



“Gulf Oil Lubricants India Limited Q3 FY16 Earnings Conference Call”

February 10, 2016



**MANAGEMENT: MR. RAVI CHAWLA – MANAGING DIRECTOR, GULF
OIL LUBRICANTS INDIA LIMITED
MR. MANISH KUMAR GANGWAL – CHIEF FINANCIAL
OFFICER, GULF OIL LUBRICANTS INDIA LIMITED
MR. VINAYAK JOSHI – COMPANY SECRETARY, GULF
OIL LUBRICANTS INDIA LIMITED**

MODERATOR: MR. PRASHANT TARWADI – AXIS CAPITAL



*Gulf Oil Lubricants India Limited
February 10, 2016*

Moderator

Ladies and Gentlemen, Good Day and Welcome to the Gulf Oil Lubricants Q3 FY16 Earnings Conference Call hosted by Axis Capital. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing '*' then '0' on your touchtone phone. I now hand the conference over to Mr. Prashant Tarwadi from Axis Capital. Thank you and over to you, sir.

PrashantTarwadi:

Thank you. On behalf of Axis Capital, I welcome all participants on the Conference Call of Gulf Oil Lubricants India Limited. Today, we have with us Mr. Ravi Chawla – Managing Director; Mr. Manish Kumar Gangwal– CFO; and Mr. Vinayak Joshi – Company Secretary. They will start with the overview of the Company's performance and then we can later switch to question-and-answer session. Thanks a lot and over to you, Chawla sir.

Ravi Chawla:

Thank you Prashant. Good afternoon to everybody on the call. Quarter three has turned out to be a very good quarter for the Company. During the quarter we have achieved a gross turnover (top-line) of Rs299 crores and achieved a double-digit volume growth in our regular business after many quarters, so we have seen that positive double-digit growth this quarter clocking around 19,000 kl in our volumes. I am happy to share that our year-to-date volume growth is around 9% which is well ahead of the industry which we estimate could be anything from 1% to 2% overall.

Channel business has grown 2x to 3x, of the bazaar market at 6% after several quarters. B2B has grown good double-digit at around 25%. Factory fill volumes have continued to grow at the back of the OEMs growth. And of course this quarter the proportion of channel to B2B is slightly different at 62:38, otherwise it was slightly more in favor of channel because B2B has grown much higher. And this is of course in the channel business and the company's automotive range, the double-digit growth that we have seen is also driven by a growth in this quarter of our PCMO business which is the passenger car motor oil which has grown about 20% in this quarter. And our continued double-digit growth in the motorcycle business which is also having a continued media campaign which helped. And we are happy to share the DEO segment, the Diesel Engine Oil segment which is actually negative in the industry, we have seen a positive growth in diesel engine oil this quarter.

Coming to the profits, the profit after tax in this quarter, again a new record for us, has been Rs26.2 crores which the Company of course quarter-on-quarter has grown 9.1% these revenues and as compared to previous December where it was Rs238.6 crores-. And what has been positive is that we have been able to continue our volume and revenue growth trend significantly higher than the market growth rates during the quarter and nine months' period. PAT has grown, again a record for us in terms of PAT, at 43.5% for the quarter over last quarter. And EBITDA has also shown a healthy growth, 26.2% quarter-on-quarter compared to previous year same period. EBITDA margins have also expanded to approximately 16%, nearly 40 basis points sequential improvement and approximately 220 basis points for the quarter over previous year December



*Gulf Oil Lubricants India Limited
February 10, 2016*

quarter. And we have seen the discounting pattern during this quarter to be steady, but would like to also share that January we have seen changes in some of the players announcing some discounts in certain segments.

So overall, a record quarter for the Company and happy to share that news with you.

I would now request Manish to take you through a few of the financial highlights and other points. Thank you.

Manish Kumar Gangwal: Thank you Ravi. So as Ravi mentioned, we had a very good quarter in top-line and volume and this has translated into bottom-line as well. We have been able to further improve the gross margins during the quarter in spite of product mix or the channel mix changing to 62:38, we have been able to improve gross margin by another 100 basis points during the quarter which is at 54.15% for the quarter three and there is a 7% improvement over December quarter last year. So gross margin improvement has been healthy and which has translated into 2.2% EBITDA improvement as well.

As we have mentioned in our earlier calls, we are a growing company and we are investing a part of the growth margins into future growth. Having said that, the EPS for the quarter is highest at Rs.5.28 and company and the Board of Directors have announced an interim dividend of Rs.3, 150% which is higher than last year's interim dividend of 100%. On the balance sheet side, our ROC and ROE continues to be healthy, ROCE at upwards of 60% and ROE at around 36% - 37%.

With this, we would like to take the questions.

Moderator: Thank you very much sir. Ladies and Gentlemen, we will now begin with the question-and-answer session. Our first question is from the line of Vishal Gajwani from Birla Sun Life. Please proceed.

Vishal Gajwani: Sir my question was, you said B2B sales growth is around 25% for this quarter, I missed on the B2C sales growth, if you can mention that.

Manish Kumar Gangwal: It is 6% for the quarter.

Vishal Gajwani: And passenger you said it is 20%, so in that if you can give a split of B2B and B2C.

Ravi Chawla: B2C split we gave as 62:38.

Manish Kumar Gangwal: Passenger car is entirely B2C only.



*Gulf Oil Lubricants India Limited
February 10, 2016*

- Vishal Gajwani:** So in terms of, I understand that you have had a policy of explicit guidance of growing at 2x to 3x the industry, so going forward in FY17 do you think that the industry volumes growths can pick up?
- Ravi Chawla:** So our estimate of industry growth is about anything from 1% to 3% this financial year, we expect that will pick up by at least 1%.
- Vishal Gajwani:** And in terms of base oil prices, you would have seen a reduction in prices in this quarter, that is where the gross margins have expanded, is there some more room in terms of base oil prices declining in this quarter also, Q4?
- Manish Kumar Gangwal:** We carry an inventory two to three months as we have been mentioning around 70 to 75 days. So what we are seeing in this quarter is the reflection of actually earlier. And you are right, in the last month of you can say last 45 days there has been further reductions in base oil prices to the extent of \$30 to \$40, at the same time there has been a counter rupee depreciation which is largely offsetting the downfall in base oil prices.
- Vishal Gajwani:** And you also mentioned about some discounting activity in January, February, so how is the scenario likely to shape up according to you, will you be required to pass on?
- Ravi Chawla:** What we are seeing is that some of the major players have started discounting in some of the segments where probably they want some volume growth. So we do have to react partially to that, because we are in that segment. So this is a trend we are seeing from Jan that some of the major players have started discounting in some segments, not overall we are saying but some segments. It is also due to stocking patterns or what they have stocks.
- Moderator:** Thank you. Our next question is from the line of Mehernosh Panthaki from HDFC Securities. Please proceed.
- MehernoshPanthaki:** Sir, my first question was regarding the volume growth, I must have missed out since I joined a little late in the concall, can you just throw some light on how much was the volume growth during the quarter and which segment drove the volume growth?
- Ravi Chawla:** In the quarter our B2B has grown around 25% in this quarter.
- MehernoshPanthaki:** That is the overall value growth, right?
- Ravi Chawla:** We are talking now of volume growth.
- MehernoshPanthaki:** So B2B has grown 25% volume growth?
- Ravi Chawla:** And channel business has grown 6%.



- MehernoshPanthaki:** This is the volume growth?
- Ravi Chawla:** And this is for the quarter and YTD our volume growth is now standing at around 9%.
- MehernoshPanthaki:** Volume growth at 9% overall?
- Ravi Chawla:** And actually one of the highlights, we had launched a new passenger car motor oils in quarter three, if you would recall we had launched it.
- MehernoshPanthaki:** Yes.
- Ravi Chawla:** That has shown a healthy growth of (+20%).
- MehernoshPanthaki:** So what I read is, your 9% of volume growth is what you were talking is overall business?
- Ravi Chawla:** It is YTD overall.
- MehernoshPanthaki:** Yes, YTD nine months, okay.
- Manish Kumar Gangwal:** Quarter has been double-digit volumes.
- MehernoshPanthaki:** And do you expect this growth to sustain going forward?
- Ravi Chawla:** See, each quarter obviously we have been saying that market growth whatever it is we aim at 2x to 3x, that would be our plan. In terms of our growth, definitely the passenger car is a new product so that we expect it to go, motorcycle we want to continue. We will have to wait and see the other segments as to what the growths will be, but overall our year-to-date volume growth is 9%, that is a growth rate which we are currently tracking at.
- MehernoshPanthaki:** And how much is the industry growing at?
- Ravi Chawla:** We estimate is growing 1% to 2%.
- MehernoshPanthaki:** So that is quite encouraging. And my other question was regarding the other expenses, your profitability could have been better but as you are investing for future your other expenses have gone up by 357 bps on YoY basis, so just wanted to get a sense on what has led to this increase, is it only the ad spends or there have been some other contributors as well?
- Manish Kumar Gangwal:** One of the factors is A&P, this quarter also we had a run on major TV channels and all, and at the time the cost and co-branded royalties have also gone up, we have mentioned in last con-call, we have tied up with OEMs recently in the last year, those have also gone up.



*Gulf Oil Lubricants India Limited
February 10, 2016*

MehernoshPanthaki: It is quite understandable that you are tying up with OEMs so the royalties must have gone up, but A&P spends, how much it was during this quarter and in the previous quarter of Q3, how much as a percentage to net sales, can you give how much it was?

Manish Kumar Gangwal: In quarter it was 7%.

MehernoshPanthaki: And previous year Q3 2015?

Manish Kumar Gangwal: It was around 6%.

MehernoshPanthaki: Sir my last question, I was just trying to understand the base oil market, now I just wanted your view on this, see current existing capacities and the new capacity expansion which are happening globally is in Group II and group there categories of base oil basically and Group I capacities have actually been closing due to environmental issues. So correct me if I am wrong, so what my question to you is that, if going forward say in the next 10 years or so or five to 10 years it becomes necessary to set up or expand the base oil capacities in Group IV and V which is highly synthetic. So does this require a significant upgrade to the technology of the lubricant manufacturers or it can be done with minor modifications in the plants? So my question is that, does the existing lubricant manufacturer including you has technical capabilities to manufacture of high-end synthetic oils if the industry changes towards Group IV and Group V of base oil?

Ravi Chawla: See, mainly now Mr. Panthaki there was Group III which we are using, plus which are now talking of higher group to that and then there are the pure synthetics, major part of the products being made is right up to Group III, we do not see that as a major challenge going forward. What you mentioned of Group IV and V, I suggest we can have a discussion offline, we will ask our technical team to join us also on that, so major part of the base oils are now Group II, Group III and Group I, so that is fairly covering I would say a very-very large portion of all the portfolio, the others is pure synthetics.

Moderator: Thank you. Our next question is from the line of PrashantTarwadi. Please proceed.

PrashantTarwadi: Two questions, firstly, if you can brief us on the status of our Chennai Expansion. Second thing is, what is our debt positions as well as cash position, that would be great. Thank you.

Manish Kumar Gangwal: So we are progressing well on Chennai plant now, we have received a clearance from single window which is a sort of CTE, Consent to Establish, and with that we will be starting the work on our tendering and other things. As regards your second question which was on debt, we have mentioned in the last call itself, last quarter we had become debt free and we today also have a debt free position with surplus cash of around 25 crores.

Moderator: Thank you. Our next question is from the line of Priyank Chandra from Dolat Capital. Please proceed.



*Gulf Oil Lubricants India Limited
February 10, 2016*

- Priyank Chandra:** Sir, my question is, like how much you feel that you mentioned in the call in starting comments that there is a competitive intensity like in the terms of discount which are expected, coming up in the month of January. So can you quantify that amount?
- Ravi Chawla:** See, Priyank the discounts are just a few of the competitions, we would not like to name them, have announced discounts in certain segments, in segment related areas so we are still looking at how it is. It is a bit too early to quantify it but this is the trend which we have observed in the starting of January because you see most of the multinational brands have ended the year in December, so they tend to do that during the January and April month, so this is actually a pattern which has been to increase volumes, so this is part of the industry, I guess we will have to wait and watch a bit.
- Moderator:** Thank you. Our next question is from the line of Raj Gandhi from Sundaram Mutual Fund. Please proceed.
- Raj Gandhi:** Sir just with oil dropping so much, as low as \$30 and all, is the industry reluctant to pass on the full benefit given that again if oil spikes than it will lead to too much of volatile pricing scenario?
- Manish Kumar Gangwal:** You are right Mr. Raj, industry has been passing a part of it but you are right, crude is very-very volatile and of course base oil has not reacted, now in the recent past base oil is not reacting to the extent of crude fall because there are capacity issues and there are supply demand gap. And at the same time you are right that volatility of crude nobody can guess, so tomorrow is it is back to \$40 - \$50 it is very difficult take prices up every time, so maybe that is the reason.
- Ravi Chawla:** Mr. Gandhi just to add here, some of the refineries in India who make base oil and petrol and diesel, what they have done that we see in the markets last month, we have increased the production of petrol gasoline and reduced the production of base oil. So the demand supply situation sometimes plays it out this way, if they do not need to drop price so much of base oil because obviously they also make a little more money on the upper end I would assume that. This is some of the scenario which is panning out.
- Raj Gandhi:** And is this happening across let's say because it is a very regional market, even at regional level you are seeing constraints in base oil availability because of this?
- Manish Kumar Gangwal:** No, it depends on grade to grade, right now there is no such constraints, there is plenty of imported material and with the Iran opening up hopefully, I do not think there will be constraint but the pricing is being held up is what we are trying to say, more so because of the rupee depreciation also.
- Raj Gandhi:** And sir, any major product launches coming up or any major promotion campaign lined up going ahead?



*Gulf Oil Lubricants India Limited
February 10, 2016*

- Ravi Chawla:** Nothing major, we have our regular promotions which go on with the season, nothing major as of now which we would like to announce at this stage.
- Raj Gandhi:** So focus will remain on the synthetics that we have launched to make it more...
- Ravi Chawla:** See, passenger car we have launched entry synthetic levels, our focus also continues on all the other categories whether it is motorcycle or diesel engine oil. We hope the tractor season will pick up, that is one thing we are hoping on and the mining goes a bit more.
- Raj Gandhi:** And just your outperformance on volume that you have been guiding, it has been much higher than that, so do you think you can sustain at that or your guidance of 6%, 7% more versus industry, this quarter I think industry would have seen de-growth but you have seen 13% growth, so do you foresee such kind of odd-performance continuing?
- Ravi Chawla:** I think that has been our strategy to look at our two to three times 2-3x market growth, I think we will continue with that strategy.
- Moderator:** Thank you. Our next question is from the line of DamodarKutty from Edelweiss. Please proceed.
- Shraddha:** Hi sir, this is Shraddha. Just one question, maybe repetitive. If we see the nine months' growth it has been around 4% sales growth, which is majorly volume of 9%. So as such the realization dip is just about 5% odd as compared to, while there might be spoors up of base oil locally but despite that it is still not showing the quantum which would have happened with the crude oil declining. So what is the quantum we are foreseeing which in terms of price cuts from here on?
- Manish Kumar Gangwal:** We are not clear on your question, can you be slightly clear.
- Shraddha:** If you see the nine months, we have seen a 9% volume and just 5% realization dip year-on-year, right?
- Shraddha:** So with the quantum of oil decline is really not matching in terms of the realization. So could we see more price cuts which are due in the industry?
- Manish Kumar Gangwal:** So there are two reasons, one is that this gap of 4% which is there in realization is partly because our mix has also changed, we were at 70:30 or 68:32 in terms of our channel, within this quarter or in this year it has been 65:35, this quarter was even slightly 62:38 that is where you are seeing overall gap slightly increasing. Except that, the industry has been able to retain margins to this extent and gross margins improvement have happened, the discounting which Ravi mentioned is happening and keeps on happening but we do not see a significant jump from hereon in terms of this gross margin percentage changing, a very significant 1% - 2% can always be there.
- Shraddha:** Because with this level of crude, if we are able to have these kind of margins and not have price cuts, that means this could be sustainable margins going forward, right?



*Gulf Oil Lubricants India Limited
February 10, 2016*

Manish Kumar Gangwal: As you mentioned, depends on the competitive scenario which it does actually in the market but except some 1% - 2% here and there we hope that this will continue for foreseeable future.

Ravi Chawla: The other point is what Manish mentioned is that crude has come down and base oil has also come down \$40, rupee depreciation has made up for that, if you are importing-a large part of our base oil, so then you net of that decrease in base oil which follows the crude and also as I mentioned to you locally the availability is also important. So these two factors also play a role in the price of base oil.

Shraddha: And also going forward with improving product mix towards the PCMO and the better margin segments, we could see more sustainability in numbers, right?

Ravi Chawla: Our strategy is to grow those segments where as you rightly said there is a better realization, but as we are also growing our market share, volumes we get like for example B2B business definitely be at a lesser margin, so it is a balancing act. Though the high revenue, high margin one that will be growing and of course if we are getting market share with B2B and others we would not say no to that.

Manish Kumar Gangwal: And PCMO, our base is currently very low, so while we are growing at a very good pace in quarter three and all the impact on real value terms or volumes terms will take some time to give us a significant meaningful impact on overall volumes.

Shraddha: And sir just on the mix, what is the level what we are seeing will pan out going forward in the B2B and B2C with the kind of growth we are seeing in each of the segments and where we are comfortable?

Ravi Chawla: We are comfortable with 65:35.

Moderator: Thank you. Our next question is from the line of Vishal Gajwani from Birla Sun Life. Please proceed.

Vishal Gajwani: Sir, the question on the advertising margins, what are the margins percentage of sales at the moment in this quarter?

Manish Kumar Gangwal: Around 7% of net sales.

Vishal Gajwani: And sir, in case of B2B 25% growth, does it have any one-off element or do you think this is kind of the sales that were done in this segment are sustainable?

Ravi Chawla: No, this would be definitely we have got certain orders which we have got this quarter which we are filling, in fact some of it will spill over in the next few months but we would say a part of it is sustainable and part of it is, because 25% is a very good growth in this quarter.



*Gulf Oil Lubricants India Limited
February 10, 2016*

- Vishal Gajwani:** No, but if there is a new tie-up than that is supposed to continue, right?
- Ravi Chawla:** At the moment we can tell you that it will continue for some more time, so we will have to see how the tie-up matures.
- Manish Kumar Gangwal:** And if you see our YTD volume growth of B2B also is upwards of 20% which means that we have grown this business even without these one-off.
- Moderator:** Thank you. Our next question is from the line of Vinod Bansal from Franklin Templeton. Please proceed.
- Vinod Bansal:** A couple of questions, one on the cash operating cost outside the raw material costs, that have been growing quite fast, I mean you mentioned some part of it is because you are putting the money back into business, but fair to assume that bulk of it would include the royalty on the - Lubricatingoils that you are selling right now, so the growth in the other is coming because of higher royalty you are paying to the brand owners?
- Manish Kumar Gangwal:** So it is a mix Vinod, you are right, co-branded royalties and all have definitely gone up and which is a part of that, but at the same time the other cost A&P is also big component in that which has also gone up.
- Vinod Bansal:** And you used to mention that for the industry as a whole on the key metrics is gross margin per liter basis rather than as a percentage of sales, how do you track this other OPEX item, as a percentage of sales or as per liter you used to track your efficiency and how the investments are?
- Manish Kumar Gangwal:** Particularly we have been extending this as a percentage of sales and I think by far the industry analysts and all have been able to grasp that as a percentage of sales, these other expenses.
- Vinod Bansal:** Then that should mean constant as a percentage of sale, isn't it, I mean if it is to be tracked that way because your sales would grow along with higher volumes on which you pay higher royalty and have ad spends, so it should not really move that much as a percentage of sales.
- Manish Kumar Gangwal:** No, so certain items have been added like cobranded royalties on new OEMs and all which will definitely increase the base itself. Some of the expense which were not there earlier like CSR expenses and all which have also come up.
- Vinod Bansal:** And secondly, perhaps I missed out some of your answers earlier on this B2B growth of 25%, is there a definite tie-up that has come in this quarter that drove the growth this quarter because outside that to grow B2B that high would be difficult to achieve, isn't it?
- Ravi Chawla:** See, there are some state transport undertakings and other tender businesses which come in periodically during the year, so we have been successful in some of them. This will sustain for some time but it is not a long-term sort of thing, we will be announcing maybe some tie-ups as



*Gulf Oil Lubricants India Limited
February 10, 2016*

we go ahead but this is not due to a major tie-up which has happened this quarter, it is mainly the tender business which we have got.

Vinod Bansal: But if at all that tender business of state transports, are these really profitable because I always used to hear that such tenders typically from state transports or railways etc generally are really on a little bit of a cost plus basis, they do not make much money for the lube guys.

Ravi Chawla: Of course the margins are not high as automotive, and as Manish mentioned our B2B is anyway growing at 20%, so there is a 5% sort of blip because of these tenders which has been good for us. So the profitability is less but obviously we sell a range of products where we do have a minimum sort of profitability we look at. It is not as good as the automotive, obviously.

Manish Kumar Gangwal: The good part for us Vinod is that our channel also has grown in this quarter at 6%, it has been able to compensate some of this one-time orders which maybe at a slightly lower margin, and of course base oil price fall has helped even in those tender businesses

Vinod Bansal: And if I may slip in one last more, on the gross margin side, I am not really asking for next quarter or next two quarters, generally over the next year or so do you see, I mean looking at situation of where base oil today is and where market is discounting its products, do you see any scope of major improvement in gross margins from here on over the next 12 to 15 months?

Manish Kumar Gangwal: It will be very hard to say, on the cost side we can say that based on this rupee reactions which are there and we are hearing rupee tends to be in the range of 67 to 70, we do not see a major cost side improvement from here on and the top-line reactions will depend on the competitive scenario really.

Moderator: Thank you. Our next question is a follow-up question from the line of MehernoshPanthaki from HDFC Securities. Please proceed.

MehernoshPanthaki: I had a question regarding the royalty payment which you make to your parent company, so in FY15 annual report it is given at around 14 crores which amounts to around 1.5% of your net revenues, so has this amount being increasing in nine months of this year of 14 crores for full year say?

Manish Kumar Gangwal: It has been in the same range.

MehernoshPanthaki: And in the near future this amount would remain at the same level, right?

Manish Kumar Gangwal: The formula we have explained earlier in the calls also, we have a formula which is linked to value addition, so if our margins expand, some increase in this percentage but not major. We have always mentioned that on our 1% EBITDA margin we have reached to 16% and our royalty payment has only gone up from 1.1% to 1.5%, so you can see 400 basis points improvement in EBITDA.



*Gulf Oil Lubricants India Limited
February 10, 2016*

- MehernoshPanthaki:** So in 2016 also it will be around in the same range of 1.5%, right?
- Manish Kumar Gangwal:** Yes, it is in the range of 1.5%.
- Moderator:** Thank you. Our next question is follow-up question from the line of Raj Gandhi from Sundaram Mutual Fund. Please proceed.
- Raj Gandhi:** Sir, if I were to build in the volumes as mentioned by you, you have seen QoQ realization increase despite the adverse mix that you are highlighting, so just how would that have come up in that sense?
- Manish Kumar Gangwal:** Because our channel has grown by 6%, that has helped.
- Raj Gandhi:** But the channel growth is lower than aggregate growth, right, so channel as a proportion would have come down right, plus there have been price cuts and some discounting.
- Manish Kumar Gangwal:** No, last quarter there was no major change from quarter two, we have mentioned that last quarter was fairly stable, discounting is starting from Jan-Feb now.
- Raj Gandhi:** And whenever there is some pressure on the channel, would you try and maintain the EBITDA by cutting down a bit on the A&P and other growth levers that you have used just to balance it out, because YoY basis and all you are significantly above in that sense, so you have some cushion. So will you utilize that or you would continue at current rates?
- Manish Kumar Gangwal:** So as you have mentioned, depending on the overall gross margin scenario and all we plan out our A&P and which can be, sometimes you can defer it by a quarter, we do not want to really cut down on our growth levers. But yes, we have been using it selectively in the range of 5% to 7% we have mentioned in the past.
- Raj Gandhi:** So that is the levy being used, okay. Thank you.
- Moderator:** Thank you. As there are no further questions, I now hand the conference over to PrashantTarwadi for closing remarks. Over to you.
- PrashantTarwadi:** Thanks a lot Chawla sir and entire Gulf Oil management for devoting time for this call. Thanks a lot to all the participants for participating in the call. Now let me request Mr. Chawla for his final comments. Over to you, Chawla sir.
- Ravi Chawla:** Thanks to all the participants in the call for a patient hearing. This quarter as we mentioned earlier has been a very good quarter, it has been record profits for us and the growth has been very-very good and definitely we are trying our best to see how we can keep our strategies going and look at the long-term and also deliver what we have planned. We hope we have tried to



Gulf Oil Lubricants India Limited
February 10, 2016

answer all of the questions to the best of our ability and thank you so much for your participation and your feedback. We appreciate that. Thank you.

Moderator: Thank you very much members of the management and Mr. Tarwadi. Ladies and Gentlemen, on behalf of Axis Capital that concludes today's conference call. Thank you for joining us and you may now disconnect your lines.

All forward-looking statements are subject to risks, uncertainties and assumptions that may cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that may cause actual results to differ materially from our expectations include, among others General economic and business conditions in India and other countries, Our ability to successfully implement our strategy, our growth and expansion plans and technological changes, Changes in the value of the Rupee and other currency changes, Changes in Indian or international interest rates, Changes in laws and regulations in India, Changes in political conditions in India, Changes in the foreign exchange control regulations in India and the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally. We do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not materialize.