

## BUSINESS RESPONSIBILITY REPORT

[See Regulation 34(2)(f)]

### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

Sr. 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., 12 <sup>th</sup> Road, Andheri (East), Mumbai, Mumbai City, MH 400093.
4.	Website	www.gulfoilindia.com
5.	E-mail id	secretarial@gulfoil.co.in
6.	Financial Year reported	April 1, 2016 to March 31, 2017
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Manufacturing and selling automotive and non-automotive lubricants oil, greases, two wheeler batteries. (NIC Code: 19201)
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	Manufacturing and selling of automotive and non-automotive lubricants oil, greases, two wheeler batteries.
9.	Total number of locations where business activity is undertaken by the Company	<ul style="list-style-type: none"> <li>Number of International Locations (Provide details of major 5): The Company do not have its office in International locations however products are being exported to Bangladesh, Indonesia and other geographies.</li> <li>Number of National Locations: the Management operates from the Company's head office and Registered Office which is located in Mumbai, Maharashtra. Apart from this, there are five regional offices and 35 depots to cater pan India operations.</li> </ul> <p>The Company's manufacturing plant is located in Silvassa and the new plant is expected to be in operations in Ennore, Chennai during the current year.</p>
10.	Markets served by the Company – Local/State/National/International	The Company's products are sold at pan India locations and are also sold in few International markets such as Bangladesh and Phillipines etc.

### SECTION B: FINANCIAL DETAILS OF THE COMPANY

Sr. No.	Particulars	Information
1.	Paid up Capital (INR)	₹ 992.68 Lakhs
2.	Total Turnover (INR)	₹ 130,402.74 Lakhs (Gross)
3.	Total profit after taxes (INR)	₹ 12,107.73 Lakhs
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	The Company has spent ₹ 103.83 lakhs being 0.83% of average net profit of last three financial years towards CSR activities in current reporting year.

Sr. No.	Particulars	Information
5.	List of activities in which expenditure in 4 above has been incurred:-	<p>The Company has undertaken multi-year projects during the financial year 2016-17 for supporting following CSR object.</p> <ol style="list-style-type: none"> <li>1) Promoting education including vocational skill development</li> <li>2) Promoting Healthcare</li> <li>3) Promoting road safety awareness</li> <li>4) Promoting and building educational infrastructure ( please refer Annexure A to the Board's Report for detailed information)</li> </ol>

**SECTION C: OTHER DETAILS**

**1. Does the Company have any Subsidiary Company/ Companies?**

No.

**2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)**

Not Applicable

**3. 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? [Less than 30%, 30-60%, More than 60%**

The Code of Conduct is applicable to all the business entities who do business with the Company. The business associates however do not directly participate in Business Responsibility initiatives of the Company.

**SECTION D: BR INFORMATION**

**1. Details of Director/Directors and BR head responsible for BR**

(a) Details of the Director and BR head responsible for implementation of the BR policy/policies

Particulars	Details
DIN Number	02808474
Name	Mr. Ravi Chawla
Designation	Managing Director
Telephone Number	91-22-6648-7777
E-mail ID	secretarial@gulfoil.co.in

**2. Principle-wise (as per NVGs) BR Policy/policies**

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 all employees
Principle 4 (P4)	Businesses should respect the interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
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.

**(a) Details of compliance (Reply in Y/N)**

Sr. Questions No.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Business Ethics	Sustainability	Employees' well being	Stakeholders Welfare	Human Rights	Environment	Regulatory Policy	Equitable Development	Customer Responsibility
1 Do you have a policy/ policies for...	Yes								
2 Has the policy being formulated in consultation with the 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 an ISO 9001 (QMS), ISO14001 (EMS), TS 16949:2009 & ISO 18001 (OHSAS) compliant .								
4 Has the policy being approved by the Board? If yes, has it been signed by MD/ Owner/ CEO/ appropriate Board Director?	Yes .								
5 Does the Company have a specified Committee of the Board/ Director/Official to oversee the implementation of the policy?	The implementation and adherence to the Code of conduct for employees 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: <a href="http://www.gulfoilindia.com/about-us/enviroment-care.htm">www.gulfoilindia.com/about-us/enviroment-care.htm</a>								
	*CSR policy link: <a href="http://www.gulfoilindia.com/upload/pdf/corporate-social-responsibility.pdf">www.gulfoilindia.com/upload/pdf/corporate-social-responsibility.pdf</a>								
	\$ published on intranet portal								
7 Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes, as applicable.								
8 Does the Company have in house structure to implement the policy/ policies?	Yes								
9 Does the Company have a grievance redressal mechanism related to the policy/ policies?	Yes								
10 Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Being first year of implementation of Business Responsibility Reporting, audit/evaluation is not done. The same shall be undertaken in coming years.								

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options): Not applicable.

### 3. Governance related to BR

- (a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year**

The Board of Directors of the Company assesses various initiatives forming part of the BR performance of the Company annually.

- (b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

Business Responsibility Report is applicable for the first time to the Company and is part of Annual Report. The hyperlink to view the said Report is: [www.gulfoilindia.com/stakeholders/miscellaneous.html](http://www.gulfoilindia.com/stakeholders/miscellaneous.html)  
The Company do not publish Sustainability Report.

## SECTION E: PRINCIPLE-WISE PERFORMANCE

### Principle 1

The Company is committed to adhere to the highest standards of ethical, moral and legal principles for the purpose of ensuring efficiency in the conduct of its business operations in a fair and transparent manner. The Company has adopted the code of conduct which lays down the general principles and standards that should govern the actions of the Company and its employees and lays emphasis on adoption of the highest standards of personal ethics, integrity, confidentiality and discipline in dealing with matters relating to the Company, which are covered in all our dealings with any stake holders viz., suppliers, customers etc.

The code of conduct communicates the desired standards of behaviour expected from all executives such as compliance with law, dealing with gifts, bribes, equal opportunities, action against sexual harassment, concurrent employment, generic behavioural standards, work specific behavioural standards, maintain confidentiality and information security, procedure for disciplinary process. The code of conduct is signed by all executives on joining the Company.

The Company also has a robust Vigil Mechanism/whistle blower policy for Directors and Employees to report to the management instances of unethical behaviour, actual or suspected fraud, transgression of legal or regulatory requirements or violation of the Company's code of conduct. The details of vigil mechanism are published on website of the Company. No complaints were received during the year under whistle blower policy.

The Company has set-up an investor grievance mechanism to respond to investor grievances. There were no complaints from investors pending at the beginning of the year. The Company received 117 investor related complaints during the year and all complaints were resolved satisfactorily.

If any investigation leads the Chairman of Audit Committee to conclude that an unethical or improper activity has been committed, the Chairman 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 because of 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 placed by the Audit Committee to the Board. We hereby affirm that no Director/employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the reporting year.

### Principle 2

Thanks to our recent enhancements of our product portfolio, we can offer an oil for virtually every truck, bus or other heavy-duty vehicle on the road today. Your company has been a pioneer and a flag bearer for longer drain Interval lubricant products for commercial, consumer and Industrial segments with mineral oil based technology. Your company has successfully achieved leadership status and reputation for Longer drain interval lubricants on account of its technology selection, OEM & technology partners, robust infrastructure and established testing & manufacturing practices. The Company is committed to provide sustainable products offering benefits to consumers in terms of superior performance and extended drain interval for its certain product categories. The Company launched Gulf Superfleet Trawler Oil for Fishing Trawlers, with a view to bring proven technology for often ignored consumer segment, thus offering double the market drain interval and reducing operational costs and downtime.

High performance superior performance synthetic gear oil introduced for Industrial customers.

To help OEMs to meet and sustain countries emission requirements, we have set up a dedicated manufacturing and testing facility and our distribution network caters to the consumers across India. We are one of the leading manufacturers of Aqueous Urea Solution,(AUS) which is used for reducing the CO2 omission in the SCR technology vehicles.

Company enhanced its rural distribution channel to cater to rural customer base efficiently.

We regularly procure raw material from small local manufacturers/suppliers to boost local enterprises. Flushing oil is reused with an aim to conserve natural resources. Moved some big customers from barrels to bulk. Added larger blending kettles to cut down on processing time. Adopted barrel to IBC for raw material imports to reduce transportation and handling costs Company has set up an efficient Automatic Storage and Retrieval System to increase the productivity.

### Principle 3

Human capital is our greatest asset in achieving our vision & business strategy. Our objective is to attract, build & retain the talent for the organisation. Today, we are large, diversified workforce & we continuously design, deploy various initiatives & programmes to foster leadership development, employee development, training, skill development & wellbeing.

As on 31<sup>st</sup> March, 2017, the permanent employee strength is around 475, out of which 6% are women employees. The Company is consciously taking steps to improve the gender diversity through its campus relationship programme. There are 160+ contractual/ temporary staff engaged mainly at the plant location. The Company does not have any employees with permanent disability. We recognise the right to freedom of association, however, there are no employee associations within the Company.

The Company believes in providing the safe & conducive working environment to the employees. We have Sexual harassment prevention & grievance handling policy & mechanism such as internal complaints committee consisting of three employees (with one women representation) & one independent external panel member is in place. The regular awareness sessions are conducted for employees.

There were no complaints relating to Child Labour, forced labour, Involuntary labour, discriminatory employment or sexual harassment during the current financial year and no complaints were pending as on end of the financial year.

Human Capital Strategy:- The performance management programme "ASPIRE" helps to drive the performance culture for the company.

There are various events organised for employees & their families annually to foster the employee engagement. The focused group discussions (FGD's) are conducted to capture employee views on the specific pointers.

#### Capability Building :-

The functional competencies are defined all the roles of the organization and it has been integrated with the various other HR processes. The specific capability development programs are designed & implemented with help of the competency framework.

The e-learning platform, "GOLD" Academy (Gulf Oil Training & Development Academy)" has been extended to global operations covering the distributors, key customers, licensees worldwide.

Employee Capability enhancement is given the top most importance. The new ways of working has helped the sales organization & the channel partners to have the alignment & establishing the new ways of working.

There are specific post programme interventions planned so as to sustain the capability building initiatives.

More than 2,700 man-days training has been achieved in FY- 2016-17.

### HSSE (Health, Safety, Security & Environment):-

The Company promotes safety at workplace & is one of the important enabler & part of the business strategy. There are specific programmes & initiatives for plant & non plant safety (primarily at offices, depot operations) are in place. The safety & fire marshals at each location ensures the implementation of the safety guidelines.

The Company has been regularly providing the annual health preventive checks for all employees. Also to address the employee wellbeing, various awareness sessions, fitness programmes are organised. 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 this support by providing Top up medical cover for the employee & family, and for the parents of the employees in addition to the existing mediclaim 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 & plant.

#### Employee Communication:-

There are regular town hall communications & regular communications through various media such as e-mailers, employee intranet portal which helps to build the excellent teamwork & work culture.

#### Reward & Recognition:-

The Company drives various Rewards and Recognition Programs. The extraordinary efforts put in by the employees are rewarded through various schemes, which helps to boost the employee morale.

For the FY 2016-17 total 100 employees were honored under the long service award programme showing employee loyalty & dedication for the company. The business critical employees are awarded with the ESOP under GOLIL Stock Option Scheme.

### Principle 4

The Company recognizes the need and importance of focused and inclusive social and economic development especially in the communities and areas within which it operates. The Company engage with both internal and external stakeholders to understand their concerns and address the same with formal and informal mechanism. The Company aims to maintain cordial relationship with all its stakeholders. The Company has undertaken various CSR in the area of education, road safety awareness, rural development and promoting health care in and around its area of operations and local area at Silvassa, DNH.

The Company funded Mobile Medical unit continued its operations during the year in the remote villages near Silvassa, DNH. The unit provides free medical test, support and medicines to the tribal of remote villages near Silvassa. The state of the art facilities are

available to the villagers free of cost in the mobile unit which includes diagnostic facility, laboratory test and medicine dispensing and health checkup.

CSR project was undertaken through Mukul Madhav Foundation for providing primary educational support to the underprivileged children at Bhatkya Vimukta Jati Shikshan Sanstha (BVJSS), Wagholi, Pune.

Company also provides vocational skill development training to auto-mechanics in the auto industry and provides certificate for enhancement of their vocational skill, which will help them to service the industry in better and efficient manner.

#### Principle 5

The Company respect the laws and human rights provisions in all locations in which Gulf Oil operates. The Code of conduct is applicable to all Directors, employees and business partners of the Company and there were no complaints received during the year.

#### Principle 6

The Company is committed to ensure a Safe, Healthy and Environment friendly Workplace and also has Safety, Health and Environment management system (SHE). This system extends to manufacture and Supply of Automotive, Industrial and Specialty Lubricants, also manufacture of packaging for Automotive and Specialty products. The Company's manufacturing facility at Silvassa is Quality Management System Standard (ISO 9001:2015), ISO/TS 16949:2009 certified and Environment Management System ISO (14001:2015) certified. It is also certified for Occupational Health and safety Management System (OHSAS 18001: 2007). Compliance to these systems has been certified by Internationally recognized and accredited body. Regular internal and external audits are carried out with an aim of adherence to QMS efficiently and work towards continual improvement.

Company assesses the risks towards environmental damage and its manufacturing facility is duly certified by Pollution Control Committee. Emission / wastes generated by Company's manufacturing facility are regularly tested and are within permissible limits as specified by CPCB/SPCB for 2016-17. There are no show cause/ legal notices received from CPCB/SPCB in FY 2016-17. Silvassa manufacturing plant continued their efforts in conserving energy in various forms like energy conservation projects and use of alternate sources.

Company is committed to environment conservation and strives towards the same in implementing various energy saving initiatives such as

1. Maintain power factor at 0.99 all the time
2. Installation of LED lights in all the new office area.
3. Air audit is done and attended all the air leakages to utilise 100% air utilisation of generated air to optimize air compressor usage. Installed separate small air compressor for R&D Lab

for the additional tests. This has reduced running of bigger compressor thus savings on 27KWH per hour on holidays.

4. New energy efficient air conditioners at QC lab and office area.
5. Replacement of all the low capacity pumps with new pumps with higher capacity for charging to kettles as well as for unloading of tankers. This has reduced charging time and also saved on energy
6. Converted one 300KL tank into blending kettle to produce fast moving grades to reduce energy consumption for small batches.

#### Principle 7

The Company does not take part (directly or indirectly) in any political activity and does not pay any political contributions in cash or make in kind. The Company complies with all applicable laws and regulations that prohibit bribery and corruption. The Company aims to engage constructively with local government and build healthy relationship with them.

The Company is a member of the following trade/chamber/ association:.

- 1) Bombay Chamber of Commerce and Industry (BCCI)
- 2) Confederation of Indian Industry (CII)

#### Principle 8

The Company seeks to build cordial and constructive relationships with all the stakeholders. The Company has a policy on Corporate Social Responsibility and the focal areas being promoting healthcare, Road safety awareness and promoting education to underprivileged children. The Company has undertaken various multi-year CSR projects for achieving the above objectives.

The details of CSR projects undertaken during the year are provided in CSR Report, which is forming part of Director's Report.

#### Principle 9

The Company is in the business of meeting the needs of its customers in an efficient manner. The products are developed based on regular interactions, feedback and survey of consumers. For receiving and resolving customer complaints there are system in place to record and resolve the complaints. No consumer complaints were pending at the end of the financial year. The Company displays additional information such as product benefits and technical specification used in the product, in addition to the mandatory information on the product label. There are 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 and pending as on end of financial year. The Company regularly tracks consumer satisfaction scores and brand positions in different channels and amongst its distributors and take appropriate steps to improve customer satisfaction.