of the regulatory/statutory authorities, the stock exchange(s) or the Securities and Exchange Board of India on Capital markets. There were no instances of any non-compliances by the Company and no penalties or strictures were imposed on the Company by the Stock Exchanges or the Securities and Exchange Board of India or any statutory/regulatory authority, on any matter related to capital markets, during the last three financial years.

c. **Details of the establishment of Vigil Mechanism/ Whistle Blower Policy and affirmation that no personnel has been denied access to the audit committee:**
The Company has established Vigil Mechanism/ Whistle Blower Policy in compliance with Regulation 22 of the SEBI Listing Regulations which facilitates the stakeholders to report concerns about any unethical behaviour, actual or suspected fraud. It also provides for adequate safeguards against the victimization of employees who avail the mechanism and allows direct access to the chairperson of the Audit Committee in exceptional cases. The details of the establishment including contact details of Chairperson of Audit Committee are displayed on the website of the Company https://www.gulfoilindia.com/investors/investor-information/policies/. It is hereby affirmed that no employee has been denied access to the audit committee.

d. **Details of compliance with mandatory requirements under SEBI Listing Regulations:**
The Company has complied with all mandatorily applicable requirements of SEBI Listing Regulations.

e. The Company does not have a subsidiary Company as of date.

f. The policy on related party transaction is hosted on Company's website under the web link https://www.gulfoilindia.com/investors/investor-information/policies/. The Policy specifies the manner of entering into related party transactions and other related matters. During the financial year under review, there were no amendments made to the said Policy.

g. During the year, your Company has not raised any proceeds from public issues, rights issues, preferential issues, etc. and hence, there are no unutilised issue proceeds during the year under review.

h. All the recommendations/submissions made by various Committees of the Board during the financial year 2020-21 were accepted by the Board of the Company.

Disclosure about discretionary requirements as specified under Regulation 27(1) and Part E of Schedule II of SEBI Listing Regulations which have been adopted by the Company:

Chairman of the Board:

The Chairman of the Board does not maintain a Chairman's office at the Company's expense. However, the Company from time to time reimburses the traveling expenses and expenses in relation to the Chairman's office in connection with the performance of his duties as the Chairman of the Company.

Modified opinion(s) in Audit Report:

During the financial year under review, there was no audit qualification on your Company's audited Financial Statements and Results. Your Company continues to adopt best practices to ensure regime of unmodified financial statements.

Separate Post of Chairman and CEO

The office of the Chairperson and the CEO of the Company are separately held. The Chairman and the CEO are not related to each other.

Mr. Sanjay G. Hinduja is the Non-Executive Chairman and Mr. Ravi Chawla is the Managing Director & CEO of the Company.

Reporting of Internal Auditor

The Internal Auditor of the Company reports directly to the Audit Committee.

Transfer of unpaid dividend/unclaimed shares to Investor Education and Protection Fund ("IEPF"):

Pursuant to Section 124 and 125 of the Companies Act, 2013 read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and including any amendments thereto, any money transferred to the Unpaid Dividend Account of a company which remains unpaid or unclaimed for seven years from the date of such transfer shall be transferred by the company along with interest accrued, if any, thereon to IEPF, established by the Government of India. Further, all the shares in respect of which dividend remains unpaid or unclaimed for seven consecutive years or more from the date of transfer to Unpaid Dividend Account shall also be transferred to IEPF Authority.

The Company has also appointed a Nodal Officer under the provisions of IEPF, the details of which are available on the website of the Company https://www.gulfoilindia.com/investors/contact-for-investors/stakeholders-contact/ .

The Company has not completed 7 years towards any of its unpaid dividend accounts till the year under review. Further, unclaimed dividends have been hosted on the website of the Company at https://www.gulfoilindia.com/investors/investor-information/unpaid-dividend/ and the shareholders are requested to claim their unpaid dividends to avoid transfer of the same to IEPF Authority.

According to Section 124 (5) of the Act, the unpaid dividends that are due for transfer to the Investor Education and Protection Fund are as follows:

Financial Year	Dividend	Date of Declaration	Due to transfer to IEPF
2014-15	Interim	September 25, 2014	October 31, 2021
	Final	September 22, 2015	October 28, 2022
2015-16	Interim	February 09, 2016	March 16, 2023
	Final	September 13, 2016	October 19, 2023
2016-17	Interim	February 03, 2017	March 11, 2024
	Final	September 15, 2017	October 21, 2024
2017-18	Interim	February 06, 2018	March 14, 2025
	Final	September 24, 2018	October 30, 2025
2018-19	Interim	February 13, 2019	March 21, 2026
	Final	September 17, 2019	October 23, 2026
2019-20	Interim	April 9, 2020	May 15, 2027
	Final	September 18, 2020	October 24, 2027
2020-21	Interim	February 5, 2021	March 13, 2028

Members who have not encashed their dividend warrants of the aforesaid years may approach the RTA, for obtaining payments thereof at least 20 days before they are due for transfer to the said fund.

Transfer of the 'shares' into Investor Education and Protection Fund (IEPF) in cases where the dividend has not been paid or claimed for seven (7) consecutive years or more:
In terms of Section 124(6) of the Act read with Investor Education & Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended, and Notifications issued by the Ministry of Corporate Affairs from time to time, the Company is required to transfer equity shares in respect of which dividends have not been claimed for seven years continuously to the Demat Account opened by the IEPF Authority within 30 days from which the shares become due to transfer to the IEPF.

Further, shares in respect of which dividend will remain unclaimed progressively for seven consecutive years will be reviewed for transfer to the IEPF as required by law from the financial year 2021-2022 onwards. The Company will transfer the said shares, after sending an intimation of the proposed transfer in advance to the concerned shareholders, as well as, publish a public notice in this regard. Names of such transferees are available on the Company's website https://www.gulfoilindia.com/investors/investor-information/unpaid-dividend/.

Dealing with securities that have remained unclaimed:
Regulation 39(4) of the SEBI Listing Regulations read with Schedule VI 'Manner of dealing with Unclaimed Shares', had directed Companies to dematerialise such shares, which have been returned as 'undelivered' by the postal authorities and hold these shares in an 'Unclaimed Suspense Account' to be opened with either one of the Depositories viz. National Securities Depository Limited (NSDL) or Central Depository Services (India) Limited (CDSL). All corporate benefits on such shares viz. bonus, dividends and so on shall be credited to the unclaimed suspense account as applicable for a period of seven (7) years and thereafter be transferred in accordance with the provisions of IEPF Authority (Accounting, Audit, Transfer, and Refund) Rules, 2016 (IEPF Rules) read with Section 124(6) of the Act.

Disclosures with respect to demat suspense account/unclaimed suspense account:
As per Schedule V (F) of the SEBI Listing Regulations, the Company reports the following details in respect of equity shares lying in the unclaimed suspense account:

Particulars	No of Shareholders	No of shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	17	510
Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	-	-
Number of shareholders to whom shares were transferred from suspense account during the year	-	-
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	17	510
Voting Rights in respect of the aforesaid 510 shares held in the Unclaimed Suspense Account are frozen till the time such shares are claimed by the concerned shareholders and the shares are re-transferred in their names.		

During the financial year under review, there were no investors who have lodged the claims with the Company for the transfer of shares from Unclaimed Suspense Account maintained by the Company.

The Board in its Meeting held on August 12, 2021, has approved the Report on Corporate Governance for the financial year 2021.

Compliance Certificate by Auditors:

The Company has obtained a certificate from M/s. JMJA and Associates LLP, Company Secretaries, Secretarial Auditors regarding the compliance of conditions of Corporate Governance as stipulated under Schedule V (E) of the SEBI Listing Regulations which forms part of this report as **Annexure-A**.

Compliance Certificate by Practicing Company Secretary regarding Non-Debarment and Non-Disqualification of Directors:

A certificate from M/s. JMJA and Associates LLP, Company Secretaries, has been obtained, certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of a Company by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any other statutory authority and accordingly the same forms part of this report as **Annexure-B**.

Declaration Affirming Compliance of Code of Conduct:

Declaration signed by the Managing Director & Chief Executive Officer that Directors and Senior Management Personnel of the Company have affirmed Compliance with the Code of Conduct for the financial year ended March 31, 2021, is enclosed separately at the end of this Report as **Annexure-C**.

ANNEXURE A

CERTIFICATE OF PRACTICING COMPANY SECRETARY ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

[Under Regulation 34(3) read with Schedule V(E) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
Gulf Oil Lubricants India Limited

We have examined the compliance of conditions of Corporate Governance by Gulf Oil Lubricants India Limited having CIN L23203MH2008PLC267060 and registered office at IN Centre, 49/50, 12th Road, M.I.D.C., Andheri (East), Mumbai 400093 ("the Company"), for the year ended on March 31, 2021, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of Corporate Governance stipulated in the SEBI Listing Regulations.

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us, and the representations made by the Management and considering the relaxations granted by Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For JMJA & Associates LLP
Practising Company Secretaries
Peer Review Certificate No. 980/2020

CS Mansi Damania
Designated Partner
FCS: 7447 | COP: 8120
UDIN: F007447C000278542

Date: May 11, 2021
Place: Mumbai

ANNEXURE B

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
Gulf Oil Lubricants India Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Gulf Oil Lubricants India Limited having CIN L23203MH2008PLC267060 and registered office at IN Centre, 49/50, 12th Road, M.I.D.C., Andheri (East), Mumbai 400093 ('the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

We believe it is the responsibility of the Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Companies Act, 2013 ("Act") and SEBI Listing Regulations.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as listed herein for the Financial Year ending as on March 31, 2021, have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN	Date of appointment
1.	Mr. Sanjay G. Hinduja	00291692	May 29, 2014
2.	Mr. Shom A. Hinduja	07128441	August 03, 2016
3.	Mr. Arvind Uppal	00104992	February 11, 2020
4.	Mrs. Manju Agarwal	06921105	March 19, 2020
5.	Mr. Ravi Chawla	02808474	May 25, 2013
6.	Mr. Munesh Khanna	00202521	November 06, 2020

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For JMJA & Associates LLP
Practising Company Secretaries
Peer Review Certificate No. 980/2020

CS Mansi Damania
Designated Partner
FCS: 7447 | COP: 8120
UDIN: F007447C000284011

Date: May 12, 2021
Place: Mumbai

ANNEXURE C

DECLARATION ON CODE OF CONDUCT

To the Members of
Gulf Oil Lubricants India Limited

I hereby declare that all the Directors and Senior Management personnel of the Company have affirmed compliance with Code of Conduct for the financial year ended March 31, 2021.

For Gulf Oil Lubricants India Limited

Sd/-
Ravi Chawla
Managing Director & CEO

Place : Mumbai
Date : May 28, 2021

Annual Report on Corporate Social Responsibility (CSR) Activities for the Financial year ended on March 31, 2021

1. A BRIEF OUTLINE OF THE COMPANY'S CSR POLICY INCLUDING OVERVIEW OF PROJECTS OR PROGRAMS PROPOSED TO BE UNDERTAKEN AND A REFERENCE TO THE WEB-LINK TO THE CSR POLICY AND PROJECTS OR PROGRAMS:

The Company's CSR policy is aimed at demonstrating care for the community through its focus on medical, educational, water initiatives, promoting road safety and other support programs for the communities in the area around our operations and local area around Silvassa, DNH and Chennai. The projects undertaken are within the broad framework of Schedule VII of the Companies Act, 2013.

2. COMPOSITION OF CSR COMMITTEE:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the financial year	Number of meetings of CSR Committee attended during the financial year
1	Mrs. Manju Agarwal	Chairperson (Non-Executive Independent Director)	3	3
2	Mr. Sanjay G. Hinduja	Member (Non-Executive Non Independent Director)	3	3
3	Mr. Ravi Chawla	Member (Managing Director & CEO)	3	3

3. PROVIDE THE WEB-LINK WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY:

Web-link: http://www.gulfoilindia.com/stakeholders/CSR.

4. PROVIDE THE DETAILS OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014, IF APPLICABLE (ATTACH THE REPORT):

Not Applicable

5. DETAILS OF THE AMOUNT AVAILABLE FOR SET OFF IN PURSUANCE OF SUB-RULE (3) OF RULE 7 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014 AND AMOUNT REQUIRED FOR SET OFF FOR THE FINANCIAL YEAR, IF ANY:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
		Not Applicable	Not Applicable

6. AVERAGE NET PROFIT OF THE COMPANY AS PER SECTION 135(5):

₹ 26,082.69 lakhs

7.

(a) Two percent of average net profit of the company as per section 135(5):

₹ 521.65 lakhs

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years:

Nil

(c) Amount required to be set off for the financial year, if any:

Not Applicable

(d) Total CSR obligation for the financial year (7a+7b-7c):

₹ 521.65 lakhs

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹ lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
471.65 lakhs	50 lakhs	27th April, 2021	Nil	Nil	Nil

(b) Details of CSR amount spent against ongoing projects for the financial year:

₹ in lakhs

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project.		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number.
1.	Restoration & Rejuvenation of Lake	(iv)	Yes	TN (Chennai)		2 years	78.57	28.57	50.00	No	Environmentalist Foundation of India	CSR00002310
2.	Education & Skill Building Projects	(ii)	Yes	Pan India		-	38.88	38.88	-	Yes	-	-
3.	Road safety Awareness Programme	(ii)	Yes	Pan India		-	167.00	167.00	-	Yes	-	-
	Total						**284.45**	**234.45**	**50.00**			

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

₹ in lakhs

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project.		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	COVID Support Programmes	(i), (xii)	Yes	Pan India		170.00	Direct	-	-
2.	Other programmes	(i)	Yes	Pan India		67.20	Direct	-	-
	Total					**237.20**			

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 471.65 Lakhs

(g) Excess amount for set off, if any:

Sl. No.	Particular	Amount (in ₹ lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	Nil
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

9. (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
Not Applicable							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed / Ongoing
Not Applicable								

10. IN CASE OF CREATION OR ACQUISITION OF CAPITAL ASSET, FURNISH THE DETAILS RELATING TO THE ASSET SO CREATED OR ACQUIRED THROUGH CSR SPENT IN THE FINANCIAL YEAR (ASSET-WISE DETAILS): Not Applicable

(a) Date of creation or acquisition of the capital asset(s): None

(b) Amount of CSR spent for creation or acquisition of capital asset: Nil

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: Not Applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable

11. SPECIFY THE REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PER CENT OF THE AVERAGE NET PROFIT AS PER SECTION 135(5):

Out of the gross amount of ₹ 521.65 lakhs required to be spent towards CSR as per requirements of the Act, the Company has spent ₹ 471.65 lakhs on various CSR initiatives during the financial year and an unspent amount of ₹ 50 lakhs which was earmarked towards ongoing multi-year CSR project(s) and to be spent in the coming years, was transferred within thirty days from the end of the financial year under review to Unspent CSR Bank account under section 135(6) of the Companies Act, 2013.

We hereby confirm that implementation and monitoring of CSR policy, is in compliance with CSR objectives and Policy of the Company.

Ravi Chawla
Managing Director & CEO
DIN: 02808474
Place: Mumbai

Manju Agarwal
Chairperson of CSR Committee
DIN: 06921105
Place: Noida

Date: May 28, 2021

ANNEXURE-IV

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

[Pursuant To Section 134(3)(m) Of The Companies Act, 2013 Read With Rule 8(3) Of The Companies (Accounts) Rules, 2014]

(A) CONSERVATION OF ENERGY

The Company has been certified for ISO14001:2015 for Environmental Management System and also Gold certified by IGBC (Chennai Plant). It continued its efforts towards energy conservation and the various initiatives are listed below:

(i) Steps taken or impact on conservation of energy at our plants:

- Installed and commissioned 50 KWP rated Solar energy plant which will generate 150-200 units per day.
- Optimized the air mixing in holding tanks by drive based set point in Air compressor and avoid unnecessary running of Air Compressor.
- One filling machine station modified to fill through gravity and hence avoided running of Pumps.
- Optimized storage space for Servers and reduced Air-conditioning needs.
- Implemented Auto / Manual switch for pails filling line which will enable Lowaerator to stop if it is in manual mode.
- Successfully conducted Energy audit through external and certified energy auditors across the entire plant with the scope covering electricity, fuel, air and water. All areas identified for possible conservation are addressed.
- A process improvement in blending is done to improve cleaning effectiveness of blending kettles by putting jet-spray flushing mechanism inside the kettles. Also, it reduces the flushing oil waste generation by 25% during a product changeover.
- Pneumatic tubing made of PVC material is replaced with copper tubing in blending area to save compressed air leakages by 10-15% and will also help in maintaining the optimal & uniform pressure across the pressure valves and pipelines.

Proposed actions to reduce power consumption:

- Optimizing Emergency Lighting inverter usage by integrating different areas and avoid no load power consumption.
- TMS (Total Management System) Technology to integrate the VRF Air-conditioning system to monitor all parameter to avoid overload and excess power consumption.
- Dissolved Oxygen sensor based STP blower operation through VFD, based on the requirement of air flow blower will run.

(ii) Steps taken by the company for utilising alternate sources of energy:

Installed and commissioned 50 KWP rated Solar energy plant at Silvassa which will generate 150-200 units per day.

(iii) The capital investment on energy conservation equipments:

During the financial year under review, the Company has incurred ₹ 28 lakhs as capital investment on energy conservation equipments.

(B) TECHNOLOGY ABSORPTION

The Company upgraded its portfolio and added many new products offering performance benefits to its customers.

(i) Efforts made towards technology absorption:

- The Company independently and along with its OEM partners carried out extensive BS VI engine oil validation on heavy duty commercial vehicles, light duty vehicles, passenger cars, 3-wheelers and 2 wheelers in Indian operating conditions. The Company has launched range of BS VI engine oils across the segments in various SAE grades. The Company also rolled out customized products for BS VI vehicles of various OEMs;
- The Company has been one of the pioneers in manufacturing and marketing Adblue® in India and now has its own VDA license. VDA (Verband Der Automobilindustrie) is the German Association of the Automotive Industry and owns the registered trademark Adblue®. With state-of-the-art manufacturing and testing facility, the Company confirms the best quality of raw material and finished product. Every Gulf AdBlue® batch undergoes

rigorous testing for conformance to ISO 22241 standard;

- The Company has enhanced its already widespread product portfolio into a complete new range for textile industry by adding high quality Knitting oils. Along with the lubrication & protection of critical machinery components, this product ensures antistatic property and superior scour ability for complete removal of oil traces from the fabrics on washing;
- The Company newly formulated VHVI (Very High Viscosity Index) hydraulic oil has proven the performance in injection molding machines by reducing the energy consumption. Conserving energy saves money by lowering the utility bills for the users along with saving the environment by reducing carbon footprint. Highly engineered product by the Company fulfils this objective;
- Specialized greases were launched to fulfil the segment specific requirements of Industrial segment.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

- Heavy Duty Diesel Engine Oils are upgraded to meet the latest specifications and BS VI emission norms
- 4-Stroke Motorcycle Oils portfolio is upgraded and expanded to meet the latest specifications and BS VI emission norms
- Passenger Car Motor Oils are upgraded and expanded to meet the latest specifications and BS VI emission norms
- Assisted in developing the products meeting OEM specifications and played important role obtaining the leading OEM approvals even during the lockdown
- Developed and commercialized Extended Drain Interval Gear and Axle Oil
- Developed a range of alternate formulations to ensure cost effectiveness and logistics flexibility.

Future Plans:

- Agriculture Spray Oils
- Fluid solution to Electric Vehicles
- A range of Metal-working Fluids
- High Performance Motorcycle Oils with product differentiation

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

An advanced product range to keep up with the evolving market requirement was introduced in India. The technology was imported after the year 2017 and is fully absorbed.

Automotive:

- Motorcycle engine Oil launched with CVP of fastest pick up even with continued usage meeting advanced performance credentials.
- The Company independently and along with its OEM partners rolled out customized products for vehicles, that meets with the BS VI emission norms across the segments in various SAE grades.
- Premium heavy duty diesel engine oil was launched for Ultra low emission engines that meets with performance requirements of API CK-4 offering extended drain interval of 1,20,000 kms.

Industrial:

- Advanced Synthetic gear oil for high performance application specially in wind turbine and cement industries.
- High quality Knitting oils were launched with proven performance credentials. It offers the lubrication & protection of critical machinery components, antistatic property and superior scour ability for complete removal of oil traces from the fabrics on washing.
- Advanced Water-miscible coolant and high flash point solvent based rust preventive oil specially for Tube Mill application.
- Premium Neat Oil for high speed profile grinding application.

(iv) The expenditure incurred on Research and Development:

₹ in Lakhs

	2020-21
Capital	5.11
Revenue	1,115.31
Total Expenditure on R & D	**1,120.42**

Total Expenditure on R&D as percentage of revenue from operations (Net): **0.68%**

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The foreign exchange earned in terms of actual inflows during the financial year and foreign exchange outgo during the financial year in terms of actual outflows:

₹ in Lakhs

	2020-21
Foreign Exchange Earning	8,845.66
Foreign Exchange Outgo	40,464.28

ANNEXURE-V

Business Responsibility (BR) Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

S. No.	Particulars	Information
1	Corporate Identity Number (CIN) of the Company	L23203MH2008PLC267060
2	Name of the Company	Gulf Oil Lubricants India Limited
3	Registered address	IN Centre, 49/50, M.I.D.C., 12th Road, Andheri (East), Mumbai, MH 400093.
4	Website	www.gulfoilindia.com
5	E-mail id	secretarial@gulfoil.co.in
6	Financial Year reported	April 1, 2020 to March 31, 2021
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Manufacturing and selling automotive and non-automotive lubricating oil, greases and two-wheeler batteries. (NIC Code: 19201)
8	List three key products/services that in the Company manufactures/provides (as in balance sheet)	Manufacturing and selling of automotive and non-automotive lubricating oil, greases and selling of two-wheeler batteries.
9	Total number of locations where business activity is undertaken by the Company	Number of international locations (Provide details of major 5): The Company does not have any offices in international locations however, products are being exported to Bangladesh, Indonesia, Nepal, Qatar, Africa, among others. Number of national locations: The Management operates from the Company's head office and registered office in Mumbai, Maharashtra. Apart from this, there are four regional offices and around 30 depots to cater pan India operations. The Company's manufacturing plant is located in Silvassa and Ennore, Chennai.
10	Markets served by the Company – Local/State/ National/ International	Local/State/ National/ International

SECTION B: FINANCIAL DETAILS OF THE COMPANY

S. No.	Particulars	Information
1	Paid up Capital (INR)	₹ 1,006.19 Lakhs
2	Total Turnover (INR)	₹ 1,65,220.51 Lakhs
3	Total profit after taxes (INR)	₹ 20,008.58 Lakhs
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	(a) In terms of Section 135 of Companies Act, 2013 (INR): Rs. 471.65 Lakhs (b) As percentage of profit after tax (%): 2.36%
5	List of activities in which expenditure in above has been incurred	1. Road Safety promotions 2. Water positive programs 3. Kushal Technician and ICEMA Vocational Trainings 4. Covid pandemic 5. Other programs

SECTION C: OTHER DETAILS

Does the Company have any subsidiary company/companies?

No.

Do the subsidiary company/companies participate in the Business Responsibility (BR) initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s).

Not Applicable

Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities

The Company's Code of Conduct is applicable to business entities who are associated with the Company. The business associates, however, do not directly participate in BR initiatives of the Company.

SECTION D: BR INFORMATION

1. Details of Director/ Directors responsible for BR

a) Details of Director/Directors and BR head for implementation of the BR policy/policies:

DIN Number	02808474
Name	Mr. Ravi Chawla
Designation	Managing Director & CEO

b) Details of the BR head:

Particulars	Details
DIN Number	02808474
Name	Mr. Ravi Chawla
Designation	Managing Director & CEO
Telephone Number	91-22-6648-7777
E-mail ID	secretarial@gulfoil.co.in

2. The principles are as follows:

Principle 1 (P1)	Businesses should conduct and govern themselves with ethics, transparency and accountability.
Principle 2 (P2)	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
Principle 3 (P3)	Businesses should promote the well-being of employees.
Principle 4 (P4)	Businesses should respect the interest of, and be responsive towards stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
Principle 5 (P5)	Businesses should respect and promote human rights.
Principle 6 (P6)	Businesses should respect, protect and make efforts to restore environment.
Principle 7 (P7)	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
Principle 8 (P8)	Businesses should support inclusive growth and equitable development.
Principle 9 (P9)	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Details of compliance (Reply in Y/N)

Sr. No.	Question No.	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for the above?	Yes								
2	Has the policy been formulated in consultation with relevant stakeholders?	Yes								
3	Does the policy conform to any national/international standards? If yes, specify? (50 words)	The policies/code of conduct of the Company are aligned with global best practices. The Company is ISO 9001 (QMS), ISO14001 (EMS), TS 16949:2009 and ISO 18001 (OHSAS) compliant.								
4	Has the policy been approved by the Board? If yes, has it been signed by MD/Owner/CEO/appropriate Board Director?	Yes, the policies are approved by the Board.								
5	Does the Company have a specified Committee to implement and evaluate adherence to the Code of Conduct and EHS policy among employees?	The implementation and adherence to the code of conduct and EHS policy are overseen by the BR Head.								
6	Indicate the link for the policy to be viewed online?	P1	P2	P3	P4	P5	P6	P7	P8	P9
		Ref. $	Ref. #	Ref. $	Ref.*	Ref. $	Ref. $	Ref. $	Ref. $	Ref. $

#Environment policy: https://www.gulfoilindia.com/about-us/safety-health-environmental-care/

*CSR policy link: https://www.gulfoilindia.com/about-us/corporate-social-responsibility/make-wish-foundation/

$Published on Company's intranet portal.

Sr. No.	Question No.	P1	P2	P3	P4	P5	P6	P7	P8	P9
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes, using the stakeholder engagement practices in place.								
8	Does the Company have in house structure to implement the policy/ policies?	Yes, the system in place is commensurate with the size of the Company.								
9	Does the Company have a grievance redressal mechanism related to the policy/policies?	Yes, the Company has a robust mechanism for grievance redressal.								
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	No. Being in the initial period of implementation of Business Responsibility Reporting, audit/evaluation is not done. The same shall be undertaken in coming years.								

If answer to the question at serial number 1 against any principle, is 'No', please explain why:

Sr. No.	Question No.	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles	Not applicable.								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

Governance related to BR

Indicate the frequency with which the Board of Directors, Committees of the Board or CEO to assess the BR performance of the Company

The Board of Directors of the Company assesses the initiatives forming part of the BR performance of the Company annually.

Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

A Business Responsibility Report is published by the Company annually and is part of the Annual Report.

The hyperlink to view the said Report is: https://www.gulfoilindia.com/investors/investor-information/investor-disclosures/. The Company does not publish a Sustainability Report.

SECTION E: PRINCIPLE WISE PERFORMANCE

Principle 1: Ethics, Transparency and Accountability

1. **Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others?**

   The Company is committed to adhere to the highest standards of ethical, moral and legal principles to ensure efficiency, fairness and transparency in conducting business operations. The Company adopted the code of conduct which lays down general principles that should govern the actions of the Company and its employees and emphasizes the adoption of personal ethics, integrity, confidentiality and discipline of the highest degree in dealing with matters relating to the Company, which are covered across its interactions with any stakeholder viz. suppliers, customers, among others. The code is currently applicable to all permanent employees and contract personnel that the company employs.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

   The Company has a robust whistle-blower policy for Directors and employees to report to the management, instances of unethical behavior, actual or suspected fraud, transgression of legal or regulatory requirements, Insider Trading or violation of the Company's code of conduct. Details on this mechanism are published on the Company's website. **No whistle blower complaints were received during the financial year**.

   The Company established a mechanism to respond to investor grievances. **There were no complaints from investors pending at the beginning of the financial year. The Company received 20 investors**

related complaints during the financial year and all complaints were resolved satisfactorily.

If investigations lead to the Chairperson of Audit Committee to conclude that an unethical or improper activity has been committed, the Chairperson will recommend to the Management of the Company to take such disciplinary or corrective action as deemed fit. It is clarified that any disciplinary or corrective action initiated against the subject, based on the findings of an investigation pursuant to this policy, would adhere to the applicable personnel or staff conduct and disciplinary procedures. A quarterly status on number of complaints received under this policy is submitted to the Board by the Audit Committee. **The Company hereby affirms that no Director/employee has been denied access to the Chairperson of the Audit Committee and no complaints were received during the reporting financial year**.

Principle 2: Product Life Cycle Sustainability

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

The company has been a pioneer of Long Drain products in India and developed multiple product lines that have incorporated environmental concerns over the last financial year also. Some important product lines to highlight are:

- Gulf Superfleet ULE Dura Max
- Gulf Gear ED Dura Max
- Gulf Supreme Duty ULE

In addition to this, various other products such as Very High Viscosity Index hydraulic oils and other synthetic lubricants have been developed by the company that provide both extended drain intervals and better fuel economy.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.)**

- **Reduction during sourcing/production/distribution achieved since the previous financial year throughout the value chain?**

The following initiatives were taken over the last financial year for more efficient use of resources throughout the value chain:

- A process improvement in blending is done to improve cleaning effectiveness of blending kettles by putting jet-spray flushing mechanism inside the kettles. Also, it reduces the flushing oil waste generation by 25% during a product changeover.
- Replacement of diesel-based forklift at shopfloor with battery-based forklift will deliver zero emissions at shopfloor.
- Conversion of thermic fluid heaters running on diesel to an efficient medium i.e. liquefied petroleum gas reduces environmental emissions significantly and also reduces cost by 25%.
- **Reduction during usage by consumers (energy, water) has been achieved since the previous financial year?**

The company has developed BS VI variants of the products mentioned above that has retained drain intervals while reducing emissions and improving fuel efficiency. In addition to this, the Company's newly formulated VHVI (Very High Viscosity Index) hydraulic oil has proven the performance in injection molding machines by reducing the energy consumption. Conserving energy saves money by lowering the utility bills for the users along with saving the environment by reducing carbon footprint.

3. **Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Provide details thereof, in about 50 words or so.**

The company sources its raw materials from reputable international and domestic sources that are expected to follow BR protocols and are periodically audited for quality. All safety and environmental protocols are followed for internal logistics of the company. There is a continuous effort to reduce cost and emissions within the supply chain. Over the last year, tanker unloading time has been reduced by 50% by modifying the unloading lines with non-return valves resulting in lower emissions and higher efficiency in the supply chain.

4. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**

For general items such stationery and other common and general spares, all procurement is done from local and nearby vendors. In addition to this, all packaging materials used by the company are sourced domestically from small and medium enterprises.

- **If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

A comprehensive process called the Quality Management System is responsible for the quality control of all sourced materials. They undergo product inspection and audits in addition to quality checks. These processes help to ensure that the vendors are capable in supplying the materials and the audits help the vendors correct any shortcomings.

5. **Does the company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste?**
Waste segregation activity is undertaken at the plant to differentiate between hazardous and non-hazardous waste. Hazardous waste is sold to Recyclers authorized by the PCB. Moreover, keeping in mind the importance of water management, the waste water is 100% recycled in Chennai Plant.

Principle 3: Employees Well-being

1. **Total number of permanent employees:** 618
2. **Total number of employees hired on temporary/ contractual/ casual basis:** 200+
3. **Total number of permanent women employees:** 42
4. **Please indicate the number of permanent employees with disabilities:** Nil
5. **Do you have an employee association that is recognized by management:** No
6. **Percentage of your permanent employees is members of this recognized employee association?:** NA
7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year:**

Sr. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of financial year
1	Child Labour/ Forced Labour/ Involuntary Labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training last year:**
Employees are core asset for the organization & the practices designed at the Company are primarily to cater to the changing business requirements. The human capital strategy is designed carefully to ensure that we create the culture which is engrained based on the Group guiding principles & Brand values. The focused practices include employee safety, capability development & skill building of the employees, nurturing best talent within the organization. In order to keep the pace with the changing conditions, the company revisits the policies & practices so as to ensure the employee wellbeing agenda is met effectively.

The company has put "Safety First" programme to promote safety practices across plant & non plant locations. The employee wellbeing & safety is critical along with the achievement of the business objectives.

Some relevant statistics on this front are:

Total Training Man-days- 1586

Digital Training (No. of courses)- 277

No. of assessments done – 1214

The average age of the organization is 39 years.

Long service Award winners – April 2020 till March 2021- 86 employees

The company is consciously taking steps to improve the gender diversity through its talent acquisition & campus relationship programme. We recognize the right to freedom of association, however, there are no employee associations within the company.

We are an equal opportunity employer & we focus on the meritocracy at all stages right from hiring to deployment, role mapping to remuneration. The Company has a robust process of selection of best talent right from entry level to top management.

Capability Building is one of the key elements of the human capital strategy. The company emphasizes on covering wide range of the skill sets for its employees. In the financial year 2020-21, during the lockdown period, the major focus was on LOC (live on classroom) sessions covering functional & behavioral topics through webinars as well as web-based trainings. The same was extended to our channel partner teams as well. The digitized learning platform, "GOLD" Academy (Gulf Oil Learning & Development Academy)" has rich contents & it is extended to global operations covering the distributors, key customers, licensees worldwide. The programmes are available in three languages – English, Spanish & Mandarin. The company also supports capability development through job rotation across geographies to enhance their capabilities & career.

Prevention of Sexual Harassment at workplace:
The company has put in the required policy & framework to address the Prevention of Sexual Harassment at Workplace since 2014. The new committee has been appointed in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention,

Prohibition and Redressal) Act, 2013. The internal complaints committee consisting of three employees (with one woman representation) & one independent external panel member is in place. The regular awareness sessions are conducted for employees.

Following statistics shows the status on the no. of complaints.

Sr. No.	Category	No. of Complaints filed during the financial year	No. of Complaints pending as on end of financial year
1	Child Labour/ Forced Labour / Involuntary Labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

HSSE (Health, Safety, Security & Environment): To promote the well-being of the employees, and more so during the Covid-19 pandemic period, various safety awareness programmes are organised including health talk series on the various contemporary topics, health sessions, Yoga sessions etc. The company facilitates the annual medical checkup for all its employees. The company has implemented the global safety practices last year & employees are taken through the safe practices at plant & non plant locations. The company has facilitated the agile working conditions for its employees – work from home, flexible working are some of the practices adopted to ensure the work life balance.

The company has introduced the critical illness cover for all its employees to support the additional medical expenses on account of the critical illness. The company has also continued the support for the top up medical cover for the employee & family, and for the parents of the employees in addition to the existing medical claim policy for employee family & parents. The term insurance & personal accident insurance cover continues.

The company has committed to provide an ergonomically safe & comfortable work environment at all its offices, Depot locations & Plants.

Principle 4: Stakeholder Engagement

1. **Has the company mapped its internal and external stakeholders? Yes/No**

   Yes. The stakeholders identified are: Employees, dealers, mechanics, truck drivers, suppliers, regulatory authorities, NGOs, communities surrounding plants and offices

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.**

   Local communities around Chennai plant were recognized as vulnerable mainly due to water scarcity concerns and projects were undertaken accordingly.

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders?**

   The Company recognizes the importance of focused and inclusive social and economic development, especially in communities within which it operates. It engages with internal and external stakeholders to understand their concerns and address them using formal and informal mechanisms. It seeks to maintain cordial relationship with its stakeholders and has undertaken CSR initiatives on education, road safety awareness, rural development and promoting healthcare among local communities at Silvassa, DNH and Ennore, Chennai. The Company has taken up the Lake Restoration project in Chennai. The first project taken up was "Thamaraikulam Lake Rejuvenation and Restoration Project". The project is completed & handed over to the community. The Company has taken up one more lake restoration project "Sathan Kadu Lake Rejuvenation and Restoration Project". The work is in full swing & the project is expected to be completed in financial year 2022.

Principle 5: Human Rights

1. **Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/ NGOs/Others?**

   The Company respects and upholds the laws and human rights provisions across locations in which it operates. The code of conduct is applicable for all Directors, employees and business partners of the Company.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   There were no complaints received regarding human rights violations during the financial year. As a policy, the Company does not employ child labour.

Principle 6: Environmental

1. **Does the policy relate to Principle 6 cover only the Company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others?**

   The company has an HSSE policy that addresses environmental concerns and it is applicable only to the company.

2. **Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc.?**

   The company is committed to comply with all applicable laws and intends to uphold high standards for Occupational Health, Safety and Environment. The company is conscious of the impact of its manufacturing operations as well as products on the environment due to emissions and resource consumption throughout their life cycle. The company's approach towards climate change mitigation focuses on product innovation to improve fuel efficiency and reduce emissions for customers and reducing the environmental footprint of our manufacturing operations through initiatives like 3R and continuous monitoring of energy and water usage. Furthermore, the company has undertaken projects such as lake restoration in Ennore and installation of water ATMs in Athipet to address the issue of water shortage in the vicinity of the Ennore Plant.

3. **Does the company identify and assess potential environmental risks? Y/N**

   Yes, by identifying significant environmental risks through Aspect Impact study

4. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N.**

   Following are the projects undertaken in financial 2020-21 which will contribute towards cleaner environment –

   - Rain water conservation project to channelize rooftop water across the plant has a potential to recharge ground with 1,80,000 litres of water in a day.
   - Installed and commissioned 50 KWP rated Solar energy plant which will generate 150-200 units per day.
   - Conversion of thermic fluid heaters running on diesel to an efficient medium i.e. liquefied petroleum gas reduces environmental emissions significantly and also reduces cost by 25%.

5. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   The company complies with all protocols set by the regulatory authorities for control of emissions. Periodic monitoring is undertaken by a third-party inspector approved by the SPCB to record, report and control the emissions generated at the plant on a monthly and quarterly basis. All emissions have been found to be within limits stipulated by the CPCB/SPCB.

6. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

   There were no show cause/ legal notices received from CPCB/SPCB over the last financial year.

Principle 7: Policy Advocacy

1. **Is your Company a member of any trade and chamber or association? If Yes, name only those major ones that your business deals with.**

   Yes. The Company is a member of the following trade/ chamber/ association:

   - Bombay Chamber of Commerce and Industry (BCCI)
   - Confederation of Indian Industry (CII)

2. **Have you advocated/ lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

   The Company does not take part (directly or indirectly) in any political activity and make any political contributions in cash or kind. It complies with applicable laws and regulations that prohibit bribery and corruption. It aims to engage constructively with the local government, regulatory authorities and relevant public bodies for the development of public policies keeping in view the sustainability and compliance commitments thereby creating a better business environment and build healthy relationships with them.

Principle 8: Inclusive Growth

1. **Does the Company have specified programmes/ initiatives/ projects in pursuit of the policy related to Principle 8? If yes, details thereof.**

   Education and skill building projects were undertaken to provide educational support to economically challenged children. Various road safety awareness programs were also conducted. In addition to this, various Covid support programs were initiated in view of the need of urgent support to vulnerable communities during the pandemic.

2. **Are the programmes/projects undertaken through in-house team/own foundation/ external NGO/government structures/any other organization?**
   While the projects are designed and created by the in-house team in alignment with the values and strategy of the company, the implementation is undertaken by third party entities such as NGOs and Not for Profit Organizations.

3. **Have you done any impact assessment of your initiative?**
   Yes, details below in Question 5.

4. **What is your company's direct contribution to community development projects? Amount in INR and the details of the projects undertaken.**
   The company contributed an amount of 471.65 lakhs in FY 2020-21 towards CSR projects. Details of the activities undertaken can be found in the CSR report.

5. **Have you done any impact assessment of your initiative? Have you taken steps to ensure that this community development initiative is successfully adopted by the community?**
   Yes, an internal impact assessment exercise is done of the initiatives undertaken by the company to monitor the activities and calibrate them for the best results of the stakeholders involved. This includes monitoring the CSR activities, continuous follow ups and tracking the initiatives conducted under CSR to determine the end results and the benefits to the community.

Principle 9: Customer Value

1. **What percentage of customer complaints / consumer cases are pending as on the end of financial year?**
   There are robust mechanisms and practices in place to record and resolve customer complaints. A new and improved customer complaint redressal portal Gulf Care has been adopted for better customer complaint resolution. None of the complaints received remained pending at the end of the financial year.

2. **Does the Company display product information on the product label, over and above what is mandated as per local laws?**
   The Company discloses additional information, such as product benefits and technical specifications, in addition to the information mandated to be included in the product label.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year?**
   There were no cases filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years or pending as on end of financial year.

4. **Did your company carry out any consumer survey/ consumer satisfaction trends?**
   The Company works to meet and manage customer needs efficiently. The products are developed based on regular interactions, feedback and survey of consumers. The Company regularly tracks consumer satisfaction scores and brand positions across channels and among its distributors and adopts appropriate measures to improve customer satisfaction.

ANNEXURE-VI

Form No. MR-3

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT

For the Financial year ended 31st March, 2021

To,
The Members,
Gulf Oil Lubricants India Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Gulf Oil Lubricants India Limited** (hereinafter called the **"Company"**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31st March, 2021** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended **31st March, 2021** according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment, to the extent applicable;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All resolutions/ decisions including Circular Resolutions of the Board of Directors and its Committees are approved by the requisite majority and are duly recorded in the respective minutes.

Majority decision is carried through, while the dissenting views of the Directors/ Members, if any, are captured and recorded as part of the minutes.

We further report that

There are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that

During the year under review, the Company has:

(i) Allotted equity shares of ₹ 2/- per share under Employees Stock Option Scheme-2015 as below:

- 14,500, 7,000 and 752 Equity shares at a premium of ₹ 334/- per share, ₹ 352.51/- per share and ₹ 541.62/- per share respectively on 17.06.2020;
- 40,703 and 8,441 Equity shares at a premium of ₹ 334/- per share and ₹ 352.51/- per share respectively on 12.08.2020;
- 24,064, 11,872 and 3,811 Equity shares at a premium of ₹ 334/- per share, ₹ 352.51/- per share and ₹ 541.62/- per share respectively on 06.11.2020;
- 64,836, 3,846 and 5,418 Equity shares at a premium of ₹ 334/- per share, ₹ 352.51/- per share and ₹ 541.62/- per share respectively on 03.12.2020;
- 8,900 and 9,674 Equity shares at a premium of ₹ 334/- per share and ₹ 352.51/- per share respectively on 05.02.2021.

For BS & Company, Company Secretaries LLP

A. Ravi Shankar
Designated Partner
FCS No: 5335
C P No: 4318
UDIN: F005335C000202334

Date: 28.04.2021
Place: Hyderabad

NOTE: This report is to be read with our letter of even date which is annexed as **'Annexure'** and forms an integral part of this report.

ANNEXURE

To,
The Members,
Gulf Oil Lubricants India Limited

Our report of even date is to be read with this letter.

1. Maintenance of Secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

7. We further report that the compliance by the Company of applicable fiscal laws like Direct & Indirect tax laws have not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

8. Under the situation of COVID-19 pandemic prevailing during the period, secretarial audit was conducted with the verification of all the documents, records and other information electronically as provided by the management.

For BS & Company, Company Secretaries LLP

A. Ravi Shankar
Designated Partner
FCS No: 5335
C P No: 4318
UDIN: F005335C000202334

Date: 28.04.2021
Place: Hyderabad

Information as Per Section 197(12) of the Companies Act, 2013 Read with Rule 5(1) of the Companies (Appointment and Remuneration Managerial Personnel) Rules, 2014

(i) Ratio of the remuneration of each director to the median remuneration of the employees of the company for the Financial Year 2020 – 21 and

(ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary in the Financial Year 2020 – 21:

Sr. No.	Name of Director/ KMP	Designation	Percentage increase/ (decrease) in remuneration in the financial year 2020 -21 (%)	Ratio of remuneration of each director to median remuneration of employees
1	Mr. Sanjay G. Hinduja(1)	Non-Executive Director	NIL	9.50
2	Mr. Shom A. Hinduja(1)	Non-Executive Director	11.59%	1.47
3	Mr. Arvind Uppal(1)	Independent Director	N.A.	2.90
4	Mrs. Manju Agarwal(1)	Independent Director	N.A.	2.66
5	Mr. Munesh Khanna(1) & (2)	Independent Director	N.A.	N.A.
6	Mr. Ashok Kini(1) & (3)	Independent Director	N.A.	2.14
7	Mr. Ravi Chawla	Managing Director & CEO	21.62%	42.76
8	Mr. Manish Kumar Gangwal	Chief Financial Officer	9%	18.13
9	Mrs. Shweta Gupta(4)	Company Secretary	N.A.	3.52

Notes:

(1) Other than Mr. Ravi Chawla, sitting fees paid for attending the meetings of the board and/ or its committees has also been considered for computation of increase.

(2) Mr. Munesh Khanna appointed as Non-executive Independent Director w.e.f. November 06, 2020. Hence, percentage increase/ decrease in remuneration in the year under review is not applicable.

(3) Mr. Ashok Kini ceased as an Independent Director on conclusion of second term on December 12, 2020.

(4) Mrs. Shweta Gupta was appointed as Company Secretary of the Company w.e.f November 6, 2020.

(iii) The percentage increase in the median remuneration of employees in the Financial Year 2020-21:

	2020-2021	2019-2020	Increase (%)
	Median	Median	
Median remuneration of all employees per annum	1052303	1004751	1.05%

(iv) The number of permanent employees on the rolls of Company:
As of March 31, 2021 there were 618 permanent employees on the rolls of the Company.

(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average percentile increase in the salaries of the employees other than Managerial Personnel is 4.30%. The average increase in remuneration of employees other than the Managerial Personnel is in line with the industry practice considering challenging economic environment and is within normal range as per industry.

(vi) Affirmation that the remuneration is as per the remuneration policy of the company.
It is hereby affirmed that the remuneration paid to:

a. directors, KMP and members of senior management is as per Remuneration Policy of the Company; and

b. other employees of the Company is as per the Human Resource Policy of the Company.

ANNEXURE-VIII

Certificate under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

CEO - CFO CERTIFICATION

To the Board of Directors
Gulf Oil Lubricants India Limited

1. We have reviewed the annual Audited Financial Statements and the cash flow statement of **Gulf Oil Lubricants India Limited** ("Company") for the financial year ended on March 31, 2021 and to the best of our knowledge and belief:

    I. These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;

    II. These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year ended on March 31, 2021 which are fraudulent, illegal or violative of the Code of Conduct of the Company.

3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to be taken to rectify the deficiencies.

4. We have indicated to the Auditors and the Audit Committee:

    I. significant changes in the Company's internal control over financial reporting if any, during the financial year ended on March 31, 2021;

    II. significant changes in accounting policies, if any, during the financial year ended on March 31, 2021 have been disclosed in the notes to the Financial Statements; and

    III. instances of significant fraud of which we have become aware and involvement therein, if any, of the management or other employees having a significant role in the Company's internal control system over financial reporting.

Place: Mumbai	Ravi Chawla	Manish Kumar Gangwal
Date: May 28, 2021	Managing Director & CEO	Chief Financial Officer

Independent auditor's report

To the Members of Gulf Oil Lubricants India Limited

Report on the audit of the financial statements

Opinion

1. We have audited the accompanying financial statements of Gulf Oil Lubricants India Limited ("the Company"), which comprise the balance sheet as at March 31, 2021, and the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter description	How our audit addressed the key audit matter
Estimation of year-end secondary trade accruals towards rebates and discounts **[Refer to note 2.3 (D) to the financial statements]** Revenue from sale of goods is measured net of rebates and discounts given to customers on the Company's sales. The provision for rebates and discounts relating to secondary sales (i.e. sales made by Company's distributors/retailers to their customers) ("the secondary trade accruals towards rebates and discounts") has been considered as a key audit matter as it's computation involves estimation and judgment in determination of the likelihood of the amount at which these are expected to be settled. The estimation of the year-end secondary trade accruals towards rebates and discount requires evaluation of various schemes for rebates and discounts, which are often revised considering the market and competitive factors. Management considers historical and secondary sales forecast for the respective schemes to determine the likely amount at which the secondary trade accruals are expected to be settled. The secondary trade accruals as at March 31, 2021 accounts for approximately between 1% to 2% of the Company's revenue from operation for the year ended March 31, 2021.	**Our procedures included the following:** • Understood and evaluated the design and tested the operating effectiveness of the controls over calculation and completeness of recording of the secondary trade accruals. • Obtained management's calculations for the secondary trade accruals in respect of relevant schemes and validated the information and assessed the reasonableness of assumptions used by the management in determining the amount of accruals as at the year end. • Assessed the reasonableness of estimates made by the Company for secondary trade accruals by comparing the provisions recognised in earlier periods with the subsequent claims settled by the Company and checked that there were no significant adjustments to the estimates made in the past. • Verified the credit notes for rebates and discounts issued subsequent to the balance sheet date to assess the reasonableness of the amounts recognised and to identify any significant unaccounted secondary trade accruals. Based on the above procedures performed, we found the management's estimate for the year-end secondary trade accruals towards rebates and discounts to be reasonable.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

   In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of management and those charged with governance for the financial statements

6. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

7. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

   - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

13. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

14. As required by Section 143(3) of the Act, we report that:

    (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.

    (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

    (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

    (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**".

    (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 38 to the financial statements.

ii. The Company has long-term contracts as at March 31, 2021 for which there were no material foreseeable losses. The Company does not have long-term derivative contracts as at March 31, 2021.

iii. There were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021.

iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2021.

15. The Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provision of section 197 read with Schedule V to the Act.

For **Price Waterhouse LLP**
Firm Registration Number: 301112E/ E300264
Chartered Accountants

Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN:21112433AAAACV8187
Place: Mumbai
Date: May 28, 2021

Annexure A to Independent Auditors' Report

Referred to in paragraph 14(f) of the Independent Auditors' Report of even date to the members of Gulf Oil Lubricants India Limited on the financial statements for the year ended March 31, 2021

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Gulf Oil Lubricants India Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Price Waterhouse LLP**
Firm Registration Number: 301112E/ E300264
Chartered Accountants

Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN:21112433AAAACV8187
Place: Mumbai
Date: May 28, 2021

Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Gulf Oil Lubricants India Limited on the financial statements as of and for the year ended March 31, 2021

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The title deeds of immovable properties, as disclosed in Note 3 on Property, Plant & Equipment to the financial statements, are held in the name of the Company.

ii. The physical verification of inventory excluding stocks with third parties have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made. The Company has not provided any guarantees or security covered under Section 185 & 186 of the Companies Act, 2013.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities.

Further, for the period April 1, 2020 to May 31, 2020, the Company has paid Goods and Service Tax and filed Form No. GSTR 3B (after the due date but) within the timelines allowed by Central Board of Indirect Taxes and Customs under the Notification No. 32/2020 and Notification No. 36/2020 - Central Tax dated April 03, 2020 on fulfillment of the conditions specified therein.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of service tax and duty of customs which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, value added tax, duty of excise and goods and service tax as at March 31, 2021, which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in lacs)*	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	43.34	1999-2001, 2003-2004, 2005-2006 and 2012-2014 (Assessment Year)	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	86.51	1998-1999 and 2011-2012 (Assessment Year)	High Court
Income Tax Act, 1961	Income Tax	15.05	2006-2007 (Assessment Year)	Supreme Court
Income Tax Act, 1961	Income Tax	13.26	2010-2011 (Assessment Year)	Appellate Tribunal
Local Sales Tax Act, VAT Act and Central Sales Tax Act	Sales Tax	2,105.13	2003-2005 and 2010-2011	Appellate Tribunal

Name of the statute	Nature of dues	Amount (₹ in lacs)*	Period to which the amount relates	Forum where the dispute is pending
Local Sales Tax Act, VAT Act and Central Sales Tax Act	Sales Tax	2,647.62	2006-2013 and 2015-2016	Joint Commissioner of Sales Tax
Local Sales Tax Act, VAT Act and Central Sales Tax Act	Sales Tax	6.54	1999-2000	High Court
Local Sales Tax Act, VAT Act and Central Sales Tax Act	Sales Tax	10.57	1997-2000 and 2010-2011	Assistant Commissioner of Commercial Tax
Local Sales Tax Act, VAT Act and Central Sales Tax Act	Sales Tax	42.40	2012-2013 and 2014-2015	Commissioner of Sales Tax
Local Sales Tax Act, VAT Act and Central Sales Tax Act	Sales Tax	35.16	2016-2018	Deputy commissioner of sales tax
Central Excise, Custom and Service Tax	Excise Duty	22.76	2007-2008 and 2009-2010	Appellate Tribunal
Goods and Service Tax	Goods and Service Tax	8.04	2018-2019	Additional commissioner of sales tax
Goods and Service Tax	Goods and Service Tax	15.07	2017-2020	Joint Commissioner (Appeals)

* Net of amounts paid under protest.

viii. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to any bank. The Company does not have any borrowings from any financial institution or government nor has it issued any debentures as at the balance sheet date.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act. Also refer paragraph 15 of our main audit report.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with them. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **Price Waterhouse LLP**
Firm Registration Number: 301112E/ E300264
Chartered Accountants

Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN:21112433AAAACV8187
Place: Mumbai
Date: May 28, 2021

Balance Sheet

as at March 31, 2021

₹ Lakhs

Particulars	Note No	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non current assets			
Property, plant & equipment	3	24,094.57	25,945.34
Right-of-use assets	36	1,103.01	1,929.49
Capital work in progress	3	373.84	66.19
Intangible assets	3	164.05	172.24
Financial assets			
(i) Investments	4	2,026.56	458.84
(ii) Loans	5	114.75	109.02
(iii) Other financial assets	6	645.20	640.71
Other non current assets	7	3,150.10	2,557.31
Total non current assets		**31,672.08**	**31,879.14**
Current assets			
Inventories	8	37,651.34	32,826.59
Financial assets			
(i) Trade receivables	9	18,895.50	18,699.77
(ii) Cash and cash equivalents	10	49,160.86	54,582.58
(iii) Bank balances other than (ii) above	11	398.88	511.81
(iv) Loans	12	166.21	203.78
(v) Other financial assets	13	266.42	329.71
Current tax assets (net)	25	667.98	667.98
Other current assets	14	5,673.73	4,953.38
Total current assets		**112,880.92**	**112,775.60**
Total assets		**144,553.00**	**144,654.74**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	15	1,006.19	1,002.11
Other equity	16	85,931.48	75,128.68
Total equity		**86,937.67**	**76,130.79**
LIABILITIES			
Non current liabilities			
Financial liabilities			
(i) Lease liabilities	36	565.82	1,096.67
(ii) Other financial liabilities	17	54.00	58.10
Employee benefit obligations	18	412.33	321.99
Deferred tax liabilities (net)	19	1,316.34	1,427.21
Deferred government grant	20	114.62	134.99
Total non current liabilities		**2,463.11**	**3,038.96**
Current liabilities			
Financial liabilities			
(i) Borrowings	21	19,794.95	35,371.93
(ii) Lease Liabilities	36	777.23	1,122.70
(iii) **Trade payable**			
(a) Total outstanding dues of micro enterprises and small enterprises		583.84	293.89
(b) Total outstanding of creditors other than micro enterprises and small enterprises	22	28,397.11	25,557.42
(iv) Other Financial Liabilities	23	1,635.52	1,527.62
Employee benefit obligations	24	74.21	208.12
Current tax liabilities (net)	25	1,523.96	-
Deferred government grant	26	20.08	20.08
Other current liabilities	27	2,345.32	1,383.23
Total current liabilities		**55,152.22**	**65,484.99**
Total liabilities		**57,615.33**	**68,523.95**
Total equity and liabilities		**144,553.00**	**144,654.74**
Significant accounting policies	2		

The above balance sheet should be read in conjunction with the accompanying notes.

In terms of our report attached
For Price Waterhouse LLP
Chartered Accountants
Firm Registration Number: 301112E/E300264

Arunkumar Ramdas
Partner
Membership No. 112433

Place: Mumbai
Date: May 28, 2021

For and on behalf of Board of Directors

Manish K Gangwal
Chief Financial Officer

Ravi Chawla
Managing Director & CEO
DIN: 02808474

S.G. Hinduja
Chairman
DIN: 00291692

Shweta Gupta
Company Secretary

Statement of Profit and Loss

for the year ended March 31, 2021

₹ Lakhs

Particulars	Note No	Year ended March 31, 2021	Year ended March 31, 2020
Income			
Revenue from operations	28	165,220.51	164,415.20
Other income	29	5,205.91	3,489.43
Total Income		**170,426.42**	**167,904.63**
Expenses			
Cost of materials consumed	30	82,858.25	78,198.87
Purchase of stock in trade	30	8,812.33	6,247.64
Changes in inventories of finished goods, work-in-progress and stock-in-trade	30	(2,774.29)	(1,499.23)
Employee benefit expense	31	11,646.41	11,399.47
Finance costs	33	1,463.63	2,483.17
Depreciation and amortisation expense	32	3,386.93	3,270.44
Other expenses	34	38,159.11	41,350.24
Total Expense		**143,552.37**	**141,450.60**
Profit before tax		**26,874.05**	**26,454.03**
Income Tax Expense			
Current tax	47	6,985.26	6,625.26
Deferred tax	47	(119.79)	(423.39)
Profit for the year		**20,008.58**	**20,252.16**
Other Comprehensive Income			
Other comprehensive income not to be reclassified to profit or loss			
Remeasurement of post employment benefits obligations		18.67	(81.77)
Income tax relating to above		(4.70)	26.08
Changes in fair value of FVOCI equity instruments		36.85	(1.32)
Income tax relating to above		(4.23)	0.15
Other comprehensive income for the year, net of tax		**46.59**	**(56.86)**
Total comprehensive income for the year		**20,055.17**	**20,195.30**
Earnings per share- Basic (₹)	35	**39.86**	**40.51**
Earnings per share- Diluted (₹)	35	**39.70**	**40.23**
Significant accounting policies	2		

The above balance sheet should be read in conjunction with the accompanying notes.

In terms of our report attached
For Price Waterhouse LLP
Chartered Accountants
Firm Registration Number: 301112E/E300264

Arunkumar Ramdas
Partner
Membership No. 112433

Place: Mumbai
Date: May 28, 2021

For and on behalf of Board of Directors

Manish K Gangwal
Chief Financial Officer

Ravi Chawla
Managing Director & CEO
DIN: 02808474

S.G. Hinduja
Chairman
DIN: 00291692

Shweta Gupta
Company Secretary

Statement of Changes in equity

for the year ended March 31, 2021

₹ Lakhs

Particulars	Share capital	Other Equity: Securities premium reserve	Retained earnings	Share options outstanding account	Capital reserve	General reserve	Other reserves: FVOCI equity investment	Total equity
Balance as at April 01, 2019	**995.95**	**13,578.99**	**37,152.78**	**1,452.40**	**5.00**	**5,361.85**	**127.34**	**58,674.31**
Impact of Change in accounting policy- Adoption of Ind AS 116 (net of tax)	-	-	(157.84)	-	-	-	-	(157.84)
Restated balance at April 01, 2019	**995.95**	**13,578.99**	**36,994.94**	**1,452.40**	**5.00**	**5,361.85**	**127.34**	**58,516.47**
Profit for the year	-	-	20,252.16	-	-	-	-	20,252.16
Other comprehensive income for the year	-	-	(55.69)	-	-	-	(1.17)	(56.86)
Total comprehensive income for the year	**-**	**-**	**20,196.47**	**-**	**-**	**-**	**(1.17)**	**20,195.30**
Final Dividend for FY 2018-19	-	-	(3,505.91)	-	-	-	-	(3,505.91)
Dividend distribution tax on final dividend	-	-	(720.64)	-	-	-	-	(720.64)
Compensation for options granted during the year	-	-	-	592.81	-	-	-	592.81
Transfer to securities premium reserve from share options outstanding account	-	914.54	-	(914.54)	-	-	-	-
Inter reserve transfers	-	-	(1,000.00)	-	-	1,000.00	-	-
Issue of shares under Employee Stock Option Scheme	6.16	1,046.60	-	-	-	-	-	1,052.76
As at March 31, 2020	**1,002.11**	**15,540.13**	**51,964.86**	**1,130.67**	**5.00**	**6,361.85**	**126.17**	**76,130.79**
Profit for the year	-	-	20,008.58	-	-	-	-	20,008.58
Other comprehensive income for the year	-	-	13.97	-	-	-	32.62	46.59
Total comprehensive income for the year	**-**	**-**	**20,022.55**	**-**	**-**	**-**	**32.62**	**20,055.17**
Interim dividend for FY 2019-20	-	-	(3,507.40)	-	-	-	-	(3,507.40)
Final dividend for FY 2019-20	-	-	(3,512.40)	-	-	-	-	(3,512.40)
Interim dividend for FY 2020-21	-	-	(3,521.68)	-	-	-	-	(3,521.68)
Compensation for options granted during the year	-	-	-	580.05	-	-	-	580.05
Transfer to securities premium reserve from share options outstanding account	-	846.36	69.39	(915.75)	-	-	-	-
Inter reserve transfers	-	-	(1,000.00)	-	-	1,000.00	-	-
Issue of shares under Employee Stock Option Scheme	4.08	709.06	-	-	-	-	-	713.14
As at March 31, 2021	**1,006.19**	**17,095.55**	**60,515.32**	**794.97**	**5.00**	**7,361.85**	**158.79**	**86,937.67**

The above statement of change in equity should be read in conjunction with the accompanying notes.

In terms of our report attached
For Price Waterhouse LLP
Chartered Accountants
Firm Registration Number: 301112E/E300264

Arunkumar Ramdas
Partner
Membership No. 112433

Place: Mumbai
Date: May 28, 2021

For and on behalf of Board of Directors

Manish K Gangwal
Chief Financial Officer

Ravi Chawla
Managing Director & CEO
DIN: 02808474

S.G. Hinduja
Chairman
DIN: 00291692

Shweta Gupta
Company Secretary

Statement of Cash Flow

for the year ended March 31, 2021

₹ Lakhs

Sr No	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit Before Tax	26,874.05	26,454.03
	Adjustments for:		
	Depreciation and Amortisation Expenses	3,386.93	3,270.44
	(Profit)/Loss on Sale/Discarding of Fixed Assets(Net)	(21.26)	17.33
	Dividend income	-	(189.47)
	Net gain on sale of investment in mutual fund	(86.58)	-
	Interest Income	(5,098.07)	(3,299.96)
	Unrealised foreign exchange loss-Net	20.08	55.14
	Mark-to-market (gain) on derivative financial instruments	(46.75)	(163.00)
	Finance costs	1,463.63	2,483.17
	Bad debts written off	-	5.35
	Provision for Doubtful debts	101.00	-
	Employee Compensation expense towards ESOP	580.05	592.81
	Operating Profit Before Working Capital Changes	**27,173.08**	**29,225.84**
	Adjustments for changes in working capital :		
	(Increase) in Trade Receivables	(322.08)	(3,549.97)
	(Increase)/Decrease in Inventories	(4,824.75)	1,052.47
	(Increase)/Decrease in Other Assets	(560.32)	85.71
	(Increase)/Decrease in Other Financial Assets	137.39	(82.68)
	Increase in Trade Payables	2,329.10	6,113.76
	Increase/(Decrease) in Employee Benefit Obligations	(24.89)	88.52
	(Decrease) in Other Financials Liabilities	(7.12)	(197.37)
	Increase/(Decrease) in Other Current Liabilities	962.09	(697.64)
	Cash Flow Generated from Operations	**24,862.50**	**32,038.64**
	Income Tax paid (Net of Refund)	(5,512.43)	(8,355.00)
	Net Cash Flow from Operating Activities	**19,350.07**	**23,683.64**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Fixed Assets, including Capital work in progress	(859.70)	(1,833.76)
	Proceed from Sale of Fixed Assets	44.68	8.55
	Purchase of Non Current Investments	(1,530.88)	-
	Increase in other bank balances	112.93	76.77
	Proceed from sale of Mutual Fund (Net)	86.58	-
	Dividend Received	-	189.47
	Interest Received	5,098.07	3,299.96
	Net Cash Flow from Investing Activities	**2,951.68**	**1,740.99**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from issue of equity shares (including securities premium)	713.12	1,052.76
	(Repayments of)/Proceeds from Short Term Borrowings (Net)	(15,222.54)	6,310.47
	Dividend Paid (including Tax on dividend)	(10,433.18)	(4,209.39)
	Finance Costs	(1,810.32)	(1,619.74)
	Principal repayment of lease liability	(970.55)	(1,047.14)
	Net Cash Flow from/(used in) Financing Activities	**(27,723.47)**	**486.96**
	Net Increase/(Decrease) in Cash and Cash Equivalents (A + B + C)	**(5,421.72)**	**25,911.59**
	Cash and Cash Equivalents at the beginning of the year	**54,582.58**	**28,670.99**
	Cash and Cash Equivalents at the end of the year	**49,160.86**	**54,582.58**

Statement of Cash Flow

for the year ended March 31, 2021

Note :

1. The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS 7-"Statement of Cash Flows".

2. Cash and Cash Equivalents comprise:

₹ Lakhs

	As at March 31,2021	As at March 31,2020
Cash on Hand	1.44	4.28
Balances with Banks:		
In Current Accounts	43,159.42	52,575.22
In Deposit Accounts	6,000.00	2,003.08
Cash and Cash Equivalents at the end of the year (Refer Note 10)	**49,160.86**	**54,582.58**

3. For non cash Financing & Investing transactions during the year (Refer Note 36).

4. Previous year's comparatives have been reclassified to conform with the current year's presentation, wherever applicable.

In terms of our report attached
For Price Waterhouse LLP
Chartered Accountants
Firm Registration Number: 301112E/E300264

Arunkumar Ramdas
Partner
Membership No. 112433

Place: Mumbai
Date: May 28, 2021

For and on behalf of Board of Directors

Manish K Gangwal
Chief Financial Officer

Ravi Chawla
Managing Director & CEO
DIN: 02808474

S.G. Hinduja
Chairman
DIN: 00291692

Shweta Gupta
Company Secretary

Notes to the Financial Statements

for the year ended March 31st, 2021

Summary of significant accounting policies

1. CORPORATE INFORMATION

Gulf Oil Lubricants India Limited (the 'Company') is a public limited Company incorporated in India with its registered office at IN Centre, 49/50, 12th Road, MIDC , Andheri (East), Mumbai- 400 093.

The equity shares of the Company are listed on two recognised stock exchanges in India. The Company is engaged in the business of manufacturing, marketing and trading of automotive and non automotive lubricants and synergy products.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

Statement of Compliance with Indian Accounting Standards (Ind AS): The financial statements have been prepared in accordance with Indian Accounting Standard ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as notified under Section 133 of the Companies Act, 2013 ("the Act") , accounting principles generally accepted in India and other relevant provisions of the Act . The financial statements have been prepared using the historical cost convention except for certain assets and liabilities that are measured at fair value, defined employee benefit plans -plan assets measured at fair value and share-based payments.

2.2 Use of estimates and judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

2.3 Critical accounting estimates:

A. Useful lives of property, plant and equipment

Property, plant and equipment represent a material portion of the Company's asset base. The periodic charge of depreciation is derived after estimating useful life of an asset and expected residual value at the end of its useful life. The useful lives and residual values of assets are estimated by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on various external and internal factors including historical experience, relative efficiency and operating costs and change in technology.

B. Defined benefit obligations

Defined benefit obligations are measured at fair value for financial reporting purposes. Fair value determined by actuary is based on actuarial assumptions. Management judgement is required to determine such actuarial assumptions. Such assumptions are reviewed annually using the best information available with the Management.

C. Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Evaluation of contingent liabilities requires management judgment and assumptions, regarding the probability, outflow of economic resources and the timing and amount, or range of amounts, that may ultimately be determined. Potential liabilities that are possible but not probable of crystalising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised.

D. Secondary trade accruals towards rebate and discounts

The provision for rebates and discounts relating to secondary sales (i.e. sales made by Company's distributors/retailers to their customers) ("the secondary trade accruals towards rebates and discounts") involves estimation and judgment in determination of the likelihood of the amount at which these are expected to be settled. The estimation of the year-end secondary trade accruals towards rebates and discounts requires evaluation of various schemes, historical trends and sales forecast for the respective schemes. The schemes for rebates and discounts are often revised considering the market and competitive factors.

2.4 New standards/ amendments adopted by the company

The company has applied the following standards and amendments for the first time for their annual reporting period commencing April 01, 2020.

Ind AS 116 - Leases

As a result of the coronavirus (COVID-19) pandemic, rent concessions may have been granted to lessees. Such concessions might take a variety of forms, including payment holidays and deferral of lease payments. These amendments provide an optional practical expedient for lessees from assessing whether a rent concession related to COVID-19 is a lease modification. Lessees can elect to account for such rent concessions in the same way as they would if they were not lease modifications. In many cases, this will result in accounting for the concession as variable lease payments in the period(s) in which the event or condition that triggers the reduced payment occurs.

Ind AS 107 - Financial Instruments: Disclosures and Ind AS 109, Financial Instruments

Interest rate benchmark reform: These amendments provide certain reliefs in connection with interest rate benchmark reform. The reliefs relate to hedge accounting and have the effect that IBOR reform should not generally cause hedge accounting to terminate. However, any hedge ineffectiveness should continue to be recorded in the income statement. Given the pervasive nature of hedges involving IBOR-based contracts, the reliefs will affect companies in all industries.

Ind AS 1 - Presentation of Financial Statements, Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors and consequential amendments to other Ind AS

The amendments clarify the definition of material and make Ind ASs more consistent, but are not expected to have a significant impact on the preparation of financial statements.

2.5 Summary of significant accounting policies

a. Property, plant and equipment

Property, plant and equipment are stated at historical cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price (Net of GST input credit wherever applicable) and any directly attributable cost of bringing the assets to its working condition for its intended use. Such cost also includes the cost of replacing part of the Property, plant and equipment and borrowing costs for construction/acquisition of qualifying assets if the recognition criteria are met. When significant parts of Property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is provided on a pro-rata basis on the straight-line method over the estimated useful lives of the assets, based on technical evaluation done by management's expert in order to reflect the actual usage of the assets. The depreciation charge for each period is recognised in the Statement of Profit and Loss, unless it is included in the carrying amount of any other asset. The useful life, residual value and the depreciation method are reviewed atleast at each financial year end. If the expectations differ from previous estimates, the changes are accounted for prospectively as a change in accounting estimate. The estimates of useful lives of property, plant and equipment are as follows :

-	Factory buildings	30 years
-	Other than factory building	30-60 years
-	Plant and Machinery (Other than Research and development equipment and electrical installation)	10-15 years
-	Office Equipment	5 years
-	Research and development equipment and electrical installation	10 years
-	Furniture and fixtures	10 years
-	Computers	3 years
-	Vehicle	8 years

Leasehold improvements are depreciated over the shorter of their useful life or the lease term, unless the entity expects to use the asset beyond lease term.

Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

b. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Intangible assets are amortised over the useful economic life of 5 years based on management assessment. The amortisation period and the

Notes to the Financial Statements

for the year ended March 31st, 2021

amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the statement of profit and loss.

c. Impairment of non-financial assets

The carrying amount of assets are reviewed for impairment at the end of each reporting date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised in the statement of profit and loss wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's or cash generating unit's fair value less cost of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining fair value, recent market transactions are taken into account.

The business plans which are approved on an annual basis by senior management are the primary source of information for the determination of value in use. Impairment losses are recognised in the statement of profit and loss, except for previously revalued tangible assets, where the revaluation was taken to revaluation reserve. In this case, the impairment is also recognised in the revaluation reserve up to the amount of any previous revaluation. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment. Such reversal is recognised in the statement of profit and loss.

d. Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company.

The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the company under residual value guarantees
- the exercise price of a purchase option if the company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- makes adjustments specific to the lease.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the company use that rate as a starting point to determine the incremental borrowing rate.

Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

e. Current versus non-current classification

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

f. Trade Receivable

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value.

The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

g. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Notes to the Financial Statements

for the year ended March 31st, 2021

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) ***Recognition***

Purchase and sales of financial assets are recognised on trade-date, the date on which the company commits to purchase or sale the financial asset.

(iii) ***Measurement***

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments are at amortised cost considering company's business model for managing assets and cash flow characteristics of the asset.

Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses). Impairment losses are presented as separate line item in the statement of profit or loss.

Equity Instruments

The Company initially recognises equity instruments at cost and subsequently measures all equity investments at fair value on each reporting date. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss statement as other income when the Company's right to receive payment is established.

Changes in the fair value of financials assets at fair value through profit or loss statement are recognised in other income/expense in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairments of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Derecognition of financial assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Financial liabilities

(i) Measurement:

Financial liabilities are initially recognised at fair value, reduced by transaction costs (in case of financial liability not at fair value through profit or loss), that are directly attributable to the issue of financial liability. After initial recognition, financial liabilities are measured at amortised cost using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid, transaction cost, and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through profit or loss. Liabilities from finance lease agreements are measured at the lower of fair value of the leased asset or present value of minimum lease payments.

ii) Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

h. Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

i. Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

j. Inventories

Inventories consist of raw and packing materials, stock-in-trade, work in progress and finished goods. Inventories are valued at lower of cost and net realisable value. Cost of inventories is determined on weighted average basis. Cost of manufactured finished goods and work-in-progress includes material cost determined on weighted average basis and also includes an appropriate portion of allocable overheads and other costs incurred in bringing the inventories to their present location and condition. Cost of stock-in-trade includes cost of purchase and other cost incurred in bringing the inventories to the present location and condition. Due allowances are made in respect of slow moving, non-moving and obsolete inventories based on estimate made by management.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

k. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

l. Trade and other payable

These amounts represents obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. These payable are classified as current liabilities if payment is due within one year or less otherwise they are presented as non-current liabilities. Trade and payables are recognised initially at fair value and are subsequently measured at amortised cost using the effective interest method.

m. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive)

Notes to the Financial Statements

for the year ended March 31st, 2021

as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

n. Government grants

Grant from Government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

o. Retirement and other employee benefits

(i) Gratuity

The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on respective employee's salary and tenure of employment with the Company.

Liabilities with regard to Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using projected unit credit method. The Company contributes all ascertained liabilities to the Gulf Oil Lubricants India Limited employees group gratuity cum life assurance Scheme ('the Trust'). Trustees administer contributions made to the Trusts and contributions are invested in insurer managed fund.

The Company recognises the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability.

Gains and losses through premeasurements of the net defined benefit liability/(asset) are recognised in other comprehensive income. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognised in other comprehensive income.

The effect of any plan amendments or curtailments are recognised in net profit in Statement of Profit and Loss as past service costs.

(ii) Superannuation

Certain employees of the Company are participants in a defined contribution plan. The Company has no further obligations to the plan beyond its contributions which are periodically contributed to the Gulf Oil Lubricants India Limited employees group superannuation scheme, the corpus of which is invested in the insurer managed fund.

(iii) Provident fund

The Company pays provident fund contributions to publicly administered provident fund as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

(iv) Compensated absences

The liabilities for earned leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised as liability at the present value of liability as at Balance sheet date. Company has determined its liability using projected unit credit method based on Actuarial valuation carried out at the Balance sheet date. Actuarial gains and losses are recognized in the Statement of Profit and Loss.

(v) Share-based payments

Share-based compensation benefits are provided to employees under "GOLIL Employee Stock Option Plan". The fair value of equity settled employee stock options is calculated at grant date using a valuation model and recognised in the Statement of Profit and Loss, together with a corresponding increase in shareholders' equity, on a straight—line basis over the vesting period, based on an estimate of the number of options that will eventually vest. The impact of the revision to original estimates, if any, shall be recognised in profit or loss, with a corresponding adjustment to equity.

(vi) Short term employee benefits

Short term employee benefits that are expected to be settled wholly within 12 months from the end of the period in which employee render service are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered. The liabilities are presented as current employee benefit obligation in the Balance sheet.

p. Foreign currencies

(i) Functional currency

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees (rounded off to lakhs).

(ii) Transactions and balances

Foreign currency transactions are recorded in the functional currency by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. All foreign currency monetary assets and monetary liabilities as at the Balance Sheet date are translated into the functional currency at the applicable exchange rates prevailing on that date. All exchange differences arising on translation, are recognised in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

Gain or losses upon settlement of foreign currency transactions are recognised in the Statement of Profit and Loss for the period in which the transaction is settled.

q. Revenue recognition

The Company is engaged in the business of manufacturing, marketing and trading of automotive ,non automotive lubricants and synergy products. Sales are recognised when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer’s acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

Revenue from sale of goods is recognised based on the price agreed with customer as per the contract and are stated net of estimated rebates and discounts and Goods and Service Tax. Accumulated experience is used to estimate and provide for the discounts and rebates using expected value method. Revenue is only recognised to the extent that it is highly probable that significant reversal will not occur.

The company does not expect to have any contract where the period between the transfer of the promised goods or services to the customer and payment by the customer exceed one year. As a consequence, the company does not adjust any of the transaction prices for the time value of money."

r. Interest income

Interest income is recorded using the Effective Interest Rate (EIR) for debt instruments carried at amortised cost. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument to the gross carrying amount of the financial asset.

s. Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

Notes to the Financial Statements

for the year ended March 31st, 2021

t. Taxes

Income tax expense comprises current income tax and deferred income tax. Income tax expense is recognised in the Statement of Profit and Loss except to the extent it relates to items recognised directly in equity, in which case it is recognised in other comprehensive income or other equity as the case may be.

Current income tax : Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Deferred tax : Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profits.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction (other than in a business combination) that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off tax assets against tax liabilities and the deferred taxes relate to the same taxation authority.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

u. Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

v. Dividend Payable

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

w. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

NOTE 3 - PROPERTY, PLANT AND EQUIPMENT, CAPITAL WORK-IN-PROGRESS AND INTANGIBLE ASSETS

₹ Lakhs

Particulars	Land	Leasehold Improvements	Buildings	Plant and Machinery	Furnitures and Fixtures	Office Equipment	Vehicles	Computers and Peripherals	Total tangible assets	Intangible assets (Computer Software)	Capital work-in-progress
Gross carrying amount											
As at April 01, 2019	**4,134.26**	**305.28**	**8,466.23**	**15,662.91**	**810.65**	**673.72**	**158.43**	**384.50**	**30,595.98**	**313.74**	**70.96**
Additions	159.61	-	83.02	925.44	2.75	20.26	64.17	118.63	1,373.88	96.76	1,100.45
Disposals	-	-	-	(100.88)	(12.04)	(15.63)	(33.96)	(9.02)	(171.53)	(0.19)	-
Transfer from capital work-in-progress	-	-	-	-	-	-	-	-	-	-	(1,105.22)
As at March 31, 2020	**4,293.87**	**305.28**	**8,549.25**	**16,487.47**	**801.36**	**678.35**	**188.64**	**494.11**	**31,798.33**	**410.31**	**66.19**
Additions	-	-	2.87	306.21	-	9.51	23.93	211.66	554.18	76.20	863.56
Disposals	-	-	-	(75.01)	(4.14)	(7.27)	(29.68)	(4.00)	(120.10)	-	-
Transfer from capital work-in-progress	-	-	-	-	-	-	-	-	-	-	(555.91)
As at March 31, 2021	4,293.87	305.28	8,552.12	16,718.67	797.22	680.59	182.89	701.77	32,232.41	486.51	373.84

₹ Lakhs

Particulars	Land	Leasehold Improvements	Buildings	Plant and Machinery	Furnitures and Fixtures	Office Equipment	Vehicles	Computers and Peripherals	Total tangible assets	Intangible assets (Computer Software)
Accumulated depreciation										
As at April 01, 2019	**-**	**(82.26)**	**(555.43)**	**(2,471.14)**	**(104.48)**	**(221.34)**	**(52.67)**	**(211.40)**	**(3,698.72)**	**(161.01)**
Depreciation charge for the year	-	(35.89)	(295.35)	(1,610.38)	(85.06)	(138.40)	(25.99)	(108.35)	(2,299.42)	(77.25)
Disposals	-	-	-	86.55	8.42	14.74	26.45	8.99	145.15	0.19
As at March 31, 2020	**-**	**(118.15)**	**(850.78)**	**(3,994.97)**	**(181.12)**	**(345.00)**	**(52.21)**	**(310.76)**	**(5,852.99)**	**(238.07)**
Depreciation charge for the year	-	(35.89)	(296.39)	(1,686.76)	(83.66)	(116.80)	(45.69)	(116.35)	(2,381.54)	(84.39)
Disposals	-	-	-	68.05	3.28	6.68	14.68	4.00	96.69	-
As at March 31, 2021	-	(154.04)	(1,147.17)	(5,613.68)	(261.50)	(455.12)	(83.22)	(423.11)	(8,137.84)	(322.46)

₹ Lakhs

Particulars	Land	Leasehold Improvements	Buildings	Plant and Machinery	Furnitures and Fixtures	Office Equipment	Vehicles	Computers and Peripherals	Total tangible assets	Intangible assets (Computer Software)	Capital work-in-progress
Net carrying amount											
As at March 31, 2020	**4,293.87**	**187.13**	**7,698.47**	**12,492.50**	**620.24**	**333.35**	**136.43**	**183.35**	**25,945.34**	**172.24**	**66.19**
As at March 31, 2021	4,293.87	151.24	7,404.95	11,104.99	535.72	225.47	99.67	278.66	24,094.57	164.05	373.84

Note:

- For certain property, plant and equipment, (excluding PPE at Chennai plant) pledged as security (refer note-21).
- Refer to note 39 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Notes to the Financial Statements

for the year ended March 31st, 2021

NOTE 4 - INVESTMENTS

₹ Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Investments in Equity Instruments (fully paid up):		
Unquoted Equity Shares at FVOCI		
198 Equity Shares (March 31, 2020: Nil) fully paid series A equity shares of GBP 1 each held in Indra Renewable Technologies Limited	1,530.88	-
203,571 Equity Shares (March 31, 2020: 203,571) fully paid up equity shares of ₹ 100 each held in Gulf Ashley Motor Limited	493.78	456.94
18,990 equity shares (March 31, 2020: 18,990) fully paid up equity shares of ₹ 10 each held in Mangalam Retail Services Limited	1.90	1.90
Total	**2,026.56**	**458.84**
Note:		
Aggregate amount of unquoted investments	2,026.56	458.84

NOTE 5 - LOANS

₹ Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured and considered good		
Loan to director	102.50	108.50
Loan to employees	12.25	0.52
Total	**114.75**	**109.02**

NOTE 6 - OTHER FINANCIAL ASSETS

₹ Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured and considered good		
Security Deposits	643.20	639.71
Margin Money Deposit	2.00	1.00
Total	**645.20**	**640.71**

NOTE 7 - OTHER NON CURRENT ASSETS

₹ Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured and considered good		
Capital Advances	120.15	173.13
Prepayments	2,893.58	2,255.15
Balance with Government Authorities	136.37	129.03
Total	**3,150.10**	**2,557.31**

Notes to the Financial Statements

for the year ended March 31st, 2021

NOTE 8 - INVENTORIES

₹ Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Raw Material	18,964.28	17,238.96
(Includes goods in transit: March 31, 2021 : Rs 1,456.98 lakhs, March 31, 2020: Rs 3,160.37 lakhs)		
Packing Materials	1,145.36	866.21
Work-in-Progress	827.11	757.43
Finished Goods	14,715.01	12,142.81
Stock-in Trade	1,813.21	1,680.81
Stores, Spares and Fuel	186.37	140.37
Total	**37,651.34**	**32,826.59**

NOTE 9 - TRADE RECEIVABLES

₹ Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Trade receivables	19,563.57	19,316.72
Less: Allowance for doubtful debts	(668.07)	(616.95)
Total receivables	**18,895.50**	**18,699.77**
Current portion	18,895.50	18,699.77
Non-current portion	-	-
Break up of security details		
Secured, considered good*	948.93	616.13
Unsecured, considered good	17,946.57	18,083.64
Unsecured, considered doubtful	668.07	616.95
Total	**19,563.57**	**19,316.72**
Allowance for doubtful debts	(668.07)	(616.95)
Total	**18,895.50**	**18,699.77**

* Secured by letter of credits and bank guarantees from customers.

NOTE 10 - CASH AND CASH EQUIVALENTS

₹ Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Cash on Hand	1.44	4.28
Balances with Banks:		
In Current Accounts	43,159.42	52,575.22
Deposit with maturity of less than three months	6,000.00	2,003.08
Total	**49,160.86**	**54,582.58**

NOTE 11 - OTHER BANK BALANCES

₹ Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
In Deposit accounts	43.29	204.31
In Earmarked accounts		
Margin money deposits	24.46	84.66
Unpaid dividend account	331.13	222.84
Total	**398.88**	**511.81**

Notes to the Financial Statements

for the year ended March 31st, 2021

NOTE 12 - LOANS

₹ Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured and considered good		
Loan to director	6.00	6.00
Loan to employees	160.21	197.78
Total	**166.21**	**203.78**

NOTE 13 - OTHER FINANCIAL ASSETS

₹ Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured and considered good		
Security Deposits	136.71	128.99
Derivative assets	129.71	200.72
Total	**266.42**	**329.71**

NOTE 14 - OTHER CURRENT ASSETS

₹ Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured and considered good		
Prepayments	1,465.77	1,405.22
Advance to creditors	2,208.71	1,402.90
Balance with Government Authorities	1,999.25	2,145.26
Total	**5,673.73**	**4,953.38**

NOTE 15 - EQUITY SHARE CAPITAL

₹ Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Authorised:		
52,313,614 Equity Shares of ₹ 2 each (March 31, 2020: 52,313,614 Equity Shares of ₹ 2 Each)	1,046.27	1,046.27
Issued, Subscribed and Fully Paid-up:		
50,309,527 Equity Shares of ₹ 2 each (March 31, 2020 : 50,105,710 Equity Shares of ₹ 2 Each)	1,006.19	1,002.11
Total	**1,006.19**	**1,002.11**

a. Reconciliation of the Equity Shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of Shares	₹ Lakhs	Number of Shares	₹ Lakhs
At beginning of the year	50,105,710	1,002.11	49,797,272	995.95
Shares issued under equity stock options	203,817	4.08	308,438	6.16
At end of the year	**50,309,527**	**1,006.19**	**50,105,710**	**1,002.11**

b. Rights, preferences and restrictions attached to shares

The Company has only one class of equity share having a par value of ₹ 2 per share (previous year ₹ 2 per share). Each shareholder is eligible to one vote per share held. The dividend proposed by the Board of directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c. Equity shares in the Company held by Holding Company are as below :

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of Shares	₹ Lakhs	Number of Shares	₹ Lakhs
Equity Shares of ₹ 2 each				
Gulf Oil International (Mauritius) Inc.	36,219,224	724.38	36,219,224	724.38

d. Details of shareholders holding more than 5% of the aggregate Equity Shares in the Company:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of Shares	% holding	Number of Shares	% holding
Equity Shares of ₹ 2 each				
Gulf Oil International (Mauritius) Inc.	36,219,224	71.99%	36,219,224	72.29%
Smallcap World Fund Inc.	2,543,419	5.06%	2,038,914	4.07%

e. Shares reserved for issue under options

Information relating to GOLIL Stock Options Plan including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in Note 41.

NOTE 16 - OTHER EQUITY

₹ Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Securities premium reserve	17,095.55	15,540.13
Capital reserve	5.00	5.00
General reserve	7,361.85	6,361.85
Share options outstanding account	794.97	1,130.67
Retained earnings	60,515.32	51,964.86
FVOCI equity instrument	158.79	126.17
Total	**85,931.48**	**75,128.68**

Notes:

1. General reserve reflects amount transferred from Statement of profit and loss in accordance with the regulations of the Companies Act, 2013.
2. Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.
3. Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.
4. Refer statement of changes in equity for movements in Reserve and Surplus.

Notes to the Financial Statements

for the year ended March 31st, 2021

NOTE 17 - OTHER FINANCIAL LIABILITIES

₹ Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Dealers deposits	54.00	58.10
Total	**54.00**	**58.10**

NOTE 18 - EMPLOYEE BENEFIT OBLIGATIONS

₹ Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for compensated absences (Refer Note 40)	412.33	321.99
Total	**412.33**	**321.99**

NOTE 19 - DEFERRED TAX LIABLITIES (NET)

₹ Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Tax Liabilities on account of temporary differences in		
Property, Plant and Equipment	1,633.83	1,717.57
Fair Value of equity instrument	20.41	16.19
Right of use Assets	277.61	485.62
Other temporary differences	13.10	34.52
Total deferred tax liablities	**1,944.95**	**2,253.90**
Deferred Tax Liabilities on account of temporary differences in		
Allowance for doubtful debts	168.13	155.28
Employee benefit obligations	122.46	112.84
Lease Liabilities	338.02	558.57
Total deferred tax liablities	**628.61**	**826.69**
Deferred tax liabilities (net) (Refer note no. 47)	**1,316.34**	**1,427.21**

NOTE 20 - DEFERRED GOVERNMENT GRANTS

₹ Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Export Promotion Capital Goods grant	114.62	134.99
Total	**114.62**	**134.99**

NOTE 21 - SHORT TERM BORROWINGS

₹ Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
From Banks:		
Working Capital loans from banks (secured) (Refer note 1)	19,794.95	18,371.93
Working Capital Demand Loan (unsecured) (Refer note 2)	-	17,000.00
Total	**19,794.95**	**35,371.93**

Note 1 :

Working capital facilities from banks under multiple banking arrangement are secured by hypothecation of all current assets of the Company including raw materials, finished goods, stock-in-process, stores and spares (not relating to plant & machinery) and present and future book debts of the Company and also secured by collateral security by way of First Pari-passu charge on Land & Building, Plant & Machinery at Masat Industrial Estate, Khanvel Road, Masat Village, Silvassa within Union Territory of Dadra and Nagar Haveli and on all other Fixed Assets owned by the Company (excluding fixed assets located at Chennai plant).

Working Capital loan from banks includes Buyers Credit and Suppliers credit from banks which are USD denominated loans carrying variable rate of interest of 3 to 6 months LIBOR plus spread and is repayable within one year from the date of each disbursement.

Note 2:

Working Capital Demand loan from banks carries variable rate of interest linked to MCLR plus spread which is repayable within one year from the date of each disbursement.

Note 3: Movement in Short term Borrowings

₹ Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance of short term borrowings	35,371.93	28,310.81
Opening accrued interest	70.52	158.90
Foreign exchange adjustment	(354.44)	750.65
Cash Inflows/(Outflows)	(15,222.54)	6,310.47
Interest expense	1,661.76	1,531.36
Interest Paid	(1,705.14)	(1,619.74)
Closing accrued interest	(27.14)	(70.52)
Closing balance of short term borrowings	**19,794.95**	**35,371.93**

NOTE 22 - TRADE PAYABLES

₹ Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Payable		
(a) total outstanding dues of micro and small enterprises	583.84	293.89
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	28,397.11	25,557.42
Total	**28,980.95**	**25,851.31**

NOTE 23 - OTHER FINANCIAL LIABLITIES

₹ Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Interest Accrued but not due on Borrowings	27.14	70.52
Creditor for Purchase of Fixed Assets	86.41	60.77
Employee Related liability	1,190.84	1,173.49
Unpaid Dividend	331.13	222.84
Total	**1,635.52**	**1,527.62**

NOTE 24 - EMPLOYEE BENEFIT OBLIGATIONS

₹ Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Gratuity (Refer note 40)	34.95	154.80
Provision for Compensated Absences (Refer note 40)	39.26	53.32
Total	**74.21**	**208.12**

Notes to the Financial Statements

for the year ended March 31st, 2021

NOTE 25 - CURRENT TAX (ASSETS)/LIABLITIES

₹ Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	(667.98)	1,061.76
Add: Current tax payable for the year	6,985.26	6,593.97
Add: Other adjustments	51.13	31.29
Less: Taxes paid (Net of refund)	5,512.43	8,355.00
	855.98	(667.98)
Break up of current tax (assets)/liablities		
Current tax Asset	(667.98)	(667.98)
Current tax liability	1,523.96	-
Total	**855.98**	**(667.98)**

NOTE 26 - DEFERRED GOVERNMENT GRANTS

₹ Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Export Promotion Capital goods grant	20.08	20.08
Total	**20.08**	**20.08**

NOTE 27 - OTHER CURRENT LIABLITIES

₹ Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Contract liablities	975.07	513.65
Statutory Dues	1,311.15	869.58
Liability towards Corporate Social Responsibility	50.00	-
Others	9.10	-
Total	**2,345.32**	**1,383.23**

Notes to the Financial Statements

for the year ended March 31st, 2021

NOTE 28 - REVENUE FROM OPERATIONS

₹ Lakhs

Particulars		Year ended March 31, 2021	Year ended March 31, 2020
Sale of goods			
Finished Goods			
-Lubricants Oil (Refer note below)		153,465.88	155,657.30
Traded goods			
-Battery		7,948.92	5,757.00
-Greases and others		3,278.07	2,488.00
	(A)	164,692.87	163,902.30
Other operating revenue			
- Sale of scrap		66.96	82.38
- Insurance Claims		87.56	65.13
- Miscellaneous Income		373.12	365.39
	(B)	527.64	512.90
	(A+B)	165,220.51	164,415.20
Total		**165,220.51**	**164,415.20**

Note:

Includes amount of ₹ 161.59 lakhs (March 31, 2020 : ₹ 182.21 Lakhs) towards freight on export sales.

NOTE 29 - OTHER INCOME

₹ Lakhs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest Income from financial assets at amortised cost	5,098.07	3,299.96
Profit on sale of investement in Mutual Fund	86.58	-
Profit on sale/discarding of fixed assets	21.26	-
Dividend Income from Investments measured at FVTPL	-	53.08
Dividend Income from Investments measured at FVOCI	-	136.39
Total	**5,205.91**	**3,489.43**

Notes to the Financial Statements

for the year ended March 31st, 2021

NOTE 30- COST OF GOODS SOLD

₹ Lakhs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(A) COST OF MATERIALS CONSUMED		
Cost of Raw Materials Consumed		
Opening Stock	17,238.96	19,746.18
Add: Purchases during the year	74,434.64	65,776.01
	91,673.60	85,522.19
Less: Closing Stock	18,964.28	17,238.96
Cost of Raw Materials Consumed	72,709.32	68,614.23
Cost of Packing Materials Consumed		
Opening Stock	866.21	953.19
Add: Purchases during the year	10,428.08	9,497.66
	11,294.29	10,450.85
Less: Closing Stock	1,145.36	866.21
Cost of Packing Materials Consumed	10,148.93	9,584.64
Total	**82,858.25**	**78,198.87**
(B) PURCHASE OF STOCK-IN-TRADE		
Greases and others	2,524.26	1,035.65
Battery	6,288.07	5,211.99
Total	**8,812.33**	**6,247.64**
(C) CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE		
Opening balance		
Work-in-Progress	757.43	709.12
Finished Goods	12,142.81	11,040.85
Stock-in-trade	1,680.81	1,331.85
	14,581.05	13,081.82
Closing balance		
Work-in-Progress	827.11	757.43
Finished Goods	14,715.01	12,142.81
Stock-in-trade	1,813.22	1,680.81
	17,355.34	14,581.05
Net (Increase) in Inventories of finished goods, work in progress and stock-in-trade	**(2,774.29)**	**(1,499.23)**

NOTE 31 - EMPLOYEE BENEFIT EXPENSE

₹ Lakhs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Salaries, wages and bonus	10,330.81	9,951.34
Contribution to provident and other fund	421.05	416.50
Employee share based payment expense	580.05	592.81
Staff welfare expense	314.50	438.82
Total	**11,646.41**	**11,399.47**

NOTE 32- DEPRECIATION AND AMORTISATION EXPENSE

₹ Lakhs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation of property, plant and equipment	2,381.54	2,299.42
Depreciation of right-of-use assets	921.00	893.77
Amortisation of Intangible assets	84.39	77.25
Total	**3,386.93**	**3,270.44**

Notes to the Financial Statements

for the year ended March 31st, 2021

NOTE 33- FINANCE COSTS

₹ Lakhs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Finance expenses		
Interest expense on:		
Bank borrowings	1,399.61	775.74
Net exchange (gain)/loss on foreign currency	(357.53)	1,245.81
Bank charges	265.24	260.47
Interest expense on lease liabilities	156.31	201.15
Total	**1,463.63**	**2,483.17**

NOTE 34- OTHER EXPENSES

₹ Lakhs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Consumption, Stores and Spare Parts	268.51	206.62
Processing Charges	930.37	974.37
Power and Fuel	416.51	426.04
Rent	418.25	367.65
Rates and Taxes	115.82	101.93
Insurance	365.92	338.78
Repairs and Maintenance		
Plant and Machinery	528.31	452.83
Buildings and Others	58.84	97.97
Advertising and Sales Promotion	5,586.99	10,181.77
Selling and Marketing	16,029.29	15,214.15
Selling Commission	317.85	211.94
Travelling and Conveyance	303.11	1,443.36
Freight and Fowarding expense	7,842.25	6,000.67
Postage, Telephone and Telex	299.63	181.52
Legal and Professional Fee (Refer Note Below)	648.25	717.08
Loss on sale/discarding of fixed assets(net)	-	17.33
Bad Debts Written Off	49.88	5.35
Less: Provision for Doubtful Debts	(49.88)	-
Provision for Doubtful Debts	101.00	-
Directors' Sitting Fee	49.00	49.00
Expenditure towards Corporate Social Responsibility (Refer Note 51)	521.65	247.51
Royalty	2,424.97	3,038.85
Miscellaneous Expenses	932.59	1,075.52
Total	**38,159.11**	**41,350.24**
Note:		
Legal and Professional fee include		
Payment to Statutory Auditors		
Audit Fee	**43.00**	**43.00**
Tax Audit Fee	**4.50**	**4.50**
Other Services (Certification fee)	**6.50**	**4.75**
Reimbursement of Expense	**0.15**	**0.98**
	54.15	**53.23**

Notes to the Financial Statements

for the year ended March 31st, 2021

NOTE 35 -EARNINGS PER SHARE (EPS)

₹ Lakhs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Profit After Tax (₹ Lakhs)	20,008.58	20,252.16
Weighted average number of equity shares used in the calculation of basic earnings per share	50,197,513	49,993,545
Adjustment: Number of shares relating to stock options	206,298	345,212
Weighted average number of equity shares used in the calculation of diluted earnings per share	50,403,811	50,338,757
Nominal Value per Share (₹)	2.00	2.00
Basic Earning per Share (₹)	39.86	40.51
Diluted Earning per Share (₹)	39.70	40.23

NOTE 36 - LEASES

(a) The Company obtains warehouses and office premises on lease. Rental contracts are typically made for fixed periods of 3 to 6 years.

(i) Amounts recognised in balance sheet

The balance sheet shows the following amounts relating to leases:

₹ Lakhs

Right-of-use assets	March 31, 2021	March 31, 2020
Warehouses and Office Premises	1,103.01	1,929.49
Total	**1,103.01**	**1,929.49**

₹ Lakhs

Lease Liabilities	March 31, 2021	March 31, 2020
Current	777.23	1,122.70
Non-current	565.82	1,096.67
Total	**1,343.05**	**2,219.37**

Movement in Lease Liabilities

₹ Lakhs

Particulars	March 31, 2021	March 31, 2020
Opening Balance	2,219.37	2,697.41
Add: Interest expense	156.31	201.15
Less: Repayment of lease liability	1,126.88	1,248.29
Add: Addition during the year	94.25	569.10
Closing Balance	**1,343.05**	**2,219.37**

(ii) Amounts recognised in the statement of profit and loss

The statement of profit or loss shows the following amounts relating to leases:

₹ Lakhs

Depreciation charge of right-of-use assets	Note	March 31, 2021	March 31, 2020
Depreciation charge of right-of-use assets	32	921.00	893.77
Total		**921.00**	**893.77**

₹ Lakhs

Particulars	Note	March 31, 2021	March 31, 2020
Interest expense (included in finance costs)	33	156.31	201.15
Expense relating to variable lease payments not included in lease liabilities (included in other expenses)	34	418.25	367.65
Total		574.56	568.80

The total cash outflow for leases for the year ended March 31, 2021 was ₹ 1,126.88 lakhs (March 31, 2020 : ₹ 1,248.29 Lakhs)

(iii) Variable lease payments

Some property leases contain variable payment terms that are linked to sales generated from a warehouse. For individual warehouses, lease payments are on the basis of variable payment terms with percentages on sales. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

(iv) Extension and termination options

Extension and termination options are included in a number of leases across the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations.

(v) Crtical judgements in determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of warehouses and Office premises, the following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate).
- Otherwise, the Company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

Most extension options in leases have not been included in the lease liability, because the Company could replace the assets without significant cost or business disruption. The lease term is reassessed if an option is actually exercised (or not exercised) or the company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the Company.

NOTE 37- SEGMENT INFORMATION

(a) Description of segments and principal activities

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The Managing Director & CEO and Chief Financial Officer along with the board (CODM) is responsible for allocating resources and assessing performance of the operating segments of the Company.

The Company has integrated its organisation structure with respect to its automotive and non-automotive business considering that the synergies, risks and returns associated with business operations are not predominantly distinct. The Company has aligned its internal financial reporting system in line with its existing organisation structure. As a result the Company's reportable business segment consists of a single segment of "Lubricants" in terms of Ind AS 108.

(b) Segment Revenue :

₹ Lakhs

Particulars	March 31, 2021	March 31, 2020
Revenue		
India	156,048.45	156,132.17
Outside India	9,172.06	8,283.03
Timing of recognition		
At point in time	165,220.51	164,415.20
Over time	-	-
Total	**165,220.51**	**164,415.20**

* There are no transactions with a single customer which amounts to 10% or more of the Company's revenue for the year ended March 31, 2021 and March 31, 2020.

Notes to the Financial Statements

for the year ended March 31st, 2021

(c) Non-Current Assets :

The total of Non-current assets other than financial instruments and investments broken down by location of assets shown below:

₹ Lakhs

Particulars	March 31, 2021	March 31, 2020
India	28,885.57	30,670.57
Outside India	-	-
Total	**28,885.57**	**30,670.57**

NOTE 38 -CONTINGENT LIABILITIES

₹ Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Income Tax Matters	158.46	158.46
Sales Tax Matters	4,921.58	4,906.80
Excise Matters	84.32	41.25
Goods and Service Tax Matters	101.63	42.78
Total	**5,265.99**	**5,149.29**

(a) It is not practicable for the Company to estimate the timing of cash outflow, if any, in respect of the above pending resolution of the respective proceedings.

(b) The Company does not expect any reimbursement in respect of the above contingent liabilities.

NOTE 39 -CAPITAL AND OTHER COMMITMENTS

₹ Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Capital Commitments		
Estimated amount of Contracts remaining to be executed on Capital Account (Net of Advance)	905.30	654.65
Total	**905.30**	**654.65**

NOTE 40 -EMPLOYEE BENEFITS

Company has classified the various benefits provided as under:-

1) Defined Contribution Plans

The Company has certain defined contribution plans. Contributions are made to Provident Fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

Company has the following contribution plans :

a) Provident Fund

b) Employee’s Pension Scheme, 1995

c) Superannuation Fund

During the year, the Company has incurred and recognised the following amounts in the Statement of Profit and Loss:

₹ Lakhs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Employers' Contribution to Provident Fund and Employee's Pension Scheme	327.24	318.84
Employers' Contribution to Superannuation fund	93.81	97.66
Total Expenses recognised in the Statement of Profit and Loss (Refer Note 31)	**421.05**	**416.50**

2) Defined Benefit Plan:

A) General Description of defined benefit plans

i) Gratuity

The Company operates a gratuity plan wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service depending on the date of joining. The same is payable on termination of service, retirement or death, whichever is earlier. The benefit vests after five years of continuous service in accordance with Payment of Gratuity Act, 1972. The Company has a defined benefit gratuity plan in India (funded).

A. The net liability of Gratuity Plan is as follows :

Amounts recognised as a liability (Gratuity)

₹ Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Present value of funded obligations	871.19	788.04
Fair value of plan assets	(836.24)	(633.24)
Deficit of funded plans	**34.95**	154.80
Total deficit of defined benefit obligations	**34.95**	154.80
Impact of minimum funding requirement	-	-
Liability in the balance sheet	**34.95**	**154.80**

The weighted average duration of the defined benefit obligation is 8 years (March 31, 2020: 8 years).

B. Movement of Defined Benefit Obligation

₹ Lakhs

	Present value of obligations	Fair value of plan assets	Total
Balance as at April 1, 2019	**621.50**	**(558.11)**	**63.39**
Current service cost	68.71	-	68.71
Past service cost	-	-	-
Interest expense/(income)	48.29	(43.36)	4.93
Total amount recognised in profit/loss	**117.00**	**(43.36)**	**73.64**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	6.89	6.89
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	47.21	-	47.21
Experience (gains)/losses	27.67	-	27.67
Total amount recognised in other comprehensive income	**74.88**	**6.89**	**81.77**

Notes to the Financial Statements

for the year ended March 31st, 2021

₹ Lakhs

	Present value of obligations	Fair value of plan assets	Total
Contributions			
Employers	-	(64.00)	(64.00)
Plan participants	-	-	-
Benefit payments	(25.34)	25.34	-
Balance as at March 31, 2020	**788.04**	**(633.24)**	**154.80**
Current service cost	84.96	-	84.96
Past service cost	-	-	-
Interest expense/(income)	53.90	(43.31)	10.59
Total amount recognised in profit/loss	**138.86**	**(43.31)**	**95.55**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	3.62	3.62
(Gain)/loss from change in demographic assumptions	(23.43)	-	(23.43)
(Gain)/loss from change in financial assumptions	1.14	-	1.14
Experience (gains)/losses	-	-	-
Total amount recognised in other comprehensive income	**(22.29)**	**3.62**	**(18.67)**
Contributions			
Employers	-	(196.73)	(196.73)
Plan participants	-	-	-
Benefit payments	(33.42)	33.42	-
Balance as at March 31, 2021	**871.19**	**(836.24)**	**34.95**

C. Amounts recognised in the statement of other comprehensive income

₹ Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Remeasurements for:		
Gratuity	(18.67)	81.77
Total	**(18.67)**	**81.77**

D. Major Categories of Gratuity plan assets are as follows

₹ Lakhs

Composition of plan assets	As at March 31, 2021	As at March 31, 2020
Insurer Managed	836.24	633.24
	836.24	633.24
Percentage of Plan assets	100%	100%

E. Significant Actuarial Assumptions

	As at March 31, 2021	As at March 31, 2020
Discount Rate (%)	6.82%	6.84%
Salary Growth Rate (%)	4.00%	4.00%
Attrition Rate (%)	3.00%	3.00%
Mortality rate during employment	Indian assured lives Mortality (2006-08)	Indian assured lives Mortality (2006-08)

F. *Sensitivity Analysis*

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is as follows:

Assumptions	Impact of defined benefit obligation - Increase / (Decrease)	
	As at March 31, 2021	As at March 31, 2020
(i) Discount Rate		
a) Increase by 1%	**(53.87)**	(50.55)
b) Decrease by 1%	**61.08**	57.32
(ii) Salary Growth Rate		
a) Increase by 1%	**62.21**	58.39
b) Decrease by 1%	**(55.74)**	(52.32)
(iii) Employee Turnover/Attrition Rate		
a) Increase by 1%	**10.12**	9.36
b) Decrease by 1%	(11.42)	(10.58)

The above senstitvity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The method and types of assumptions used in preparing the sensitvity analysis did not change compared to the prior period.

G. *Risk Exposure*

Through its defined benefit plans, the company is exposed to number of risks, the most significant of which is asset volatility. The plan liabilities are calculated using a discount rate set with reference to bond yields: if plan assets underperform this yield, this will create a deficit. The plan assets are invested by the company in Insurer managed funds. The Company intends to maintain these investments in the continuing years.

H. *Defined benefit liability and employers contributions*

₹ Lakhs

	Year ended March 31, 2021	Year ended March 31, 2020
Expected contributions to post employment benefit plans for the next year	**122.36**	220.74

I. *The expected maturity analysis of undiscounted gratuity benefits is as follows*

	Expected maturity of undiscounted gratuity benefits	
	As at March 31, 2021	As at March 31, 2020
Year-1	**121.26**	89.35
Year-2	**46.30**	44.48
Year-3	**59.66**	74.60
Year-4	**114.10**	56.48
Year-5	**76.60**	97.46
Years-6 to 10	**411.22**	371.24
Years 11 and above	**695.03**	669.65

3) Compensated absences

The Company has a policy on compensated absences which is applicable to its executives joined upto a specified period and all workers. The expected cost of accumulating compensated absences is determined by actuarial valuation

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for the year ended March 31st, 2021

performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the Balance Sheet date. The leave obligations cover the Company's liability for earned leave which are classified as other long-term benefits.

₹ Lakhs

	Year ended March 31, 2021	Year ended March 31, 2020
Leave obligations not expected to be settled within the next 12 months	412.33	321.99

NOTE 41 -SHARE BASED PAYMENTS

The Company offers equity based award plan to its employees, officers through Company's stock option plan. In respect of those options granted under the Gulf Oil Lubricants India Limited - Employees Stock Option Scheme - 2015, in accordance with the guidelines issued by Securites and Exchange Board of India [(Share Based Employees Benefits) Regulations, 2014], the fair value of options is accounted as deferred employee compensation, which is amortized on a straight - line basis over the vesting period.

The fair values were calculated using Black Scholes Model as permitted by the SEBI Guidelines and also Ind AS 102 issued by the Institute of Chartered Accountants of India in respect of stock options granted. The inputs to the model include the share price on date of grant, exercise price, expected option life, expected volatility, expected dividends, expected terms and the risk free rate of interest.

The assumptions used in the calculations of the charge in respect of ESOP granted are set out below:

Particulars	Tranche-1	Tranche-2	Tranche-3	Tranche-4	Tranche-5
Range of risk-free interest rate	7.69% to 7.76%	7.44% to 7.75%	6.76% to 7.06%	6.90% to 7.00%	5.84% to 6.07%
Range of expected term (years)	3.58 -6.58 Years	3.50 -6.50 Years	3.50 -6.50 Years	3.50 -4.50 Years	3.50 -4.50 Years
Volatility	40.62%	40.03%	35.73%	29.80 to 32.70%	29.26 to 29.57%
Expected dividend yield	₹ 2.00 per share	₹ 6.50 per share	₹ 7.50 per share	₹ 11.00 per share	₹ 11.50 per share
Estimated fair value per option granted - service	293.84	284.15	417.82	523.90	467.60

Particulars	Tranche-1	Tranche-2	Tranche-3	Tranche-4	Tranche-5
ESOP scheme approved by the shareholders through postal ballot	May 13, 2015	May 13, 2015	May 13, 2015	May 13, 2015	May 13, 2015
Grant date	May 26, 2015	February 9, 2016	May 13, 2017	May 15, 2019	November 2, 2020
Number of options granted	606,990	112,225	101,913	214,629	6,960
Method of Settlement	Equity	Equity	Equity	Equity	Equity
Vesting Period	10% after 1 year, 15% after 2 years, 15% after 3 years and balance 60% at the end of 4 years from grant date			50% after 1 year and balance 50% at the end of 2 year from grant date	50% after 1 year and balance 50% at the end of 2 year from grant date
Exercise Period	Upto 5 Years from the date of vesting				

Particulars	Tranche 1		Tranche 2		Tranche 3		Tranche 4		Tranche 5	
	Shares	Weighted Average exercise price (in Rs)	Shares	Weighted Average exercise price (in Rs)	Shares	Weighted Average exercise price (in Rs)	Shares	Weighted Average exercise price (in Rs)	Shares	Weighted Average exercise price (in Rs)
Outstanding as of April 01, 2019	**390,179**	**336**	**48,430**	**355**	**94,224**	**544**	**-**	**-**	**-**	**-**
Granted during the year	-	-	-	-	-	-	214,629	336	6,960	355
Exercised during the year	293,612	336	7,597	355	7,229	544	-	-	-	-
Forfeited during the year	-	-	-	-	-	-	-	-	-	-
Expired during the year	-	-	-	-	-	-	-	-	-	-
Outstanding as of March 31, 2020	**96,567**	**336**	**40,833**	**355**	**86,995**	**544**	**214,629**	**336**	**6,960**	**355**
Granted during the year	-	-	-	-	-	-	-	-	-	-
Exercised during the year	49,096	336	40,833	355	9,981	544	103,907	336	-	-
Forfeited during the year	-	-	-	-	-	-	-	-	-	-
Expired during the year	23,614	-	-	-	-	-	-	-	-	-
Outstanding as of March 31, 2021	**23,857**	**336**	**-**	**355**	**77,014**	**544**	**110,722**	**336**	**6,960**	**355**

Particulars	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Tranche 5
Weighted average remaining contractual life of options outstanding at the end of period (in years)	3.16	-	4.91	5.10	5.36
Weighted average share price at the date of exercise of options exercised during the year	613.49	943.69	655.70	648.77	-

Expense arising from share - based payment transactions

₹ Lakhs

	31-Mar-21	31-Mar-20
Employee option plan	580.05	592.81
Total employee share - based payment expense	**580.05**	**592.81**

NOTE 42 -FINANCIAL RISK MANAGEMENT

The Company's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the company, derivative financial instruments, such as foreign exchange forward contracts & option Contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purpose and not as trading or speculative instruments. This note explains the sources of risk which the company is exposed to and how the company manages the risk.

Risk	Exposure arising from	Management	Note reference no
Market Risk-Foreign Currency risk	Recognized financial assets and liabilities not denominated in Rupee	Forward & Option foreign exchange contracts.	A1
Market Risk-Interest rate risk	Short term borrowings at variable rates	Monitoring of interest rate	A2
Market Risk-Commodity Price risk	Fluctuation in base oil prices in line with commodity cycles	Operating procedures and sourcing policies	A3
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortized cost	Credit limits and letters of credit	B
Liquidity risk	Borrowings and other liabilities	Availability of committed credit lines and borrowing facilities.	C

Notes to the Financial Statements

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The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the Company. The primary market risk to the Company is foreign exchange risk.

A Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprise of three types of risk: foreign currency risk, interest risk, and commodity price risk. The sensitivity analysis in the following sections relate to the position as at March 31, 2021 and March 31, 2020.

A1 Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (primarily material costs are denominated in a foreign currency). The Company manages its foreign currency risk by hedging certain material costs that are expected to occur within a range of 2 to 4 months period for hedged purchases of base oil and additives. At March 31, 2021 the Company hedges approximately ~ 80-85% of its expected foreign currency purchases for 2 to 4 months. This foreign currency risk is hedged by using a combination of foreign currency options and forward contracts. Details are as given below:

₹ Lakhs

Hedged foreign currency exposure	As at March 31, 2021	As at March 31, 2020
No of buy contracts relating to firm commitments for Raw Material	24	10
Foreign Currency-USD (in lakhs)	256.03	68.02
Rupee (in lakhs)	18,718.71	5,146.13

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR equivalent of USD is as follows:

₹ Lakhs

Particulars	USD	Total
As at March 31, 2021		
Financial assets		
Trade receivables	2,515.33	2,515.33
Total financial assets	**2,515.33**	**2,515.33**
Financial liabilities		
Trade & other payables	5,100.56	5,100.56
Borrowings	19,794.95	19,794.95
Other financial liabilities	27.14	27.14
Total non - derivative liabilities	**24,922.65**	**24,922.65**
Derivatives		
Foreign Exchange Forward and Option Contracts	18,718.71	18,718.71
Total derivative liabilities	**18,718.71**	**18,718.71**
As at March 31, 2020		
Financial assets		
Trade receivables	2,346.61	2,346.61
Total financial assets	**2,346.61**	**2,346.61**
Financial liabilities		
Trade & other payables	8,228.07	8,228.07
Borrowings	15,182.05	15,182.05
Other financial liabilities	70.52	70.52
Total non - derivative liabilities	**23,480.64**	**23,480.64**
Derivatives		
Foreign Exchange Forward Contracts	5,146.13	5,146.13
Total derivative liabilities	**5,146.13**	**5,146.13**

Sensitivity analysis

The Company is mainly exposed to changes in USD . The sensitivity analysis demonstrate possible change in USD exchange rates with all other variables held constant. 5% appreciation/depreciation of USD with respect to functional currency of the company will have impact of the following (decrease)/increase in profit before tax.

₹ Lakhs

Particulars	Impact on profit before tax	
	As at March 31, 2021	As at March 31, 2020
USD Sensitivity		
INR/USD- Appreciation by 5%	(208.50)	(799.39)
INR/USD- Depreciation by 5%	208.50	799.39

A2 Interest rate risk

The Company had borrowed funds at floating interest rates. The Company's interest rate risk arises from short term borrowings with variable rates. The exposure of the company's borrowing to interest rate changes at the end of the reporting period are as follows:

₹ Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Variable rate borrowings	19,794.95	35,371.93
Total borrowings	**19,794.95**	**35,371.93**

Sensitivity analysis

Profit and loss is sensitive to higher/lower interest expenses from borrowings as a results of changes in interest rates.

Interest rate sensitivity

₹ Lakhs

Particulars	Impact on profit before tax	
	Year ended March 31, 2021	Year ended March 31, 2020
50 basis points increase in interest rates*	(98.97)	(176.86)
50 basis points decrease in interest rates*	98.97	176.86

* Holding all other variables constant

A3 Commodity Price Risk

The Company's exposure to market risk with respect to commodity prices primarily arises from the fact that the company is a purchaser of base oil. This is a commodity product whose prices can fluctuate sharply over short periods of time. The prices of base oil generally fluctuate in line with commodity cycles. Material purchase forms the largest portion of the company's operating expenses. The Company evaluates and manages commodity price risk exposure through operating procedures and sourcing policies. The Company has not entered into any commodity derivative contracts.

Sensitivity: 0.1% increase in commodity rates would have led to approximately an decrease in profit by Rs 53.93 lakhs (March 31, 2020 ₹ 51.00 lakhs). 0.1% decrease in commodity rate would have led to an equal but opposite effect.

Notes to the Financial Statements

for the year ended March 31st, 2021

B Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations thus leading to a financial loss.

Trade Receivables

The Company's customer mainly consists of its distributors and Original Equipment Manufacturers (OEMs). The Company has a credit policy, approved by the Management that is designed to ensure that consistent processes are in place to measure and control credit risk. The Company has trade relationships only with reputed third parties. The receivable balances are constantly monitored, resulting in an insignificant exposure of the Company to the risk of non-collectible receivables. Credit risk is managed through credit approvals, establishing credit limits, obtaining collaterals from the customers in the form of deposits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The maximum credit exposure associated with financial assets is equal to the carrying amount.

Concentrations of credit risk with respect to trade receivables are limited, due to the Company's customer base being large and diverse. All trade receivables are reviewed and assessed for default on a quarterly basis. Our historical experience of collecting receivables, supported by the level of default, is that credit risk is low. Accordingly, our provision for expected credit loss on trade receivables is not material.

Reconciliation of provisions for doubtful debts has been provided as under

Particulars	Amount in ₹ Lakhs
Provision for Doubtful debts on March 31, 2019	616.95
Net Charge during the year 2019-20	-
Provision for Doubtful debts on March 31, 2020	616.95
Net Charge during the year 2020-21	51.12
Provision for Doubtful debts on March 31, 2021	668.07

Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks, investments in mutual funds. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Company's Treasury department. The Company's maximum exposure to credit risk as at March 31, 2021 and March 31, 2020 is the carrying value of each class of financial assets as disclosed in the financial statements.

C Liquidity Risk

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company has net positive cash surplus after adjusting its short term bank borrowings. Thus company believes that the working capital is sufficient to meet its current requirements and accordingly, there is no liquidity risk perceived.

Management monitors rolling forecasts of the liquidity position on the basis of expected cash flow. The company has access to the following undrawn borrowing facilities at the end of reporting period.

₹ Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Undrawn Fund Based Working Capital Limits	14,200.00	6,010.12
Undrawn Non Fund Based Working Capital Limits	15,266.00	16,031.00

The table below provides details regarding the contractual maturities of significant financial liabilities as on reporting date.

₹ Lakhs

Particulars	Less than 1 year	Above 1 year	Total
As at March 31, 2021			
Borrowings	19,794.95	-	19,794.95
Trade and other payables	28,980.95	-	28,980.95
Other financial liabilities	2,412.75	619.82	3,032.57
Total	**51,188.65**	**619.82**	**51,808.47**

₹ Lakhs

Particulars	Less than 1 year	Above 1 year	Total
As at March 31, 2020			
Borrowings	35,371.93	-	35,371.93
Trade and other payables	25,851.31	-	25,851.31
Other financial liabilities	2,650.32	1,154.77	3,805.09
Total	**63,873.56**	**1,154.77**	**65,028.33**

NOTE 43 -FAIR VALUE MEASUREMENT

The carrying value and fair value of financial instruments by categories as on March 31, 2021 and March 31, 2020 were as follows

₹ Lakhs

	As at March 31, 2021			As at March 31, 2020		
Particulars	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial Assets						
Investments	-	2,026.56	-	-	458.84	-
Loans	-	-	280.96	-	-	312.80
Trade Receivables	-	-	18,895.50	-	-	18,699.77
Cash and cash equivalents	-	-	49,160.86	-	-	54,582.58
Other bank balances	-	-	398.88	-	-	511.81
Other financial assets						
Security deposits	-	-	779.91	-	-	768.70
Margin Money deposit	-	-	2.00	-	-	1.00
Derivative assets	129.71	-	-	200.72	-	-
Total Financial assets	**129.71**	**2,026.56**	**69,518.11**	**200.72**	**458.84**	**74,876.66**
Financial Liabilities						
Borrowings	-	-	19,794.95	-	-	35,371.93
Trade Payables	-	-	28,980.95	-	-	25,851.31
Capital Creditors	-	-	86.41	-	-	60.77
Other financial liabilities						
Derivative liabilities	-	-	-	-	-	-
Lease liabilities	-	-	1,343.05	-	-	2,219.38
Others	-	-	1,603.11	-	-	1,524.95
Total Financial Liabilities	**-**	**-**	**51,808.47**	**-**	**-**	**65,028.34**

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NOTE 44 -FAIR VALUE HIERARCHY

Financial assets measured at fair value as at March 31, 2021 and March 31, 2020

₹ Lakhs

Particulars	As at March 31, 2021			As at March 31, 2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets						
Investments	-	-	2,026.56	-	-	458.84
Derivative assets	-	129.71	-	-	200.72	-
Total Financial assets	**-**	**129.71**	**2,026.56**	**-**	**200.72**	**458.84**

Assets and liabilities which are measured at amortised cost for which fair value are disclosed as at March 31, 2021 and March 31, 2020

₹ Lakhs

Particulars	As at March 31, 2021			As at March 31, 2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets						
Loans	-	-	280.96	-	-	312.80
Trade Receivables	-	-	18,895.50	-	-	18,699.77
Cash and cash equivalents	-	-	49,160.86	-	-	54,582.58
Other bank balances	-	-	398.88	-	-	511.81
Other financial assets						
Security deposits	-	-	779.91	-	-	768.70
Margin Money deposit	-	-	2.00	-	-	1.00
Total Financial assets	**-**	**-**	**69,518.11**	**-**	**-**	**74,876.66**
Financial Liabilities						
Borrowings	-	-	19,794.95	-	-	35,371.93
Trade Payables	-	-	28,980.95	-	-	25,851.31
Capital Creditors	-	-	86.41	-	-	60.77
Other financial liabilities						
Lease liabilities	-	-	1,343.05	-	-	2,219.38
Others	-	-	1,603.11	-	-	1,524.95
Total Financial Liabilities	**-**	**-**	**51,808.47**	**-**	**-**	**65,028.34**

Level 1

Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair values of all equity instruments (including mutual funds) which are traded in the stock exchanges are valued using the closing price as at the reporting period.

Level 2

The fair values of financial instruments that are not traded in an active market (mainly derivative forward contracts) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3

If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset in level 3.

i) Valuation technique used to determine fair value

Specific valuation technique used to value financial instruments include :

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value if the remaining financial instruments is determined using discounted cash flow analysis.

ii) Fair value measurements using significant unobservable inputs (Level 3)

The Following table presents the changes in level 3 items as on March 31, 2021 and March 31, 2020

Particulars	Rs Lakhs Unlisted equity securities
As at April 01, 2019	**460.16**
Gains/(Losses) recognized in the other comprehensive income	(1.32)
As at March 31, 2020	**458.84**
Addition during the year	1,530.87
Gains/(Losses) recognized in the other comprehensive income	36.85
As at March 31, 2021	**2,026.56**

NOTE 45-CAPITAL MANAGEMENT

A Risk Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders.

The Company monitors capital using a gearing ratio and is measured by net debt divided by total capital . The Company's net debt includes short term borrowings less cash and cash equivalents. The Company did not have any long term borrowings at any time during the year.

₹ Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Total borrowings	19,794.95	35,371.93
Less: Cash and bank balances	(49,559.74)	(55,094.39)
Net debt (A)	-	-
Total equity (B)	86,937.67	**76,130.79**
Gearing ratio (A/B)	0%	**0%**

B Dividends

Dividends recognised for the year

₹ Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
a) Final dividend	3,512.40	3,505.91
DDT on final dividend	-	720.64
b) Interim dividend	7,029.08	-

Dividends not recognised at the end of the reporting period

₹ Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of INR 9/- per fully paid equity share (March 31, 2020- INR 7/-). This proposed dividend is subject to the approval of shareholder in the ensuing annual general meeting.	4,527.86	**3,507.40**

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NOTE 46 - RELATED PARTY DISCLOSURES

(A) Name of the related parties and nature of relationship:

(i) Where control exists:

Ultimate Holding Company	Amas Holdings SPF
	[Holding Company of Gulf Oil International Limited (Cayman)]
Holding Company	Gulf Oil International (Mauritius) Inc.
	Gulf Oil Middle East Limited (Cayman)
	[Holding Company of Gulf Oil International (Mauritius) Inc.]
	Gulf Oil International Limited (Cayman)
	[Holding Company of Gulf Oil Middle East Limited (Cayman)]

(ii) Other related parties with whom transactions have taken place during the year:

Fellow subsidiaries:	Ashok Leyland Limited
	D.A.Stuart India Private Limited
	GOCL Corporation Limited
	Gulf Ashley Motor Limited
	Gulf Oil Argentina SA
	Gulf Oil Bangladesh Limited
	Gulf Oil (China) Co. Ltd.
	Gulf Oil International UK Limited
	Gulf Oil Italy Srl.
	Gulf Oil Marine Limited
	Gulf Oil Panama SA
	Gulf Oil Philippines Inc.
	Gulf Oil Supply Company Limited
	Gulf Polska sp. z o.o.
	Hinduja Tech Limited
	IDL Explosives Limited
	PT. Gulf Oil Lubricants Indonesia
(iii) Non- Executive Director	Sanjay G Hinduja
	Shom A Hinduja
(iv) Non-Executive Independent Director	M S Ramachandran (up to February 26 , 2020)
	Ashok Kini (up to December 12 , 2020)
	Kanchan Chitale (up to March 19 , 2020)
	Arvind Uppal (with effect from February 11, 2020)
	Manju Agarwal (with effect from March 19, 2020)
	Munesh Khanna (with effect from November 06, 2020)
(v) Key Managerial personnel	Ravi Chawla - Managing Director and CEO
(vi) Other Related Parties	Gulf Oil Lubricants India Limited Employees Group Gratuity Cum Life Assurance Scheme
	Gulf Oil Lubricants India Limited Employees Group Superannuation Scheme

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(B) Disclosure in respect of transactions which are more than 10% of the transactions of the same type with related parties and outstanding balances

(₹ Lakhs)

Nature of transaction	Name of the Party	Year ended March 31, 2021	Year ended March 31, 2020
Sales of Goods & Other Income	Ashok Leyland Limited	4,354.10	4,107.10
	D.A.Stuart India Private Limited	48.21	1,102.86
	Gulf Oil Bangladesh Limited	2,381.62	1,664.80
	Others	2,262.47	1,997.82
	Total Sales of Goods and Other Income	**9,046.40**	**8,872.58**
Purchase of Goods and other services	Hinduja Tech Limited	14.51	-
	D.A.Stuart India Private Limited	-	44.00
	Total Purchase of Goods and other services	**14.51**	**44.00**
Purchase of Investment in Equity Shares	Gulf Oil International Limited (Cayman)	1,523.25	-
	Total Purchase of Investment in Equity Shares (of Indra Renewable Technologies Ltd, UK)	**1,523.25**	**-**
Dividend on Equity Shares	Gulf Oil International (Mauritius) Inc.	7,606.04	2,535.35
	Total Dividend on Equity Shares	**7,606.04**	**2,535.35**
Royalty	Gulf Oil International (Mauritius) Inc.	2,424.97	3,038.85
	Total Royalty	**2,424.97**	**3,038.85**
Recovery of Expenses	Gulf Oil International Limited (Cayman)	1,046.92	1,028.54
	Gulf Oil International UK Limited	298.29	159.07
	Others	3.20	64.92
	Total Recovery of Expenses	**1,348.41**	**1,252.53**
Reimbursement of Expenses	Gulf Oil International UK Limited	8.96	-
	Gulf Oil International Limited (Cayman)	-	13.76
	Gulf Oil Middle East Limited (Cayman)	20.15	1.94
	Others	-	0.55
	Total Reimbursement of Expenses	**29.11**	**16.25**
Contribution to Gratuity Fund	Gulf Oil Lubricants India Limited Employees Group Gratuity Cum Life Assurance Scheme	196.73	64.00
Contribution to Superannuation Fund	Gulf Oil Lubricants India Limited Employees Group Superannuation Scheme	93.81	97.66

Key management personnel compensation

₹ Lakhs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Short - term employee benefits	533.90	446.48
Post employment benefits *	21.35	18.57
Employee share-based payment	215.52	449.95
Total Compensation	**770.77**	**915.00**

*The above amount does not include gratuity and leave valuations as those are determined based on actuarial valuations.

Payments to Non- Executive directors

₹ Lakhs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Sitting fees	49.00	49.00
Commission	200.00	200.01

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(₹ Lakhs)

Outstanding Balances	Name of the Party	As at March 31, 2021	As at March 31, 2020
Trade Receivable	Ashok Leyland Limited	1,142.31	-
	Gulf Oil International Limited (Cayman)	457.63	333.62
	Gulf Oil Marine Limited	207.83	265.11
	Gulf Oil International UK Limited	312.14	144.80
	Gulf Oil Bangladesh Limited	354.20	-
	D.A.Stuart India Private Limited	1.51	105.23
	Others	374.19	301.27
	Trade Receivable	**2,849.81**	**1,150.03**
Trade Payable	Gulf Oil International (Mauritius) Inc.	603.28	1,266.43
	Others	-	401.60
	Trade Payable	**603.28**	**1,668.03**
Loan to Director	Ravi Chawla	108.50	114.50

NOTE 47 - CURRENT TAX AND DEFERRED TAX

a. Movement of Deferred Tax Liablities

₹ Lakhs

Particulars	Property, Plant and Equipment	Fair Value of equity instrument	Other temporary differences	Total
As at April 01, 2019	**2,292.16**	**16.34**	**19.33**	**2,327.83**
Charged/(credited)				
to profit or loss	(574.59)	-	(330.86)	(905.45)
to other comprehensive income	-	(0.15)	(26.08)	(26.23)
Adjustment on adoption of Ind AS 116	-	-	857.75	857.75
As at March 31, 2020	**1,717.57**	**16.19**	**520.14**	**2,253.90**
Charged/(credited)				
to profit or loss	(83.74)	-	(229.43)	(313.17)
to other comprehensive income	-	4.22	-	4.22
As at March 31, 2021	**1,633.83**	**20.41**	**290.71**	**1,944.95**

b. Movement in Deferred Tax Assets

₹ Lakhs

Particulars	Allowance for doubtful debts	Employee benefit obligations	Other temporary differences	Total
As at April 01, 2019	**215.59**	**125.74**	**24.90**	**366.23**
Charged/(credited)				
to profit or loss	(60.31)	(12.90)	(408.85)	(482.06)
to other comprehensive income	-	-	-	-
Adjustment on adoption of Ind AS 116	-	-	942.52	942.52
As at March 31, 2020	**155.28**	**112.84**	**558.57**	**826.69**
Charged/(credited)				
to profit or loss	12.85	14.32	(220.55)	(193.38)
to other comprehensive income	-	(4.70)	-	(4.70)
As at March 31, 2021	**168.13**	**122.46**	**338.02**	**628.61**

c. The major components of income tax expense for the year ended March 31, 2021

₹ Lakhs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Current tax		
Current tax	6,985.26	6,593.97
Adjustments for current tax of prior periods	-	31.29
Total Current Tax	**6,985.26**	**6,625.26**
Deferred Tax		
Decrease in deferred tax assets	193.38	482.06
(Decrease) in deferred tax liabilities	(313.17)	(905.45)
Total deferred tax expense/(benefits)	**(119.79)**	**(423.39)**
Total tax expense	**6,865.47**	**6,201.87**

d. Reconciliation of tax expense

₹ Lakhs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Profit before income tax expense	26,874.05	26,454.03
Tax at the Indian tax rate 25.168 % (March 31, 2020: 25.168%)	6,763.66	6,657.95
Impact on account of change in tax rate	-	(514.93)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income (Permanent differences)	101.81	58.85
Income Tax Expense	**6,865.47**	**6,201.87**

NOTE 48

A. Reconciliation of revenue recognised with contract price.

₹ Lakhs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Contract price (Net of discounts and rebates)	164,692.87	163,902.30
Revenue from contract with customers	**164,692.87**	**163,902.30**

The company has not entered into any fixed price long term contract and thus the company does not have any unsatisfied performance obligation as at the year end.

B. Disaggregation of revenue from contracts with customers

For the period ended March 31, 2021

₹ Lakhs

Particulars	India	Outside India	Total
Revenue from contract with customers			
Sale of goods	155,520.81	9,010.47	164,531.28
Sale of services	-	161.59	161.59
Total revenue from contract with customers	**155,520.81**	**9,172.06**	**164,692.87**
Timing of revenue recognition			
At a point in time	155,520.81	9,172.06	164,692.87
Over time	-	-	-

Notes to the Financial Statements

for the year ended March 31st, 2021

For the period ended March 31, 2020

₹ Lakhs

Particulars	India	Outside India	Total
Revenue from contract with customers			
Sale of goods	155,619.27	8,100.82	163,720.09
Sale of services	-	182.21	182.21
Total revenue from contract with customers	155,619.27	8,283.03	163,902.30
Timing of revenue recognition			
At a point in time	155,619.27	8,283.03	163,902.30
Over time	-	-	-

C. Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities.

₹ Lakhs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Revenue recognised that was included in the contract liability balance at the beginning of the period		
Advance from customer	**513.65**	**419.15**

NOTE 49

The Company has entered into transactions (including Investments disclosed under Note 4) which are covered under Section 186 of the Companies Act, 2013 (the Act) and has complied with the provisions of Section 186 of the Act in respect of those transactions.

NOTE 50 - DETAILS OF DUES TO MICRO ENTERPRISES AND SMALL ENTERPRISES AS DEFINED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT 2006

₹ Lakhs

	Particulars	As at March 31, 2021	As at March 31, 2020
a.	The principal amount and the interest due thereon remaining unpaid to any supplier as Principal amount due to micro and small enterprises	583.84	293.89
	Interest due on above	-	-
b.	The amount of interest paid by the buyer in terms of section 16 of the Micro and Small Enterprise Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
c.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro and Small Enterprise Development Act, 2006.	-	-
d.	The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
e.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of Micro and Small Enterprises Development Act, 2006.	-	-

Notes to the Financial Statements

for the year ended March 31st, 2021

NOTE 51 - EXPENDITURE TOWARDS CORPORATE SOCIAL RESPONSIBILITY

Gross amount required to be spent by the Company during the year ended March 31, 2021 under section 135 of the Companies Act, 2013 is ₹ 521.65 Lakhs (March 31, 2020 : ₹ 466.09 Lakhs) against which Company has actually spent ₹ 471.65 Lakhs during the year (March 31, 2020 : ₹ 247.51 Lakhs) for purposes other than the construction/acquisition of any asset.

NOTE 52 - COVID-19 DISCLOSURE

The outbreak of coronavirus (COVID-19) pandemic has impacted businesses across India. Based on internal and external information up to the date of approval of these audited financial statements and current indicators of future economic conditions, the Company has made a detailed assessment of its liquidity position for a period of at least one year from the balance sheet date, of the recoverability and carrying values of its assets comprising property, plant and equipment, intangible assets, investments, trade receivables, inventory, other current and non-current assets and ability to pay its liabilities as they become due and effectiveness of internal financial controls as at the balance sheet date and has concluded that there are no material impact or adjustments required in the financial statements for the year ended March 31, 2021. The impact assessment of COVID-19 is a continuous process and accordingly, the impact of the same may be different from that estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes to future economic conditions.

NOTE 53

The Indian Parliament has approved the Code on Social Security, 2020 ('the Social Security Code') which, inter alia, deals with employee benefits during the employment and post employment. The code has been published in the Gazette of India. The effective date of the Code is yet to be notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period in which the Code becomes effective.

NOTE 54

Prior year comparatives have been reclassified to conform with the current year's presentation, wherever applicable.

In terms of our report attached
For Price Waterhouse LLP
Chartered Accountants
Firm Registration Number: 301112E/E300264

Arunkumar Ramdas
Partner
Membership No. 112433

Place: Mumbai
Date: May 28, 2021

For and on behalf of Board of Directors

Manish K Gangwal
Chief Financial Officer

Ravi Chawla
Managing Director & CEO
DIN: 02808474

S.G. Hinduja
Chairman
DIN: 00291692

Shweta Gupta
Company Secretary

GULF OIL LUBRICANTS INDIA LIMITED
Corporate Identification No. (CIN) - L23203MH2008PLC267060
Regd. Office: IN Centre 49/50, 12th Road, M.I.D.C., Andheri - East, Mumbai 400 093
Tel.: +91-22- 6648 7777
E-mail: secretarial@gulfoil.co.in **Website:** www.gulfoilindia.com

Notice of the 13th Annual General Meeting

Notice is hereby given that the 13th Annual General Meeting of the members of Gulf Oil Lubricants India Limited ("the Company") (CIN: L23203MH2008PLC267060) will be held on Thursday, September 16, 2021 at 3.00 P.M. (IST) through Video Conferencing / Other Audio-Visual Means ("VC" / "OAVM") to transact the following businesses:

ORDINARY BUSINESS:

1. **To adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2021.**

   To receive, consider and adopt, the Audited Financial Statements of the Company for the financial year ended March 31, 2021, together with the reports of the Board of Directors and Statutory Auditors thereon and in this regard pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** the Audited Financial Statements of the Company for the financial year ended March 31, 2021, and the reports of the Board of Directors and the Statutory Auditors thereon laid before this Meeting, be and are hereby considered and adopted."

2. **To declare final dividend on equity shares for the financial year ended March 31, 2021.**

   To declare final dividend on the equity shares of the Company for the financial year ended March 31, 2021, and in this regard, pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** a final dividend at the rate of ₹ 9/- (Rupee Nine only) per equity share of face value of ₹ 2/- (Rupees Two only) each, be and is hereby declared for the financial year ended March 31, 2021, and the same be paid, out of the profits of the Company for the financial year ended March 31, 2021."

3. **To consider and re-appoint Mr. Sanjay G. Hinduja (DIN: 00291692), who retires by rotation and being eligible, offers himself for re-appointment.**

   To consider and re-appoint Mr. Sanjay G. Hinduja (DIN: 00291692), who retires by rotation and being eligible, offers himself for re-appointment and in this regard, pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Sanjay G. Hinduja (DIN: 00291692), who retires by rotation at the 13th Annual General Meeting, and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Non-Executive Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

4. **To appoint Mr. Munesh Khanna (DIN: 00202521) as an Independent Director of the Company for a term of five consecutive years:**

   To consider and if thought fit, to pass, with or without modifications, the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Qualification of Directors) Rules, 2014, and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force ("SEBI Listing Regulations") and based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors had appointed Mr. Munesh Khanna (DIN: 00202521) as an Additional Director (Non-Executive Independent) with effect from November 6, 2020 pursuant to Section 161(1) of the Act and the Articles of Association of the Company, subject to approval of the shareholders at the ensuing Annual General Meeting of the Company and who holds office up to the date of this Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in the Act and SEBI Listing Regulations, and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act proposing his candidature for the office of a Director, be and is hereby appointed as a Non-Executive Independent Director of the Company to hold office for a term of 5 (five) consecutive years with effect from November 6, 2020 to November 5, 2025 (both days inclusive) and is not liable to retire by rotation.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to the above resolution and to authorise any of the directors and/ or key managerial personnel and/or officers of the Company to take necessary actions on behalf of the Company in that regard."

5. **To ratify the remuneration payable to M/s Dhananjay V. Joshi & Associates, Cost Accountants (Firm Registration No. 000030), the Cost Auditors of the Company for the financial year ending March 31, 2022:**

   To consider and if thought fit, to pass, with or without modifications, the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the relevant Rules framed thereunder, as amended from time to time, the Members of the Company do hereby ratify the remuneration of ₹ 3,50,000/- (Rupees Three Lakhs Fifty Thousand only), plus applicable taxes and reimbursement of out of pocket expenses, if any, to M/s Dhananjay V. Joshi & Associates, Cost Accountants (Firm Registration No. 000030), as approved by the Board of Directors of the Company, for conducting audit of the cost records of the Company for the financial year ending March 31, 2022.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. **To alter Objects Clause of the Memorandum of Association:**

   To consider and, if thought fit, to pass the following resolution as **Special Resolution**:

   "RESOLVED THAT pursuant to the provisions of Section 4 and 13 of the Companies Act, 2013 read with rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and other applicable provisions, if any, subject to the necessary registration, approvals, consents, permissions and sanctions required, if any, by the jurisdictional Registrar of Companies, and/or any other appropriate authority, the consent of the members of the Company be and is hereby accorded for alteration of the Objects Clause (Clause III) of the Memorandum of Association as under:

   i. Heading of Clause III (A) of Memorandum of Association i.e. "MAIN OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:" be substituted with the Heading "OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE".

   ii. Sub-clause 3 of Clause III (A) of Memorandum of Association be and is hereby amended and substituted with the following sub-clause:

   To carry on in India or anywhere in the world, the business of manufacturing, installations, commissioning, importer, exporter, producing, trading (online or offline), leasing, hire purchase, distributing, consigning, stocking, registering, packing, marketing, or generally dealing in all types of (a) wire or wireless-charging products, mobility and e-mobility products & solutions, battery charging stations, charging battery or other auto parts swapping services to Electrical Vehicles (EVs) using electricity generated through solar energy or any other renewable or non-renewable sources of energy, EV software solutions, hybrid or fully electric vehicles, all types of mobility services, (b) energy storage & management products and technologies, lead acid batteries, lithium cells; aluminium fuel cells, or fuel cells ("battery cells"); hydrogen generation, distribution and hydrogen fuel cells and associated technologies or such other chemistries and components of battery cells; and batteries packs composed of such battery cells including module making & other systems and other batteries including lithium-ion batteries, (c) helmets and other automotive accessories, (d) automotive parts and accessories, automotives, auto electrical, vehicle care products, vehicle spares/ assemblies, tools, implements, equipments, gauges and other allied goods, articles and things for motor cars, trawlers, marine vehicles, trucks, tankers, buses, motorcycles, cars, race cars, defence vehicles, ambulance, tempos, tractors, vans, jeeps, scooters, mopeds, three wheelers and other light and heavy vehicles.

   iii. Heading of Clause III (B) of Memorandum of Association i.e. "THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS ARE" be substituted with the Heading "MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III(A) ARE".

   iv. Clause III (B) of the Memorandum of Association be amended by adding following new sub clause, after existing clause III (B) 44:

45. To purchase, sale, import, export or deal in any articles or goods traded in or dealt with by the Company in any way as may be expedient including co-branded merchandising, company branded clothing and sports wear, watches, miniature vehicle models & toys, auto and other accessories, sports goods and any other company branded goods or accessories.

v. Clause III (C) of Memorandum of Association of the Company titled as "The OTHER OBJECTS FOR WHICH THE COMPANY IS ESTABLISHED ARE" be and is hereby deleted (all sub-clauses 1 to 4).

RESOLVED FURTHER THAT the Board of Directors of the Company (the "Board" which term shall be deemed to include its committees also) or any officer(s) so authorised by the Board, be and are hereby authorised to do all acts, deeds, matters and things as may, in their absolute discretion, be deemed necessary, expedient, proper or desirable to give effect to the resolution including filings of statutory forms and to settle any matter, question, difficulties or doubts that may arise in this regard and accede to such modifications and alterations to the aforesaid resolution as may be suggested by the Registrar of Companies without requiring the Board to secure any further consent or approval of the Members of the Company; and that the Members of the Company are hereby deemed to have given their approval thereto expressly by the authority of this resolution and acts and things done or caused to be done shall be conclusive evidence of the authority of the Company for the same."

7. To alter Articles of Association:

To consider and, if thought fit, to pass the following resolution as **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 14 and other applicable provisions if any, of the Companies Act, 2013 ("Act") (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof for the time being in force), and Rules made thereunder, as amended from time to time, consent of the Members of the Company be and is hereby accorded for:

The insertion of New Clause as Article 128 in the Articles of Association of the Company as follows:

Article 128 - POWER OF COMPANY TO PURCHASE ITS OWN SECURITIES

Notwithstanding anything contained in these Articles but subject to the provision of the Companies Act, 2013 or any other law for the time being in force the Company may pursuant to a resolution of the Board or Shareholders, may purchase its own Equity Shares or other Securities, by way of a buy- back arrangement.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to do all acts, deeds and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

By Order of the Board of Directors
For Gulf Oil Lubricants India Limited

Sd/-
Shweta Gupta
Company Secretary & Compliance Officer
Mumbai, August 12, 2021

Registered Office:
IN Centre, 49/50,
12th Road M.I.D.C., Andheri (East),
Mumbai 400 093, Maharashtra.

NOTES FOR MEMBERS ATTENTION:

1. 13th Annual General Meeting ("AGM or 13th AGM") through video conferencing ("VC") or any other audio-visual means ("OAVM"):

In view of the continuing Coronavirus (Covid-19) pandemic, social distancing norms to be followed and the restriction of movement of persons at several places in the Country and pursuant to General Circular Nos. 14/2020, 17/2020, 20/2020 and 02/2021 dated April 8, 2020, April 13, 2020, May 5, 2020, and January 13, 2021, respectively issued by the Ministry of Corporate Affairs ('MCA') (collectively referred to as 'MCA Circulars') and Circular Nos. SEBI/HO/CFD/ CMD1/CIR/P/2020/79 and SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated May 12, 2020, and January 15, 2021, respectively issued by the Securities and Exchange Board of India (collectively referred to as 'SEBI Circulars'), permitted the holding of the 13th AGM through VC or OAVM, without the physical presence of the Members at a common venue.

In compliance with the provisions of the Companies Act, 2013 ('Act") the said MCA Circulars, SEBI Circulars and the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations"), the 13th AGM of the Company will be held and convened through VC or OAVM. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.

2. Dispatch of Notice and Annual Report through electronic means:

In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2020-21 is being sent by electronic mode to those Members whose e-mail address is registered with the Company or the Depository Participant(s).

3. Weblink to access Notice of 13th AGM and Annual Report:

Members may note that the Notice of the 13th AGM along with the Annual Report 2020 -21 is uploaded and available electronically at the following links:

Company's website	https://www.gulfoilindia.com
Website of stock exchanges where equity shares of the Company are listed	www.bseindia.com and www.nseindia.com
Website of NSDL	www.evoting.nsdl.com

4. Statement under Section 102 of the Act:

The Explanatory Statement in terms of the provisions of Section 102(1) of the Act, which sets out details relating to special business to be transacted at the meeting forms part of this notice. Also, relevant details with respect of Directors seeking appointment/re-appointment at the 13th AGM, in terms of regulation 36 of the SEBI Listing Regulations and clause 1.2.5 of Secretarial Standards on General Meetings, are set out in **Annexure- A**, which also forms part of this notice. The Board of Directors have considered and decided to include the Item Nos. 4 to 7 given above as Special Business in the forthcoming AGM, as they are unavoidable in nature.

5. Route Map:

Since the 13th AGM will be held through VC, the Route Map is not relevant and not annexed to this Notice.

6. Quorum:

Members attending the 13th AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

7. Proxy:

The 13th AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available. Hence, the Proxy Form and Attendance Slip are not annexed to this Notice.

8. Corporate Representations:

Institutional Shareholders and Corporate Members are encouraged to attend the AGM through their Authorised Representatives and vote thereat.

Pursuant to the provisions of Section 113 of the Act, Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a certified copy of the relevant Board Resolution/Authority letter with details and proof of authorised representative(s) to the Scrutiniser authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer by e-mail through its registered e-mail address to Mr. Adusumilli Ravi Shankar, Practicing Company Secretary (M. No: FCS 5335, CP No. 4318) at mail@rscs.in with a copy marked to NSDL at evoting@nsdl.co.in and the Company at secretarial@gulfoil.co.in, not less than 48 (forty-eight) hours before the commencement of the 13th AGM i.e. before 3:00 p.m. (IST) on September 14, 2021.

9. Documents open for inspection:

The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Act, the certificate from the statutory auditors of the Company certifying that the ESOP Schemes of the Company are being implemented in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014 will be available for inspection by the members through electronic mode during the AGM.

The aforesaid documents along with relevant documents referred to in the accompanying notice and the statement pursuant to Section 102(1) of the Act, will also be available electronically for inspection by the members, without payment of any fees, from the date of circulation of this Notice up to the date of AGM i.e., September 16, 2021. The members seeking inspection of the aforementioned documents can send an email at secretarial@gulfoil.co.in.

10. Speaker Shareholders:

Members holding equity shares of the Company as on cut-off date i.e. Thursday, September 09, 2021, who would like to express their views or ask questions/queries during the AGM with regard to the Financial Statements or any other agenda item to be placed at the AGM, need to register themselves as a Speaker Shareholder by sending a written request from their registered e-mail address mentioning their name, DP ID and Client ID number/ folio number and mobile number, to the Company's investor desk at secretarial@gulfoil.co.in at least 48 hours before the start of the AGM i.e. by September 14, 2021, 3:00 p.m. (IST). Only those Members who have registered themselves as speakers will be allowed to speak/ express their views or ask questions/queries during the AGM.

All shareholders attending the AGM will have the option to post their comments/queries through a dedicated chatbox that will be available below the meeting screen.

11. Nomination:

Section 72 of the Act, provides for Nomination by the Members of the Company in the prescribed Form No. SH-13 for shares held in physical form. Blank forms will be supplied by the company's RTA on request. Members holding shares in dematerialized form may contact their respective Depository Participants for the recording of nomination.

12. Dividend on equity shares for the financial year ended March 31, 2021:

The Final Dividend of ₹ 9/- (Gross) per equity share (450%) of the face value of ₹ 2/- per equity share has been recommended by the Board of Directors for the financial year ended March 31, 2021, subject to the approval of shareholders at the 13th AGM. Final Dividend, if approved at this Annual General Meeting (AGM), shall be paid within 30 days from the date of AGM. Also, if the Company is unable to pay the dividend to any member by electronic mode, due to non-availability of details of the Bank Account of the member, the Company shall dispatch the dividend warrant/ payment instruments to such members by post. To avoid delay in receiving the dividend, members are requested to update their KYC with their depositories (where shares are held in dematerialized mode) and with KFin Technologies Private Limited, the Company's Registrar and Transfer Agent (RTA) (where shares are held in physical mode) at email id einward.ris@kfintech.com to receive the dividend directly into their Bank Account on the pay-out date.

Members may note that the Income Tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company after April 1, 2020, shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of final dividend.

A separate email will be sent at the registered email ID of the members describing the detailed process to submit the documents/ declarations along with the formats in respect of deduction of tax at source on the dividend pay-out. Sufficient time will be provided for submitting the documents/ declarations by the members who are desiring to claim beneficial tax treatment. Shareholders holding shares in physical form may write to the company's RTA at einward.ris@kfintech.com for change in their address and bank mandates and shareholders holding shares in electronic form may inform the same to their Depository Participants.

In respect of cases, where the payments to the shareholders holding shares in de-materialized form are made by dividend warrants/payment instruments, particulars of bank account registered with their Depository Participants would be considered by the Company for printing the same on the dividend warrants/ payment instruments.

Dates of book closure:

The share transfer books of the Company will be closed from Friday, September 10, 2021, to Thursday, September 16, 2021 (both days inclusive) for the purpose of this AGM and for determining entitlement of members to the final dividend for the financial year ended March 31, 2021, if approved at the AGM.

Final Dividend on Equity shares as recommended by the Board of Directors of the Company for the financial year ended March 31, 2021, if approved at the 13th AGM, will be paid subject to deduction of tax at source ('TDS') and will be payable to those members who hold shares as under:

To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories", as of the end of day on Thursday, September 09, 2021.

To all Members in respect of shares held in physical form after giving effect to valid transmission or transposition requests lodged with the Company as of the close of business hours on Thursday, September 09, 2021.

13. Unpaid and Unclaimed Dividend:

In terms of the applicable provisions of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), dividend(s) which are unpaid and unclaimed for a period of seven years are required to be transferred to the Investor Education and Protection Fund ("IEPF") administered by the Central Government.

The details of dividends declared by the Company in the past years and lying unpaid and unclaimed as of March 31, 2021, is given hereunder:

Financial year	Date of declaration of Dividend	Amount of Dividend declared per equity share	Amount of dividend lying unpaid and unclaimed with the Company	No. of shares on which dividend is lying unpaid and unclaimed with the Company	Due to transfer to IEPF
2014-15	September 25, 2014	2	10,71,138.00	5,35,569	October 31, 2021
	September 22, 2015	3.5	17,04,822.00	4,87,092	October 28, 2022
2015-16	February 09, 2016	3	17,20,113.00	5,73,371	March 16, 2023
	September 13, 2016	4	20,29,588.00	5,07,397	October 19, 2023
2016-17	February 03, 2017	3.5	24,35,380.50	6,95,823	March 11, 2024
	September 15, 2017	5	25,04,025.00	5,00,805	October 21, 2024
2017-18	February 06, 2018	4	26,84,184.00	6,71,046	March 14, 2025
	September 24, 2018	6.5	31,62,887.00	4,86,598	October 30, 2025
2018-19	February 13, 2019	4.5	24,01,114.50	5,33,581	March 21, 2026
	September 17, 2019	7	33,98,640.00	4,85,520	October 23, 2026
2019-20	April 9, 2020	7	31,18,404.00	5,43,979	May 15, 2027
	September 18, 2020	7	30,93,925.00	5,40,004	October 24, 2027
2020-21	February 5, 2021	7	38,20,498.00	5,82,824	March 13, 2028

The Company has uploaded the Shareholder-wise details of said unpaid and unclaimed amounts lying with the Company as of March 31, 2021, on the website of the Company at https://www.gulfoilindia.com/investors/investor-information/unpaid-dividend/.

Members who have not encashed their dividend(s) so far in respect of the aforesaid period(s), are requested to make their claim to KFin Technologies Private Limited, the Company's Registrar and Share Transfer Agent well in advance of the above due dates.

Further, pursuant to the provisions of Section 124 of the Act read with the IEPF Rules, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to the IEPF Authority as notified by the Ministry of Corporate Affairs.

All Shareholders are requested to visit the website of the Company by accessing the above link and verify the payment status of their dividend. In case the dividend is unpaid, a claim may be lodged with KFin Technologies Private Limited, the RTA of your Company.

As of March 31, 2021, no shares on which dividend has not been paid or claimed and no unpaid and unclaimed Dividend of earlier years, has been transferred or was due to be transferred to the IEPF during the financial year 2020-21 in terms of the applicable provisions of the Act read with the IEPF Rules, as amended from time to time.

Request to Members to participate in green initiative:

Members are requested to support the GREEN Initiative by registering/updating their e-mail address with the Depository Participant (in case of equity shares held in dematerialised form) or with the company's RTA (in case of equity shares held in physical form) to receive electronic copies of the all Company communications to Shareholders viz. Notice of AGMs/ EGMs/Postal Ballot notice, Annual Reports, Dividend mandates and other correspondence on their registered e-mail address.

This initiative would enable protecting the environment by reducing the consumption of paper.

14. Transfer of securities only in demat mode:

The Company has entered into agreements with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL"), collectively "Depositories". The Depository System envisages the elimination of several problems involved in the scrip-based system such as bad deliveries, fraudulent transfers, fake certificates, thefts in postal transit, delay in transfers, mutilation of share certificates, elimination of the concept of the market lot, elimination of bad deliveries, reduction in transaction costs, improved liquidity, etc.

SEBI has effective from April 1, 2019, mandated that securities of a listed company can be transferred in dematerialised form only. Accordingly, Members of the

Company are requested to note that, with effect from April 1, 2019:

i) Requests for effecting transfer of equity shares of the Company shall not be processed unless such equity shares are held in dematerialized form with a Depository Participant. Accordingly, any Shareholder holding equity shares in physical form after April 1, 2019, desirous of transferring his equity shares can do so only after the equity shares are dematerialised. However, this does not prohibit a Shareholder from holding equity shares in physical form even after April 1, 2019;

ii) Only transmission or transposition requests shall be processed in physical form.

We request all Shareholder(s) holding equity shares in physical form to dematerialise their holdings at the earliest. Process for dematerialisation is available on the websites of the Depository Participant.

SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in dematerailsed form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the RTA.

15. Instructions for members for remote e-voting, voting during the meeting and joining Annual General Meeting are as under:

Pursuant to the provisions of section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and regulation 44 of SEBI Listing Regulations, the Company has provided to its members facility to exercise their right to vote on resolutions proposed to be passed in 13th AGM by electronic means. The Members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ("remote e-voting").

The Members who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again.

The Company has engaged the services of National Securities Depository Limited ("NSDL") as the Agency to provide an e-voting facility.

REMOTE E-VOTING: IMPORTANT DATES:

Cut-off date [for determining the Members entitled to vote on the resolutions set forth in this notice]	Thursday, September 09, 2021
Remote e-voting period [During this period, members of the Company as on the cut-off date may cast their vote by remote e-voting]	Monday, September 13, 2021 at 9.00 a.m. (IST) to Wednesday, September 15, 2021 till 5.00 p.m. (IST)
URL for remote e-voting	**NSDL:** https://eservices.nsdl.com/ or https://www.evoting.nsdl.com/ **CDSL:** https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com

Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. Thursday, September 09, 2021, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30 . In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Thursday, September 09, 2021 may follow steps mentioned under "Access to NSDL e-Voting system". The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. Thursday, September 09, 2021. Members are eligible to cast vote electronically only if they are holding shares as on that date.

The procedure to login and access remote e-voting, as devised by the Depositories/ Depository Participant(s), is given below:

REMOTE E-VOTING PROCEDURE:

The way to vote electronically on the NSDL e-Voting system consists of "Two Steps" which are mentioned below:

STEP 1: ACCESS TO NSDL E-VOTING SYSTEM:

In terms of the SEBI circular dated December 9, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

a) FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE

Login method is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in **demat mode with NSDL**	**A. Users already registered for NSDL IDeAS facility:** 1. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a personal computer or on a mobile. Once the home page of e-Services is launched, click on the **"Beneficial Owner"** icon under "Login" which is available under **"IDeAS"** section. 2. A new screen will open. Enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page. 3. Click on options available against Gulf Oil Lubricants India Limited or **e-voting service provider - NSDL** and you will be re-directed to NSDL e-voting website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. **B. Users not registered for IDeAS e-Services:** Option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS"** Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. **C. Visit the e-voting website of NSDL:** 1. After successfully registering on IDeAS, visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. 2. A new screen will open. Enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. 3. Click on options available against Gulf Oil Lubricants India Limited or e-voting service provider - NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-Voting period. 4. Follow the above process to join the AGM through VC/OAVM facility and cast your votes during the AGM.
Individual Shareholders holding securities in **demat mode with CDSL**	**A. Users who have opted for Easi/Easiest:** 1. Existing users who have already registered for Easi/Easiest, they can login through their user id and password by clinking on the link: https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the e-voting Menu. The Menu will have links of **e-voting service provider** i.e. **NSDL**. Click on **NSDL** to cast your vote. **B. Users who have not opted for Easi/Easiest:** Option to register for Easi/Easiest is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. **C. Visit the e-voting website of CDSL:** 1. Alternatively, the user can directly access e-voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & e-mail as recorded in the demat Account. 2. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-voting is in progress.

Type of Shareholders	Login Method
Individual Shareholders (holding securities in **demat mode) logging-in through their Depository Participants**	1. Shareholders can also log in using the login credentials of their demat account through their Depository Participant registered with NSDL/CDSL for e-voting facility. After logging, you will be able to see e-voting option. 2. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. 3. Click on options available against Gulf Oil Lubricants India Limited or e-voting service provider-NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

Important Note: Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Individual Shareholders holding shares in demat mode who need assistance for any technical issues related to login through Depository i.e. NSDL and CDSL may reach out to below helpdesk:

Login Type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting @nsdl.co.in or call at toll free No. 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk. evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

b) FOR ALL OTHER SHAREHOLDERS

Login Method for e-voting and joining the virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to the NSDL e-voting website?

a) Visit the e-voting website of NSDL. Open web browser by typing the URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile.

b) Once the home page of e-voting system is launched, click on the icon 'Login' which is available under 'Shareholders/Members' section.

c) A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.

d) Your User ID details are given below:

Manner of holding shares	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example: if your DP ID is IN300*** and Client ID is 12****** then your User ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example: if your Beneficiary ID is 12************** then your User ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example: if folio number is 001*** and EVEN is 101456 then your User ID is 101456001***

e) Password details for shareholders other than Individual shareholders are given below:

i. If you are already registered for e-voting, then you can use your existing password to log in and cast your vote.

ii. If you are using the NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

iii. How to retrieve your 'initial password'?

– If your e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL to your mailbox. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for the NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

– If your e-mail ID is not registered, please follow the **process for those shareholders whose e-mail ids are not registered**.

f) If you are unable to retrieve or have not received the 'Initial password' or have forgotten your password:

   i. Click on 'Forgot User Details/Password?' (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   ii. Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   iii. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

   iv. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

g) After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

h) Now, you will have to click on the "Login" button.

i) After you click on the "Login" button, Home page of e-voting will open.

STEP 2: CAST YOUR VOTE ELECTRONICALLY AND JOIN THE ANNUAL GENERAL MEETING ON NSDL E-VOTING SYSTEM:

How to cast your vote electronically and join AGM on NSDL e-voting system?

a. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

b. Select EVEN No 116810 of Gulf Oil Lubricants India Limited for which you wish to cast your vote during the remote e-voting period and casting your vote during the AGM. For joining the virtual meeting, you need to click on the "VC/OAVM" link placed under "Join General Meeting".

c. Now you are ready for e-voting as the voting page opens.

d. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on 'Submit' and also 'Confirm' when prompted.

e. Upon confirmation, the message 'Vote cast successfully' will be displayed.

f. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

g. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

16. Process for those shareholders whose E-Mail Ids are not registered with the Depositories (in case of members holding shares in demat form) or with KFin (in case of members holding shares in physical form) for procuring user id and password and registration of E-Mail Ids for e-voting for the resolutions set out in this notice:

a. Members who have not registered their email address and in consequence the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, may temporarily get their email address registered with KFinTech, by accessing the link: https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx.

b. Members whose shares are held in physical mode are requested to provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by e-mail to the RTA of the Company at einward.ris@kfintech.com.

c. Members whose shares are held in demat mode are requested to provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to the RTA of the Company at einward.ris@kfintech.com.

d. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user ID and password for e-voting by providing above mentioned documents.

e. Those Members who have already registered their email addresses are requested to keep their email addresses validated/updated with their DPs / RTA to enable serving of notices / documents / Annual Reports and other communications electronically to their email address in future.

17. Instructions for members for e-voting on the day of the AGM are as under:

a. The procedure for e-voting on the day of the AGM is the same as the instructions mentioned above for remote e-voting.

b. The e-voting window shall be activated upon instructions of the Chairman of the Meeting during the AGM.

c. E-voting during the AGM is integrated with the VC/OAVM platform and no separate login is required for the same.

d. Only those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.

e. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM. A Member can opt for only single mode of voting i.e. through Remote e-voting or voting through VC/OAVM mode during the AGM.

f. **In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll-free No. 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Amit Vishal, Asst. Vice President, NSDL at evoting@nsdl.co.in.**

18. Instructions for members for attending the AGM through VC/OAVM are as under:

a. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to the NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under the **"Join General meeting"** menu against Gulf Oil Lubricants India Limited. You are requested to click on VC/OAVM link placed under the Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN No 116810 of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

b. Members are encouraged to join the Meeting through Laptops for better experience.

c. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

d. Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use high speed internet Wi-Fi or LAN Connection to avoid any disturbance during the AGM and have a seamless experience.

19. Scrutiniser for e-Voting:

M/s A. Ravi Shankar & Co. Practising Company Secretaries, has been appointed as Scrutiniser to scrutinize the voting process through remote e-voting and e-voting during the 13th AGM in a fair and transparent manner.

The Scrutiniser shall, immediately after the conclusion of the voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-Voting in the presence of at least two (2) witnesses not in the employment of the Company and provide, not later than three days of conclusion of the meeting, a consolidated scrutiniser's report of the total votes cast in favor or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.

The result declared along with the Scrutiniser's Report shall be placed on the Company's website at https://www.gulfoilindia.com/investors/investor-information/investor-disclosures/ and the website of NSDL at www.evoting.nsdl.com immediately. The Company shall simultaneously forward the results to The National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed and shall be displayed at the Registered Office of the Company.

20. Transcript of AGM:

The recorded transcript of the forthcoming AGM shall be made available on the website of the Company at https://www.gulfoilindia.com/investors/investor-information/investor-disclosures/ and the proceedings will be available on the website of the stock exchanges within the statutory time period.

21. **Correspondence:**

Members are requested to make all correspondence in connection with shares held by them by addressing letters directly to the Company's RTA, quoting their folio number or DP ID - client ID, as the case may be. For any other queries/issues, you may reach the Company team/company's RTA at the address for correspondence provided in the section 'General Shareholder Information' of the Corporate Governance forming part of the Annual Report.

Members are further requested to note that, Company's Registrar and Share Transfer Agents have launched a mobile application- KPRISM and a website https://kprism.kfintech.com/ for investors. Members can download the mobile application, register themselves (one time) for availing host of services viz., view of consolidated portfolio serviced by KFin, Dividend status, requests for change of address, change/update Bank Mandate. Through the Mobile application, Members can download Annual Reports, standard forms and keep track of upcoming General Meetings and dividend disbursements. The mobile application is available for download from Android Play Store. Members may alternatively visit the link https://kprism.kfintech.com/app/ to download the mobile application.

22. **MEMBERS ARE REQUESTED TO PLEASE READ THE "COMPANY'S RECOMMENDATIONS TO THE SHAREHOLDERS" PROVIDED IN THE "GENERAL SHAREHOLDER INFORMATION" SECTION OF THE ANNUAL REPORT FOR 2020-21.**

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 AND SECRETARIAL STANDARD - 2 ON GENERAL MEETING ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA

The following statement sets out all material facts relating to the special businesses mentioned in this notice for the 13th Annual General Meeting of the Members of the Company:

Item No. 4:

Appointment of Mr. Munesh Khanna (DIN: 00202521) as an Independent Director of the Company.

The Board of Directors, based on the recommendation of the Nomination & Remuneration Committee, appointed Mr. Munesh Khanna as an Additional Director (Non-Executive Independent), with effect from November 06, 2020, for a term up to 5 (five) consecutive years. Mr. Munesh Khanna holds such office till the date of ensuing 13th Annual General Meeting of the Company. The Company has, in terms of Section 160(1) of the Act received in writing a notice from a Member, proposing his candidature for the office of Director.

Mr. Munesh Khanna is not disqualified from being appointed as Directors in terms of Section 164 of the Act and has consented to act as Independent Director of the Company. The Company has also received from the above named Director, declarations to the effect that he meets the criteria of independence as prescribed under Section 149 of the Act and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and declarations that he is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.

In the opinion of the Nomination & Remuneration Committee and the Board, Mr. Munesh Khanna fulfils the conditions specified in the Act and the Rules made thereunder and is independent of the management. Accordingly, the Nomination & Remuneration Committee recommended to the Board and the Board of Directors approved the appointment of Mr. Munesh Khanna as a Non-Executive Independent Director for a period of five years with effect from November 06, 2020, subject to the approval of the Shareholders of the Company. Considering the rich experience and strong profile of Mr. Munesh Khanna, the Board considers Mr. Munesh Khanna appointment to the Board as a valuable addition to the Board, which will augment the present Board Composition. He does not hold any equity shares in his name or on beneficial basis for any other person in the Company as on date of this Notice.

Brief Profile of the Director, nature of his expertise in specified functional areas and names of companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between Directors inter-se as stipulated under Regulation 36 of SEBI Listing Regulations read together with Secretarial Standard – 2 are provided in the **Annexure A**.

A copy of the draft letter of appointment as an Independent Director stating the terms and conditions, is available on the website of the Company at the link https://www.gulfoilindia.com/investors/investor-information/policies/.

The Board considers that the appointment of Mr. Munesh Khanna as an Independent Director, given his vast experience in the accounting, tax and corporate affairs, expertise in corporate finance, strategy and business restructuring will be in the best interest of the Company and will provide relevant skill-set focus to the composition of the Board.

Except for Mr. Munesh Khanna, the appointee Director, none of the other Directors, Key Managerial Personnel, of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution proposed in Item No. 4 respectively.

The Board recommends passing of the resolution at Item No. 4 of the Notice as an Ordinary Resolution by the Members.

Item No. 5:

Ratification of the remuneration to the Cost Auditors for the FY 2021-22.

The provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended, mandate audit of the cost accounting records of the Company in respect of certain products of the Company. Accordingly, the Board of Directors, based on the recommendation of the Audit Committee, at its meeting held on May 28, 2021, appointed M/s Dhananjay V. Joshi & Associates, Cost Accountants (Firm Registration No. 000030), Mumbai, as the Cost Auditors of the Company for the financial year ending March 31, 2022, at a remuneration of ₹ 3,50,000/- (Rupees Three Lakhs and Fifty Thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses incurred, if any, in connection with the Cost Audit.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors must be ratified by the Members of the Company. Accordingly, consent of the Members is sought for the remuneration payable to the Cost Auditors.

None of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the passing of the said resolution.

The Board recommends passing of the resolution at Item No. 5 of the Notice as an Ordinary Resolution by the Members.

Item No. 6:

Alteration of Objects Clause of the Memorandum of Association

The Company is mainly in the business of manufacturing and selling of automotive and non-automotive lubricating oil, greases and selling of two-wheeler batteries.

The members are informed that considering the rapidly evolving electric vehicle ecosystem and as the upcoming demand for infrastructure for electric vehicles, their batteries and associated charging infrastructure continues to expand, the Board of Directors has proposed to alter the Objects Clause of the Memorandum of Association of the Company.

In the EV space, the Company intends to explore and offer e-mobility products and solutions including battery swapping stations, set up charging stations etc. Also, the Company intends to explore opportunities in all kinds of energy storage products and technologies.

The Government of India has pushed for faster adoption of electric vehicles and manufacturing. The Government has provided strong support to the nascent electric vehicle industry to speed up the transition of the automobile industry from fossil fuel dependent to electric.

It is therefore proposed to amend the existing sub-clause 3 of Clause III (A) of Memorandum of Association of the Company as stated in item no. 6 of this notice.

Further in order to increase the visibility of the Company's Brand in the market by entering into the retail trade of any articles or goods including co-branded merchandising, company branded clothing, miniature vehicle models & toys etc. a new clause is proposed to be added to the existing Clause III (B) of the Memorandum of Association after existing clause III (B) 44 as mentioned in item no. 6 of this notice.

Further, the existing Memorandum and Articles of Association of the Company are based on the provisions of the Companies Act, 1956. Due to changes in the law, the structure/format of the memorandum of association has changed. In terms of Section 4 of the Companies Act, 2013, Objects clause III of the Memorandum of Association of the Company shall state the objects for which the company is incorporated and any matter considered necessary in furtherance of the objects thereof. As good governance practice, it is also desired that MOA is amended to reflect the updated position in a lucid and coherent manner. Hence, in view of the provisions of the Companies Act, 2013 and the rules there under it is also proposed to amend the existing Memorandum of Association of the company to align the same with the Companies Act, 2013.

As per the provisions of Section 13 of the Companies Act, 2013 and the rules made thereunder, requires approval of the members by way of special resolution. Accordingly, approval of the members is sought by way of the special resolution to amend the objects clause of Memorandum of Association of the Company as set out in item no. 6 of the notice. The above amendment would also be subject to the approval of the Registrar of Companies, Mumbai, and any other Statutory or Regulatory Authority, as may be necessary.

The Board is of the opinion that the Resolution stated in the accompanying Notice is in the best interest of the Company and its Members and, hence, recommends the Resolution for approval by the Members of the Company.

A draft copy of the Memorandum of Association of the Company after incorporating the above objects clause is available for inspection for the Members by writing to the Company Secretary at secretarial@gulfoil.co.in and also available on the website of the Company i.e. www.gulfoilindia.com.

None of the Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in any way, concerned or interested in the above resolution.

The Board recommends passing of the resolution at Item No. 6 of the Notice as a Special Resolution by the Members.

Item No. 7:

Alteration of Articles of Association

The Companies Act, 2013 has allowed the companies to buy-back its own shares and securities. These shares can be purchased only if the Company is authorised by Articles of Association. Alteration in the Articles of Association is therefore proposed to provide an enabling provision to the Company to buy its own shares/securities as per the applicable provisions of the Companies Act. 2013.

In terms of the above requirement, it is proposed to insert New Clause as Article 128 in the Articles of Association of the company as set out in detail in the resolution.

The Board of Directors of the Company at their meeting held on August 12, 2021 have, subject to the approval of the Members of the Company by way of Special Resolution, approved the alteration to the Articles of Association of the Company.

The Board is of the opinion that the Resolution stated in the accompanying Notice is in the best interest of the Company and its Members and, hence, recommends the Resolution for approval by the Members of the Company.

The proposed new draft Articles of Association is being uploaded on the Company's website www.gulfoilindia.com for perusal by the Members. Further, a copy of the proposed Articles of Association of the Company would be available for inspection for the members by writing to the Company Secretary at secretarial@gulfoil.co.in.

None of the Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in any way, concerned or interested in the above resolution.

The Board recommends passing of the resolution at Item No. 7 of the Notice as a Special Resolution by the Members.

By Order of the Board of Directors
For Gulf Oil Lubricants India Limited

Sd/-
Shweta Gupta
Company Secretary & Compliance Officer
Mumbai, August 12, 2021

Registered Office:
IN Centre, 49/50,
12th Road M.I.D.C., Andheri (East),
Mumbai 400 093, Maharashtra.

Annexure-A

PURSUANT TO REGULATION 36 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND CLAUSE 1.2.5 OF THE SECRETARIAL STANDARD - 2, THE DETAILS OF THE DIRECTORS PROPOSED TO BE APPOINTED / RE-APPOINTED AT THE ENSUING ANNUAL GENERAL MEETING ARE GIVEN BELOW:

1.	Name of the Director	Mr. Sanjay G. Hinduja	Mr. Munesh Khanna
2.	DIN	00291692	00202521
3.	Designation	Chairman (Non-Executive Director)	Non-Executive Independent Director
4.	Date of Birth	May 5, 1964	May 12, 1962
5.	Age	57 years	59 years
6.	Date of appointment on the Board	May 29, 2014	November 6, 2020
7.	Nationality	Non-Resident Indian	Indian
8.	Qualifications	Bachelor's Degree in Business Administration from Richmond College, London.	B. Com, Chartered Accountant (CA)
9.	Nature of his expertise in specific functional areas	He has worked with Credit Suisse Bank and Chase Manhattan Bank, he brings in rich experience and expertise in the global oil and energy sector.	He worked in accounting and advisory firm of Arthur Andersen in the audit division and was elevated as partner in the tax practice before rising to become the Country Head-India of its Corporate Finance Division. He has a strong grounding in accounting, extensive understanding of tax and corporate affairs, and an expertise in corporate finance, strategy and business restructuring. In 2018, he set up Backbay Advisors LLP, a strategy advisory and investment banking firm.
10.	Relationship with other Directors, Key Managerial Personnel	He is not related to any of the Directors except Mr. Shom A. Hinduja who is his first cousin and he is not related to any Key Managerial Personnel of the Company.	He is not related to any of the Directors and Key Managerial Personnel of the Company.
11.	Directorships held in other Companies as of March 31, 2021 (excluding foreign companies)	None.	• JM Financial Capital Ltd • JSW Energy Limited • Caption Advisors Private Limited • Backbay Investment Managers Private Limited • W P Organisation (Mumbai Chapter)
12.	Number of Shares held in the Company	He does not hold any shares of the Company.	He does not hold any shares of the Company.
13.	Number of Stock Options	Not Applicable	Not Applicable
14.	Terms and Conditions of appointment / re-appointment	Re-appointment in terms of Section 152(6) of the Companies Act, 2013	Appointment as a Non-Executive Independent Director with effect from 06th November 2020

For other details in respect of the number of Board, Meetings attended during the year, Chairmanship(s)/ Membership(s) of Committees of other Companies as of March 31, 2021, and remuneration, refer to the Report on Corporate Governance.

FOR EASE OF PARTICIPATION BY MEMBERS, PROVIDED BELOW ARE KEY DETAILS REGARDING THE 13TH AGM FOR REFERENCE:

Sr. No	Particulars	Details of access	
1	Link and Instructions for e-voting and attending the AGM through VC/OAVM	For all Shareholders through NSDL Portal	https://www.evoting.nsdl.com
		For Individual Shareholders holding shares in demat mode with NSDL	https://eservices.nsdl.com
		For Individual Shareholders holding shares in demat mode with CDSL	https://web.cdslindia.com/myeasi/home/login
		Detailed instructions for e-voting and attending the AGM is provided in Notes to the Notice. Members can log in for the AGM from 2:45 p.m. (IST) onwards.	
2.	Registration as Speaker Shareholder at the AGM	E-mail to secretarial@gulfoil.co.in by September 14, 2021, 3:00 p.m. (IST) mentioning DP ID and Client ID / Folio No. and registered mobile number.	
3.	Helpline number for VC participation and e-voting	Call on toll free No. 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Amit Vishal, Asst. Vice President, NSDL at evoting@nsdl.co.in	
4.	Cut-off date to determine the members who shall be entitled to vote	Thursday, September 09, 2021	
5.	Time period for remote e-voting	From Monday, September 13, 2021 at 9.00 a.m. (IST) to Wednesday, September 15, 2021 till 5.00 p.m. (IST)	
6.	Members to update email ID	Members who have not registered their e-mail address are requested to register the same as below: In respect of shares held in electronic form with the Depository through their Depository Participant(s). In respect of shares held in physical form by visiting the link: https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx or send email on einward.ris@kfintech.com.	
7.	Date of the AGM (Participate and vote during the AGM)	Thursday, September 16, 2021	
8.	Registrar and Transfer Agent - contact details	**KFin Technologies Pvt. Ltd,** Address: Selenium Tower B, Plot 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032, Telangana. Contact Person: Mr. Dharmesh Somayajula Email: einward.ris@kfintech.com Toll free number: 1-800-309-4001 Website: https://www.kfintech.com/ and or https://ris.kfintech.com/	
9.	Gulf Oil Lubricants India Limited – contact details	Mrs. Shweta Gupta Company Secretary & Compliance Officer Email: secretarial@gulfoil.co.in	

Corporate Information

(as on August 12, 2021)

Committees of the Board

Audit Committee

Manju Agarwal
Chairperson

Sanjay G. Hinduja
Member

Munesh Khanna*
Member

Nomination and Remuneration Committee

Arvind Uppal**
Chairman

Sanjay G. Hinduja
Member

Munesh Khanna*
Member

Stakeholders Relationship Committee

Arvind Uppal
Chairman

Sanjay G. Hinduja
Member

Ravi Chawla
Member

Corporate Social Responsibility Committee

Manju Agarwal
Chairperson

Sanjay G. Hinduja
Member

Ravi Chawla
Member

Risk Management Committee

Arvind Uppal
Chairman

Shom A. Hinduja
Member

Ravi Chawla
Member

Manish Kumar Gangwal
Member

Key Managerial Personnel

Ravi Chawla
Managing Director & CEO

Manish Kumar Gangwal
Chief Financial Officer & President-Strategic Sourcing, IT & Legal

Shweta Gupta***
Company Secretary & Compliance Officer

Leadership Team

Nagendra Pai
President – Channel Sales, Marketing & Allied Business

Somesh Sabhani
Vice President - Industrial Sales

Nilesh Garg
Vice President - Channel Sales

Gagan Mathur
Head – Business Development (Cluster Markets)

Dipnarayan K. Tiwari
Sr. General Manager - Infrastructure, Mining & Fleet

Anand Sathaye
Sr. General Manager - HR & Administration

Shiva Raj Mehra
Head - Automotive OEM Business Operations

Swaminathan K
Sr. General Manager - Technical Services

Auditors

Price Waterhouse LLP
Chartered Accountants
(Firm Reg. No. 301112E)

M/s Dhananjay V. Joshi & Associates
Cost Accountants
(Cost Auditors)

M/s BS & Company, Company Secretaries LLP
(Secretarial Auditor)

Registrar and Share Transfer Agent

KFin Technologies Private Limited,
Selenium Tower B, Plot 31-32,
Financial District, Nanakramguda,
Serilingampally Mandal,
Hyderabad - 500 032.
Toll Free No.: 1800-3094-001
Email: einward.ris@kfintech.com

Bankers

ICICI Bank Limited, Kotak Mahindra Bank Limited, Yes Bank Limited, Standard Chartered Bank, IDBI Bank Limited, CITI Bank N.A, Axis Bank Limited

Registered Office & Corporate Office

IN Centre, 49/50, 12th Road,
M I D C, Andheri (East),
Mumbai - 400093.
Website: www.gulfoilindia.com
CIN: L23203MH2008PLC267060

* Mr. Munesh Khanna was appointed as an Additional Director (Non-Executive Independent) and as a Member of the Audit & NRC committee, wef 6th November 2020
** Mr. Arvind Uppal was re-designated as Chairman of the NRC of the Company, wef 12th December 2020
*** Ms. Shweta Gupta was appointed as Company Secretary & Compliance Officer of the Company, wef 6th November 2020.

Gulf Oil Lubricants India Limited

Registered and Corporate Office:
IN Centre, 49/50, MIDC, 12th Road,
Andheri (East), Mumbai - 400 093, India.
CIN: L23203MH2008PLC267060

Email: secretarial@gulfoil.co.in
www.gulfoilindia.com

/Concept, content and design at AICL (hello@aicl.in)

HINDUJA GROUP