



**TRANSCRIPT OF THE 99<sup>TH</sup> ANNUAL GENERAL MEETING OF TIDE  
WATER OIL COMPANY (INDIA) LIMITED HELD ON WEDNESDAY,  
24<sup>TH</sup> AUGUST, 2022 THROUGH VIDEO CONFERENCING / OTHER AUDIO  
VISUAL MEANS**

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**Tech Support, NSDL**

Sir, we are now live. Please start the meeting proceedings.

**Mr. S. Ganguli, Company Secretary**

Dear members,

I welcome you all to the 99th AGM of Tide Water Oil Company (India) Limited. This Annual General Meeting is being held through Video Conferencing / Other Audio Visual Means ("VC/OAVM").

For the smooth conduct of the meeting, members will be kept on mute mode.

In relation to the members who have pre-registered as speaker shareholders to speak at the AGM, the audio and video will be enabled when the Question-Answer session begins on the instruction of the Chairman. Speaker shareholders are requested to speak as per the sequence that is set for, and keep their speech limited to 3 minutes and cooperate. If any speaker can't be reached due to any connectivity issues, we will call him/her again after other speakers.

Thank you.

Now I will request Shri Sanjoy Bhattacharya, Chairman to commence the proceedings of this Annual General Meeting.

**Mr. Sanjoy Bhattacharya, Chairman**

Respected Board Members, our dear Shareholders, Ladies and Gentlemen

A very good morning to all of you. I, Sanjoy Bhattacharya, Chairman of the Board of Directors and the Stakeholders' Relationship Committee, welcome you all to the 99th AGM of your company. We have the requisite quorum present through video conference at this meeting and therefore I call this meeting to order.

Let me introduce you to the members of the Board and senior management present with us today:

On my right is Shri R. N. Ghosal who is the Managing Director of your Company.



And also attending this meeting is Shri P. S. Bhattacharyya, Independent Director and Chairman of the Audit Committee and the Nomination and Remuneration Committee and he is attending from Delhi.

And also attending is Mr. Subir Das, Independent Director and Chairman of the Risk Management Committee and the Compensation Committee. He is attending this meeting from Kolkata.

Apart from the Board members, we have Shri S. K. Vaidya, Executive Director (International Business and Business Development), Shri Arijit Basu also attending with me from this room. He is the Executive Director and Shri Supratik Basu, Group CFO and obviously Shri Saptarshi Ganguli, Company Secretary is also present with me in this meeting.

Representatives of the Statutory Auditors and Secretarial Auditors have also logged in to attend this meeting.

We have sufficient quorum of members present for the Annual General Meeting. Participation of members through video conference is being recorded for the purpose of quorum as per circulars issued by MCA and Section 103 of The Companies Act, 2013.

Now, I request the Company Secretary to elaborate about the arrangements made for the members at the 99th Annual General Meeting. Mr. Ganguli, over to you.

**Mr. S. Ganguli, Company Secretary**

Thank You Sir,

As stated earlier, this 99th AGM of Tide Water Oil Company (India) Limited is being held through video conference via the NSDL platform in accordance with the circulars issued by the Ministry of Corporate Affairs, applicable provisions of The Companies Act, 2013 and the SEBI Listing Regulations.

As the AGM is being held through video conference, the facility of appointing proxies by the members is not applicable. Registers required under the Act for inspection are available at website of NSDL for members to inspect electronically.

In accordance with the provisions of The Companies Act and the SEBI Listing Regulations, the members have been provided with the facility to exercise their right to vote by electronic means both through remote e-voting facility and e-voting at the Annual General Meeting. Remote e-voting facility was made available to all the Members holding shares as on the cut-off date, i.e., Wednesday, 17th August, 2022, during the period commencing from 10 AM on Sunday, 21st August, 2022, till 5 PM on Tuesday, 23rd August, 2022.



I now request Chairman, to continue with the proceedings of the meeting.

**Mr. Sanjoy Bhattacharya, Chairman**

Thank You, Mr. Ganguli.

I am happy to inform you that your Company has prepared its Annual Report for 2021-22. We have sent the Annual Report along with the notice of the Annual General Meeting through e-mail to all the shareholders who have got their email addresses registered and through physical mode to others.

With the permission of the members, the Annual Report and Notice are being taken as read.

The Statutory Auditors and Secretarial Auditors have expressed unqualified opinions in their respective audit reports for the financial year 2021-22. There were no qualifications, observations or adverse comments on financial statements and matters, which have any material bearing on the functioning of the Company, so the auditors' report is not required to be read.

Members are requested to refer to the Instructions provided in the notice for attending the AGM through Video Conference and Other Audio Visual modes for seamless participation. In case members face any difficulty, they may reach out on the helpline numbers.

We have taken all necessary steps to ensure that the shareholders are able to attend and vote at the meeting in a seamless manner.

Now, I shall take you through the performance and operations of the Company.

As you all are aware, the World Economy had to bear the brunt of the second and third wave of the Covid-19 pandemic for a significant part of the financial year 2021-22. Signs of rising inflation, supply chain disruptions and recessionary trends were evident in the Indian economy too. This has brought a series of challenges for firms operating in various sectors of the country. The partial lockdowns implemented due to the pandemic and other related restrictions had obstructed several activities which resulted into a considerable slowdown of operations across the industrial sector. In the lubricants industry the manufacturers were required to depend largely on imports which were subjected to risk of foreign exchange rates fluctuation. This resulted in an unprecedented shortage of base oils globally and led to sharp increase in prices in the first half of the year. Notwithstanding the global headwinds the market showed signs of recovery during the second half of the year with revival of demand and steady expansion in the various industrial sectors.



In the year 2021-22 increasing preference for personal mobility could be witnessed which was driving automobile sales in India and was further contributing to increase in demand for automotive lubricants such as engine oils, transmission fluids, brake fluids, oils and greases. The consumer automotive lubricant market continued to remain largely dominated by two-wheeler oils. Increase of passenger cars and on-highway and off-highway fleets also contributed to the volume growth of the lubricant industry. New technological advancement in automotive hardware design is leading to demand for more efficient and premium lubricants. Your Company is also focusing on demand for industrial lubricants arising from various industries such as Sugar, Power, Steel, Cement and general engineering, manufacturing, etc. The Company has also been undertaking intensive R&D programmes in view of modernization of the vehicles and increasingly stringent emission norms. Further the advent of new generation BS-VI engines has set new emission standard for all new vehicles and has also led to introduction of various after treatment devices and catalysts to reduce harmful emission. Your Company is presently supplying engine oil for all engine types including the new generation BS-VI engines.

Your Company's activities continue to face typical market challenges which are characterized by volatile input costs, stiff competition and such other factors as well. Some of the OEMs are introducing lubricants under their own brand name, which is further impacting the competitive landscape. Based on the current scenario your Company will continue to focus on business opportunities by placing reliance upon its core strategies and line of business besides leveraging other opportunities to extend the distribution base and network for increasing its market share. Additionally with a view to combat these challenges the Company during the year had to declare various schemes which had put pressure on margins. Further your Company is presently in an advantageous situation of exploring global opportunities with establishment of multiple subsidiaries in foreign countries. Nevertheless, your Company could achieve decent results, through rationalization of the pricing structure, adoption of austerity measures and optimum procurement of raw materials. This performance is even more satisfying as it has been achieved despite difficult market conditions arising out of slowdown in the economy, particularly during the major portion of the financial year under review.

During 2021-22 the lubricant market remained fiercely price competitive with increasing demand for new age lubricants. Keeping the same in view your Company was well prepared to serve the needs of the market. The Company has performed well in the consumer automotive lubricant segment which has garnered good returns and it has also continued its focus on agricultural sector with supply of tractor oils and other lubricants as required in that sector. Further your Company is focusing on the commercial vehicle segment with an improved portfolio and sustained brand building efforts. It had also put constant effort to build strategic alliances



with Original Equipment Manufacturers (OEMs) across vehicle types. To cater to industry demand, the Company has manufactured wide range of excellent products in different segments under its umbrella brand 'VEEDOL' and other sub-brands such as Prima and Take Off. With continued focus on bazaar trade coupled with various Loyalty Programmes with the dealers and the retailers, the marketing and distribution network of the Company across the country has strengthened and this has helped your Company to achieve this result. This year after adjusting discounts and rebates the Company achieved a Standalone Turnover of Rs. 1247.65 crores and a Consolidated Turnover of Rs. 1535.71 crores.

During 2021-22, the Standalone Profit before Tax of the Company amounted to Rs. 136.39 crores as against Rs. 155.87 crores, in the previous year. The Consolidated Profit before Tax was at Rs. 160.11 crores as compared to Rs. 185.43 crores in the previous year.

In view of satisfactory financial results, the Directors have pleasure in recommending a final dividend of 750% on Ordinary shares of the Company of face value Rs. 2 each. This is in addition to the 2 (two) interim dividends of 1000% each as distributed on 30th November, 2021 and 8th March, 2022, respectively.

Your Company has continued its marketing initiatives on the international sphere by establishing multiple subsidiaries in various geographies. The Company has spread its presence in Middle East Asia, Europe and parts of America. During the year the wholly owned subsidiaries in Europe have performed very satisfactorily post restructuring of European business of the Company. The international operations have gained traction and are generating satisfactory returns.

Your Company had entered into a Joint Venture with ENEOS Corporation (formerly JXTG Nippon Oil & Energy Corporation, JXTG), Japan on 50:50 basis. During 2021-22 the joint venture company has earned a Profit before Tax of Rs. 31.28 crores and Tide Water was benefitted by way of dividend income therefrom.

In conclusion, I wish to express my appreciation to all customers, channel partners, suppliers, employees, the Company's Bankers and other stake holders as well as all shareholders for their unstinted support in shaping the Company's performance

I will now brief the members about summary of the businesses to be transacted as set out in the Notice, general instructions of voting and rules relating members' queries thereon.

Members may please note that there will be no voting by show of hands, as this meeting is being conducted virtually.



As the voting on these businesses had already begun, there is no requirement of proposing and seconding the resolutions.

Now, I am reading out the subject matter of the resolutions proposed to be transacted at this meeting.

Resolution No. 1:

Adoption of the Audited Financial Statements of the Company for the financial year ended on 31st March, 2022 together with the Reports of the Board of Directors and Auditors thereon and the Consolidated Audited Financial Statements of the Company for the financial year ended 31st March, 2022.

Resolution No. 2:

Confirmation of payment of two Interim Dividends aggregating to Rs. 40 per equity share and declaration of final dividend of Rs. 15 per equity share for the financial year 2021-22.

Resolution No. 3:

To appoint a Director in place of Shri D. S. Chandavarkar (DIN 00176277) who retires by rotation and being eligible, offers himself for re-appointment.

Resolution No. 4:

To re-appoint Price Waterhouse Chartered Accountants LLP, Statutory Auditors for a second term of 5 years to hold office from the conclusion of this Annual General Meeting until the conclusion of the 104th Annual General Meeting.

Resolution No. 5:

To appoint Shri Vijay Mittal (DIN 09548096), Additional Director as a Director liable to retire by rotation.

Resolution No. 6:

To re-appoint Shri S. Das (DIN 00199255), Independent Director for a period of 5 years from 1st April, 2023 to 31st March, 2028.

Resolution No. 7:

To approve related party transactions with Standard Greases & Specialities Private Limited upto an amount of Rs. 700 crores till the date of the 100th AGM.

Resolution No. 8:

To approve related party transactions with JX Nippon TWO Lubricants India Private Limited upto an amount of Rs. 700 crores till the date of the 100th AGM.

From 8th June, 2022 the name of the entity JX Nippon TWO Lubricants India Private Limited has changed to Eneos Tide Water Lubricants India



Private Limited. Since the change of name has taken place post issue of the notice of the AGM, the same is now declared for information of the members.

Resolution No. 9:

To ratify fee payable to the Cost Auditors M/s DGM & Associates, Cost Accountants for conducting audit of the cost records of the Company for the financial year 2022-23.

Resolution No. 10:

To approve variation of remuneration payable to Shri R. N. Ghosal (DIN 00308865), Managing Director from 1st October, 2021 till his remaining term in view of providing revised rate of HRA, as applicable for all the employees of the Company.

The objectives of the special businesses of Resolutions No. 4 to 10 are explained in the Explanatory Statement to the Notice.

Now I invite the shareholders who have registered themselves as Speakers to ask their questions if any on the agenda items.

Please mention your name, folio number/DP & Client ID, location from where you are joining and the page no. of the Annual Report to which the query relates. Members are requested not to repeat the queries which have already been asked by other members. All the queries will be answered together by the Management at the end.

I now request the Company Secretary to call the speakers Shareholders one by one.

Over to you Mr. Saptarshi Ganguli.

**Mr. S. Ganguli, Company Secretary**

Thank You, Sir.

Speaker Shareholder number 1, Mr. JaydipBakshi

**Mr. JaydipBakshi - Shareholder**

Good Morning, Chairman, MD, Board of Directors, CFO and others present in today's video conference, myself JaydipBakshi connecting from the city only. Thanks to our Company Secretary, Mr. SaptarshiGanguli for giving me an opportunity to express my view and for presenting a beautiful informative Annual Report and also to our Registrars also. Sir, our company has been having a steady performance with turnover of around Rupees 1439 crores in this difficult scenario, where industries function below normal. Congrats to the entire team for maintaining this position. Performance of our subsidiary GOCL is also noteworthy. Thank you once again for the interim dividend of Rs.



20/-and also the final one for Rs. 15/- which you have passed onto us. Sir, regarding the global turmoil, what has been the effect of it on our business and plans to counter the input cost and the inflation which is the most initial concern of all industries? Sir, any new area of penetration where our products' demand lies and also for our BSVI launch kindly highlight on this. Sir, any latest technology adoption for products, product distribution network for betterment of the movement? Sir, to counter the consumption of fossil fuels, the use of wind energy where we have a revenue generation of Rupees around 1.64 crore is a very good move. Sir, any plans for expansion further in this regard? And also, congrats for the CSR activities always for which you have spent around Rs. 2.91 crores and also which you have passed on to various organisations is also a good initiative and return to the society. Sir, what are the steps to counter the corruption in the work culture as our operations are spread out over a vast area and what are our plans for countering the cyber security risk? Sir, R&D development where you are manufacturing our new products of future and what is our future expenditure plans in this sector? Sir, with the 100 years coming up in the coming year any value-added products launch in thought process in our pipeline for the coming next century year? Sir, nothing to add more. I have supported all the resolutions and hope Sir, our company under your guidance and with the whole management, our company will come out with much better results and reward the shareholders.

Thank you, Sir for giving me an opportunity and all stay safe. Namaskar

**Mr. S. Ganguli, Company Secretary**

Speaker Shareholder number 2, Mr. Aspi Besania

**Tech Support, NSDL**

Mr Aspi Besania please unmute yourself. Mr Aspi Besania .....

Chairman Sir we have sent couple of requests, but that person is not unmuting himself

**Mr. Sanjoy Bhattacharya, Chairman**

Okay, then we can proceed to the next speaker.

**Mr. S. Ganguli, Company Secretary**

We will proceed to the next speaker. The next speaker is Speaker Shareholder number 3, Mr A.P. Jindal

**Mr. A.P. Jindal - Shareholder**

Namaskar Chairman Saab.





The Shareholder proceeded to deliberate in Hindi language, translation whereof, to the extent practicable has been provided below:

I am A. P. Jindal speaking from Delhi. Today I am very happy and proud to join the AGM of the Company. The Chairman Speech as was deliberated by you was impressive. Although there was not much of major questions in mind, yet even if there were some minor queries, those were duly covered by you through your speech. You thoroughly dealt with the hurdles faced by the Company during the year and also shown us the projections which were very attractive. I am sure that the leadership of MD and his teamwork will lead the Company further as it has always done in the past, because the shareholders believe in your vision and working. As I am joining from Delhi, I am delighted to see all dignitaries and present my views. Sir, the dividend as proposed is very good and the interim dividend that was distributed was also noteworthy. We hope that with the fading away of the global turmoil, the Company will pay higher dividends in future. Further with the 100<sup>th</sup> AGM coming up in the next year, I will request you to invite all the shareholders to participate, so that the shareholders who are staying far away will feel proud that they have associated themselves with a good Company. Also, you may think of issue of a privilege card for the shareholders on the occasion of the 100<sup>th</sup> AGM, by which every shareholder will be interested in purchase of the Company's products which in turn will increase the sales of the Company. This will be very good for your vision.

Thereafter the audio went off.

**Mr. Sanjoy Bhattacharya, Chairman**

Mr. Jindal we cannot hear you.

**Tech Support, NSDL**

Sir, accidentally he muted himself.

**Mr. Sanjoy Bhattacharya, Chairman**

Okay. Is he still there?

**Tech Support, NSDL**

We have sent him an unmute request.....

Sir, now he has left the meeting.

**Mr. Sanjoy Bhattacharya, Chairman**

Okay, now we can proceed with the next speaker.



**Mr. S. Ganguli, Company Secretary**

Speaker Shareholder number 4, Mr. Bhupendar Patel.

**Tech Support, NSDL**

Sir, he is not present in the meeting.

**Mr. S. Ganguli, Company Secretary**

So, we can move to Speaker Shareholder number 5, Mr Bimal Krishna Sarkar.

**Bimal Krishna Sarkar - Shareholder**

Hello, Sir am I audible?

**Mr. Sanjoy Bhattacharya, Chairman**

Yes Mr. Sarkar you are audible.

**Bimal Krishna Sarkar - Shareholder**

Chairman Saab, Very Good Morning.

**Bimal Krishna Sarkar - Shareholder**

The Shareholder proceeded to deliberate in Hindi language, translation whereof, to the extent practicable has been provided below:

Respected Chairman, members of the Board, senior management, Company Secretary, Saptarshi Ganguli and present shareholders, the Company has achieved very good result in the backdrop of adverse situations resulting from lockdowns imposed on account of outbreak of the Covid pandemic since last few years coupled with adverse geo-political situation arising out of the Russia-Ukraine War. Chairman Saab, I am thanking you for giving an excellent presentation on the Company's performance and future road ahead. Sir, thank you that you have rewarded the shareholders by way of stock split and issue of 1:1 bonus shares. Sir, I understand that by way of Note No. 26 as appearing in Page 165 it has been explained that due to increase in the prices of raw materials, the Profit before Tax has decreased as compared to last year, irrespective of the increase in the Revenue from Operations, so it is not a matter of concern. Sir, it is very good that the Company has declared final dividend of Rs. 15 per share i.e. 750% in addition to 1<sup>st</sup> Interim Dividend of Rs. 20/- per share followed by 2<sup>nd</sup> Interim Dividend of Rs. 20/- per share. The Company is moving ahead, and I wish that we the shareholders will continue to receive good dividends in future. I



am also thanking the CSR Committee for making CSR contribution of Rs. 2.97 crores.

**Tech Support, NSDL**

Chairman Sir, 3 minutes are over.

**Mr. Sanjoy Bhattacharya, Chairman**

Okay, he can continue for another 30 seconds.

**Tech Support, NSDL**

Mr. Bimal Krishna Sarkar you can unmute.

**Mr Bimal Krishna Sarkar**

Chairman Sir, wish for your long and healthy life. I will now conclude my speech. Thank you for letting me express my views.

Thank You very much.

**Mr. Sanjoy Bhattacharya, Chairman**

Thank You very much.

**Mr. S. Ganguli, Company Secretary**

We can proceed to speaker shareholder number 6, Mr. Atanu Saha

**Mr Atanu Saha - Shareholder**

Sir, am I audible Sir?

**Mr. Sanjoy Bhattacharya, Chairman**

Yes

**Mr Atanu Saha - Shareholder**

Good Morning Sir. I am Atanu Saha, a shareholder of the Company. Our Company is organizing its 99th Annual General Meeting just before one year of the 100th AGM, so Sir and it's a really good day and it's Wednesday and we're organizing our program. My Respected Chairman and Board of Directors and all and our Company Secretary and his total team and CFO and all respected shareholders present in this meeting, my first question is that what is our business plan near future along with wind energy and my second question is that do you have any plan for split and my third question is Sir will you arrange any plant visit? I wish a great year ahead. With good dividend Sir, we are very popular in matter of dividends so anyhow good result whether it is. Thank You Sir, have a good day. Thank You over to our moderator.



Thank You.

**Mr. Sanjoy Bhattacharya, Chairman**

Thank You Mr Saha, Many Thanks.

**Mr. S. Ganguli, Company Secretary**

We can proceed to speaker shareholder Number 7, Mr Vinay Vishnu Bhide

**Mr Vinay Vishnu Bhide - Shareholder**

Hello, are you able to see and hear me?

**Mr. Sanjoy Bhattacharya, Chairman**

Yes

**Mr Vinay Vishnu Bhide - Shareholder**

Thank you, Sir. Namaste Sir.

Chairman of Tide Water and the Board of Directors present at today's meeting, Company's Executives, Company's Shareholders, Good Morning to all of you. As already announced my name is Vinay Bhide and I am a shareholder of the Company from Mumbai. I have gone through the Annual Report, it is an excellent presentation and not much of questions to be asked. I have also closely followed the Chairman's Speech and most of the items have been covered. I just have two questions to ask with your permission Sir. The first question is on the breakup of revenue between industrial and non-industrial oils in our turnover for the last financial year percentage-wise, by that I mean industrial oils and other category which I take as consumer automotive oils. And for these sectors what are the indicative net profit margins, that also you could help us understand. And further if I go to a different category, what is the revenue breakup between lubes and greases on one side and oils on the other side. So, these are two questions that I had, to understand the company's working better. I will close with best wishes to the board and the employees. Thank You for giving me an opportunity to speak Sir.

**Mr. Sanjoy Bhattacharya, Chairman**

Thank You Mr Bhide. Many thanks.

**Mr. S. Ganguli, Company Secretary**

We can now proceed with speaker shareholder number 8 Mr. Latesh Mehta

**Tech Support, NSDL**

Mr. Latesh Mehta, please raise your queries.

Mr. Latesh Mehta .....



Mr. Latesh Mehta, please raise your queries.

**Mr. Sanjoy Bhattacharya, Chairman**

Mr. Mehta, Good Morning we are waiting for you.

I think some technical glitch might be there so if he can come back afterwards, we can take his call.

**Mr. S. Ganguli, Company Secretary**

We can now move to speaker shareholder number 9, Mr. Suyash Kapoor

**Suyash Kapoor - Shareholder**

Namaskar Sir.

**Mr. Sanjoy Bhattacharya, Chairman**

Namaskar, Mr Kapoor

**Suyash Kapoor - Shareholder**

Thank You, Sir. First of all, congratulations to the team. Under the leadership of Mr. Ghosal we are doing a commendable job over a period of time. But as this is an opportunity for us to participate in the OAVM platform, the last two years were through the physical AGM, so could not participate because of this Covid protocols and all. But anyways this time you have done justice to all your investors, even investors from Mumbai could join, so please continue with this platform, it has a lot of merit. Firstly, Chairman Saab and Ghosal Saab, if you could give us the key figures for our business, currently how much is our sales to the OEMs, how much is the aftermarket sales? And also the other participant, Mr. Bhide Saab has mentioned about the breakup in volumes and sales towards the industrial and then non-industrial oil, if we could provide a breakup of the same or a trajectory. Sir, raw material prices as mentioned in the Annual Report has been on the upswing and thereby it has resulted in the margins compression or lower margin but as we take the raw material percentage to the turnover, last year March, 22 was around 57-58% but this year first quarter it turns out to be around 63%. So, correct me there. So, how are you looking at the current year in terms of the increase in raw material prices and the pressure on the raw material prices? And with EV also gaining traction how have we aligned ourselves? What are the key triggers for our business for the key growth areas which we are pursuing? What are we going to do with the cash that we have in our books and the extra cash that we're generating, apart from the dividend payout? Sir, growth diversification was talked about many a times before in



the AGM about the bearing segment and all, where are we in the terms of the due diligence done? Sir, how are we looking at the performance of our subsidiaries for FY 23? And Sir, do we have all the Directors present in the AGM, if you could confirm me other than the one which we are seeing. I can see only Mr. Ghosal there on your side and then our Company Secretary. Mr. Pravin Kadle and the people from Standard Grease are they all present in the AGM, Sir, they are not visible. Have the other directors joined Sir?

**Mr. R.N.Ghosal, Managing Director**

Some of them have joined online, but all are not present.

**Suyash Kapoor - Shareholder**

Okay. Bharathi Madam is here?

**Mr. R.N.Ghosal, Managing Director**

I'm not aware of her presence online please. Mr. Subir Das and Mr. Partha Bhattacharyya have definitely logged in, we have seen that.

**Tech Support, NSDL**

Sir, 3 minutes are over.

**Mr. Sanjoy Bhattacharya, Chairman**

Okay, we can continue for another 30 seconds.

**Suyash Kapoor - Shareholder**

Yeah, I will conclude Sir. So, as earlier also requested, we have always looked for more dissemination of information for your investors. You look at your peers and how investors are being educated. So, what are your thoughts on the press release and the investor presentation and also holding conference call? This has been requested time and again. So just the thought of the management behind, how well these things can go with our company also, as has been with other companies. So, looking forward for better connect with your investors. Sir, that has not been the case earlier. Try to improve your communication with your investors through the various platforms and various means that are provided under the governance of the Securities and Exchange Board of India and look into the merit.

**Tech Support, NSDL**

Sir, 30 seconds have also passed

**Mr. Sanjoy Bhattacharya, Chairman**



Thank You, Mr Kapoor for your very good inputs. We will attempt to answer your questions.

**Mr. Sanjoy Bhattacharya, Chairman**

Mr. Latesh Mehta....  
Is he still available?

**Tech Support, NSDL**

Sir, he is available in the meeting and he has unmuted himself also.

**Mr. Sanjoy Bhattacharya, Chairman**

Okay. So, since he is not speaking, technical glitch might be there.

**Mr. S. Ganguli, Company Secretary**

Mr. AspiBhesania, is he there?

**Tech Support, NSDL**

Yes, Sir.

**Mr. AspiBhesania - Shareholder**

Sir, can you see me and hear me?

**Mr. Sanjoy Bhattacharya, Chairman**

Yes, please.

**Mr AspiBhesania - Shareholder**

Can you see me also?

**Mr. Sanjoy Bhattacharya, Chairman**

Yes, you are visible.

**Mr AspiBhesania - Shareholder**

Sir, I am Aspi from Bombay.

Sir, I would request the Company Secretary to please inform the speaker number because without the speaker number it's very difficult to connect. Sir, this is the 99<sup>th</sup> AGM so how do you propose to celebrate the centenary? Sir, I am still having physical shares so I would like the



Company Secretary to help me in getting them demated, because invariably 90% of the time the shares come back when you send for dematting. Sir, what is the value of brand Veedol and what are the sales and profits for 21-22? What is market share of Veedol in India? Sir, since engine oil will not be required in electric vehicles in case of 100% EV, how much percent of our sales will be affected? What are the plans of the company to overcome this? Sir how much percentage of our income comes from auto and non-auto business? People have asked for industrial and non-industrial, I am asking auto and non-auto. Sir, Standard Grease owns 29.35% and Andrew Yule owns 26.23%, so who has management control? There's a constant rumour that Andrew Yule is up for sale. If it is up for sale, 26.23% stake in our company can be given to the existing non-Standard Grease shareholders at a discounted price by way of a rights issue. Even if Andrew Yule is not for sale, I would prefer disinvestment of shares by Andrew Yule in favour of non-Standard Grease shareholders because Andrew Yule itself is in loss continuously. I am also a shareholder of Andrew Yule and I am not at all happy with the working of the company. So, I would like you to continue with the videoconferencing AGMs. Sir, I would also like to hear from Standard Grease representatives as to the roadmap for the next five years. Because who is having the management control that's very important, if it is Andrew Yule, it will run like Andrew Yule only in a loss only or at reduced profit. So, give some say to the Standard Grease shareholders. Thank You very much for giving me a chance to talk but please inform the speaker number from next year onwards. Thank You

**Mr. Sanjoy Bhattacharya, Chairman**

Thank you, Mr Bhesania.

**Mr. S. Ganguli, Company Secretary**

Speaker Shareholder Number 4, Mr. Bhupendar Patel.

**Tech Support, NSDL**

Sir, he is not present in the meeting.

**Mr. S. Ganguli, Company Secretary**

Okay, so then we can conclude the question session. May I now request Chairman to take over the session please.

**Mr. Sanjoy Bhattacharya, Chairman**

Thanks to all the speakers for their compliments, various questions and valuable suggestions. Now I will answer some of the questions and the balance will be answered by the MD, Mr R.N.Ghosal.





So, to take up speaker number 1, Mr Bakshi, he was asking about the pricing strategy. So, we have already indicated that the pricing strategy was in the form of various schemes that were introduced because the input cost was very high so we had to pass this to the customers but we cannot pass it 100%. So, but various schemes had been introduced which had an effect on the margin that we have been explaining in our speech. And about the BSVI also, we are up to the mark and we are marketing BSVI compliant lubricants also. So, your company is in full presence in that market.

Distribution network is the same as earlier and we are re-enforcing it, that we highlighted in our submission and also in the foreign countries we have got to extend our footprint which is also giving us very good business. Then you asked about the cyber threat and the value-added product to be launched. We have in place ISO 31000 which is for the risk management as well as the other ISO 27000 which is the security of the data. So, we have appropriate systems in place along with the firewalls and other necessities. And about the value-added products to be launched, we are in the continuous process of R&D and we are improving the products to comply with BSVI and other requirements, because engine designs are also improving, so our lubricants are also improving in that line through our R&D.

So, all these are adding to the kitty of the value-added products which are being launched in regular intervals.

About the Second speaker who incidentally spoke last, Mr. Bhesania, he told that how to celebrate 100<sup>th</sup> AGM. We shall obviously celebrate but the thing is that first of all we have to do good business in the 100<sup>th</sup> year to have some more bottom-line and a higher turnover. We hope that the cost of the input should come down because the inflation is quite high at present and the interest cost is also increasing. So, in that scenario we have to see what we can do. Now he asked about the value of the Veedol Brand, our brand is valued across India and across the globe also now and if you go through the annual report you will find that in several countries our business is improving. So, it's an indication that value of the brand is increasing.

You asked about the market share of Veedol, I think Mr Ghosal will answer that. For EV outlook, we are actively working with our principals about the requirements of lubricants for the EV, which may be slightly different from the usual combustion engines which are at present used now. So, we shall be putting in time to find out what are the products required for the EV segment. You don't worry about that. And you asked for the breakup of the auto and the non-auto sector and our market share which Mr. Ghosal will answer along with other questions that other speakers have also asked about this... like industrial and non-industrial.

And you expressed your concern about Andrew Yule and told that Andrew Yule is in continuous loss. It is wrong. For the last 2 years the PBT is positive and Andrew Yule by the help of the Government has undertaken some restructuring of the business and it would do very good in the future



and there is no plan of Government for selling of Andrew Yule as of now, I can assure that and Andrew Yule is also not having any plan to sell the shares of Tide Water. Another thing I want to mention very clearly that Tide Water management is a very able management and they can manage the business well on their own. So, we in the Board give some in-principle guidelines to them, but the actual thing such as field level marketing, distributing, improving the products, increase the market share is all done by the fantastic team that our company is having under the able leadership of Mr. Ghosal and obviously Mr. Arijit Basu, who is in the second line. And with that ability and experience I hope that it will go from strength to strength.

Mr. Jindal, you told about the privilege card for the shareholders to purchase the products. Mr. Ghosal will answer this whether it is possible to introduce such things.

Mr. Bimal Krishna Sarkar asked about the decrease in the profit while the turnover has increased. I think you have yourself given the answer because the input cost went haywire. Even it is for the oil products as well as for anything such as steel, copper, all the businesses have suffered. Now the interest cost is also increasing because of the inflationary effect.

And you have also indicated that the purchase of stock has increased. This is because the availability of the base oil which is the core for all the lubricants was very poor in certain part of the year although the cost had increased. So, to hedge against the non-availability we had to increase the stock. So, this is one reason for that, and I think the main reason for that.

Mr. Atanu Saha, you had asked for the business plan in near future with respect to wind energy and all which Mr. Ghosal will answer. And you had asked for the Plant visit, I think it may not be possible immediately now but in future when something very good happens in the business then we can think of this.

Mr. Vinay Vishnu Bhide, you had asked for break-up of the industrial and non-industrial percentage and the net profit margin breakup in the lubricant sector and other sector, Mr. Ghosal will answer that.

And last but not the least Mr. Suyash Kapoor, he asked about that after market share break up and the raw material prices, current year outlook and use of extra cash in hand for some diversification and the subsidiaries outlook in the coming years.

So, I will now request our Managing Director, Mr. R.N. Ghosal to answer the balance of the questions.

Over to you, Mr. Ghosal

**Mr. R.N. Ghosal, Managing Director**



Thank You, Mr. Bhattacharya

Can you hear me please....

Basically, the Chairman has tried to answer most of the general questions on an overview basis. I see that the queries which are remaining basically fall into three questions. One is the contraction of the margin, the second is the market share and its breakup in various segments and third is a concern regarding growth with the EVs coming...our business plans going forward and what we do with our cash generation which is happening with the current profits.

So, I'll try to answer these three generally and not specifically, addressing the shareholders who asked, because these seem to be the general tone of the questions of the other shareholders. In terms of the margin as Chairman has already spoken that there was a huge rise in raw material costs during the course of the year and strategically, we have built up inventory. There is always in our industry, a lag between the rise in raw material cost and the pass-on of that to the consumer, not only in the retail market but also in the OEM segment, which relies on price variation formulas which are on a previous historical quarter basis. However, we feel that now that the costs are stabilizing and we are done with the high cost inventory that we had built up, so going forward I see a better realization and a better margin in the products as the pass on has also happened. So that bodes well for the future, unless further disruptions take place which is very difficult for anybody to predict.

Regarding the market share and the breakup segment wise I think we would have about seven odd percent market share in the automotive aftermarket and overall about a four percent market share in the lubricants business which we deal with, not including the process oils, transformer oils and that end of the business.

The breakup between automotive and industrial keeps varying but it is around 75:25 or 80:20 more towards the automotive than on the industrial, although we are focusing on the better side of the industrial business of late looking into the fact that the EV entry would reduce the demand in the automotive side much later... we still have 10 years going but we are focusing on the industrial side that is the better side of the industry.

Regarding the OEM and the aftermarket, large portion of our joint venture business with Eneosis OEM based, mainly the Japanese OEMs, whereas on the Veedol side, I think the OEM would only comprise about 10 odd percentage of the automotive business. The Eneosis side it will be about, 85% is OEM business.



Regarding growth and other business plans we are looking at new avenues of growth, one prospective avenue is with our joint venture partner. I'm not in a position to reveal the details but we feel it might be a good prospect. Other avenues are to do with the aftermarket workshop products and other consumables, which we are looking at. These are immediate... there are some longer-term aspects which we are also considering, which would result in some diversification. That is on this side of it, the other side of it is that our UK business has done extremely well and there is growth seen there. We feel that our international business has potential to grow and that is another area of growth, in revenue definitely but also in profits because the subsidiaries which are currently operating have crossed the gestation period and are giving returns now and the ones where we have restructured, we're not losing anything over there anymore.

So, I hope I've been able to answer the questions which are of concern to the shareholders who have asked the questions and also to the shareholders in general. And we as the management commit here to keep the company's performance healthy and look forward to a better future going forward.  
Thank You ...

**Mr. Sanjoy Bhattacharya, Chairman**

Thank You MD Saab... Thank You Mr. Ghosal

Members joining the meeting through video conferencing facility who have not yet cast their vote by means of the remote e-voting, may vote through e-voting facility provided during AGM and till 15 minutes post conclusion of AGM.

The members who have cast their vote by remote e-voting prior to the meeting shall not cast their vote once again.

The Board of Directors has appointed Shri Manoj Prasad Shaw, Practicing Company Secretary from M/s. Manoj Shaw & Co., Company Secretaries, Kolkata as the scrutinizer for this meeting. Based on the report of the scrutinizer, the combined results of remote e-voting and the e-voting done at the meeting today will be announced and displayed on the website of the Company and will also be submitted to the stock exchanges within two working days of the conclusion of the meeting as per the requirements under the SEBI Listing Regulations.

I thank all the members for attending and co-operating in conducting the meeting through Video Conference or other audio visual means.

I thank all the Directors and members of the management team who have joined the meeting. I wish everyone the best of health and safety in the year ahead.



I now conclude the Meeting and just before conclusion I want to thank NSDL Executives, Mr. Vikram Jha and Ankur without whose assistance this meeting could not be conducted so smoothly.

So, I now conclude the meeting. So many thanks to you all. Have a good day.

**END OF MEETING/E-VOTING OPEN FOR NEXT 15 MINUTES**