



# Investor Presentation

August 2024

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## An Insight into Gandhar Oil

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01

## India's Largest White Oil Player

One of India's **largest manufacturer of white oils** and one of the **top five players globally**

02

## Diversified Customer Base

Caters to leading Indian and **global companies including Procter & Gamble, Unilever, Marico, Dabur, Emami, Bajaj Consumer Care, Amrutanjan, Encube etc.**

03

## Focus on Consumer & Healthcare

PHPO, the **largest business division**, contributed **~52.30%** of revenues from finished goods sold<sup>1</sup> in FY24

04

## Overseas Sales to 100+ Countries

Overseas operations in **100+ countries** contributing **58.46%** of consolidated revenue from sale of products in FY24

05

## Direct Supplier Relationships

Strong relationships with leading global base oil suppliers

06

## Manufacturing Facilities in India and Overseas

Operates **3 strategically located manufacturing facilities** in Taloja (Maharashtra), Silvassa (Dadra and Nagar Haveli) and Sharjah (UAE)

07

## Large Scale of Operations

**FY24 Revenues of INR 41,132 mn, growing at a CAGR of 26% during FY21-24**

# PHPO - Largest Business Division



## Key Customers include Leading Indian and Global Companies



## Key End Applications

### Products

White oils,  
waxes and jellies

Contributes **46.7%**  
revenues from finished  
goods sold<sup>1</sup>

### Cosmetics and skin care products



### Ointments and over-the-counter medicines



Design and development of customized products in collaboration with customers

## Extensive Accreditation Process

- Provision of service, safety and performance histories
- **Product trials and plant audits**
- Financial capability and experience
- Certifications to be registered, and approved to conduct business
- Overall time for empanelment can take up to **4–5 years**
- Costs associated with changing suppliers are relatively high

## Key Business Metrics

PHPO revenue growth at a **CAGR of 39.6%**<sup>2</sup> and sales volume growth at a **CAGR of 21.3%**<sup>3</sup> during FY21-24

Primary end-industries are **Consumer and Healthcare** which contributed **71.84%** of PHPO revenue in FY24

Access to **highly refined grades of base oil** that are primarily used in the PHPO division

Note: <sup>1</sup> As a percentage of Q1FY25 consolidated revenue from finished goods sold, <sup>2</sup> PHPO revenue growth CAGR during FY21-24= (FY24 PHPO revenue/ FY21 PHPO revenue)^(1/3)-1; <sup>3</sup> PHPO Sales volume growth CAGR during FY21-24= (FY24 PHPO sales volume/ FY21 PHPO sales volume)^(1/3)-1

## Long Term Relationships with Leading Global and Indian Customers

PHPO



bajaj CONSUMER CARE



PATANJALI

Lubricant



adani  
Ports and  
Logistics

PIO

TOSHIBA

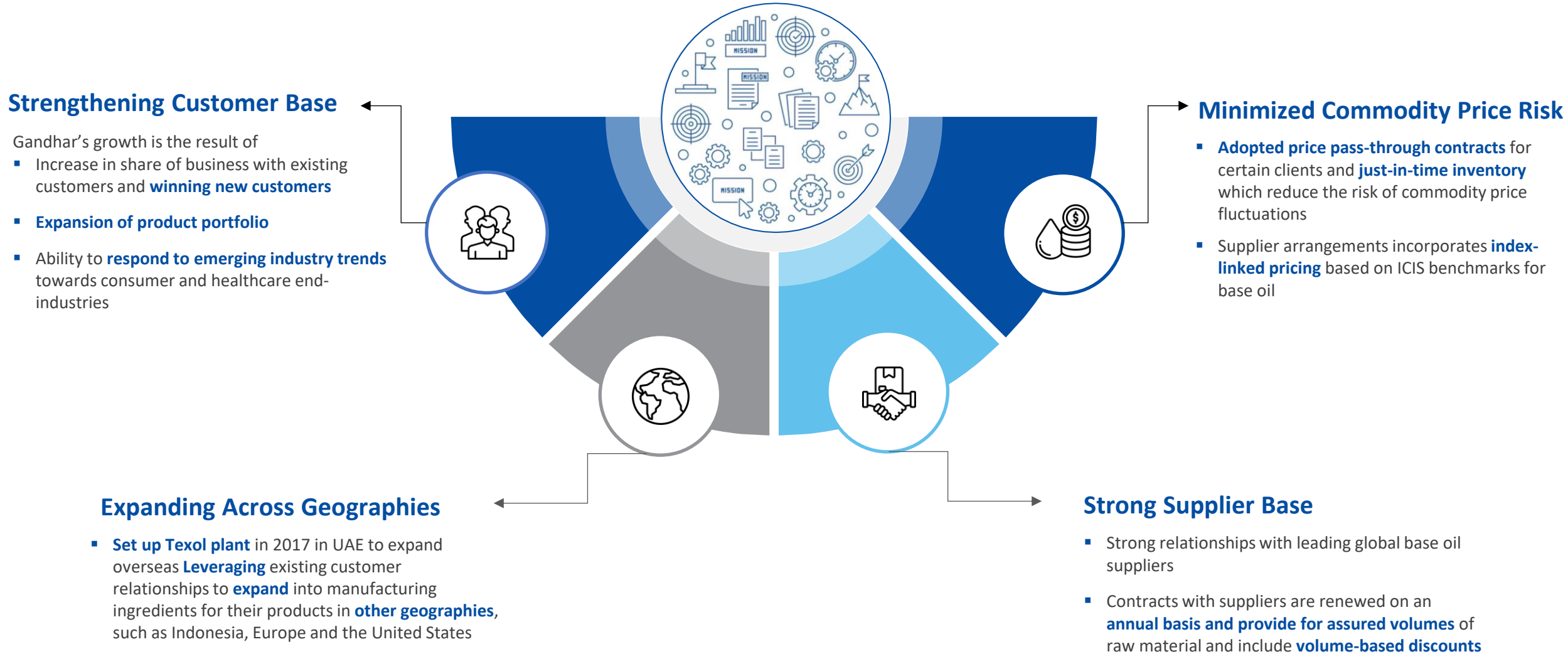
VAMSHI  
RUBBER LIMITED

AVIGIRI  
Urethane & Rubber Industries Pvt. Ltd.

## Global Footprint in 100+ Countries across 6 continents



Overseas Sales contribute **58.46%** of consolidated revenue from sale of products in FY24



Strengths That Elevate Our Performance

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# Largest Manufacturer of White Oils in India<sup>1</sup>

## One of the Leading Player in the White Oil Industry

#1 player in India in FY23<sup>2</sup>

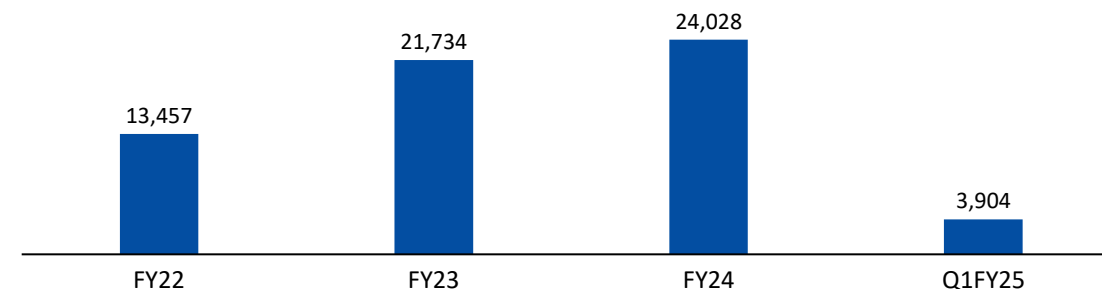
26.5% market share in India in white oil in FY23

Top 5 player globally in CY22

9.6% market share globally in white oil in CY22

## With Significant Revenue from Overseas Sales

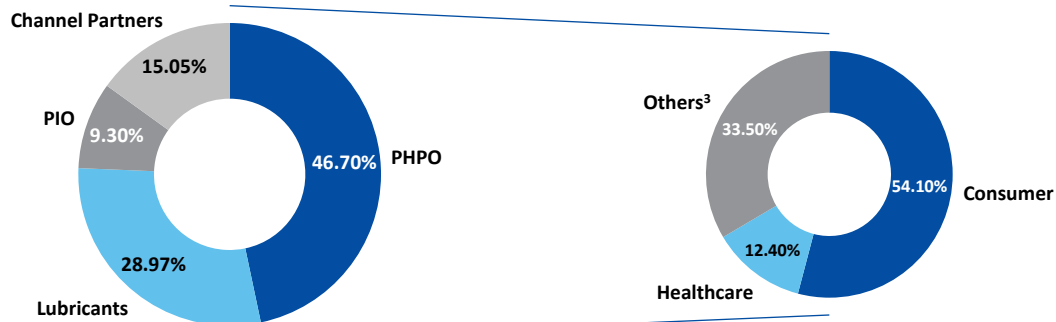
Revenue from Overseas sales (INR mn)



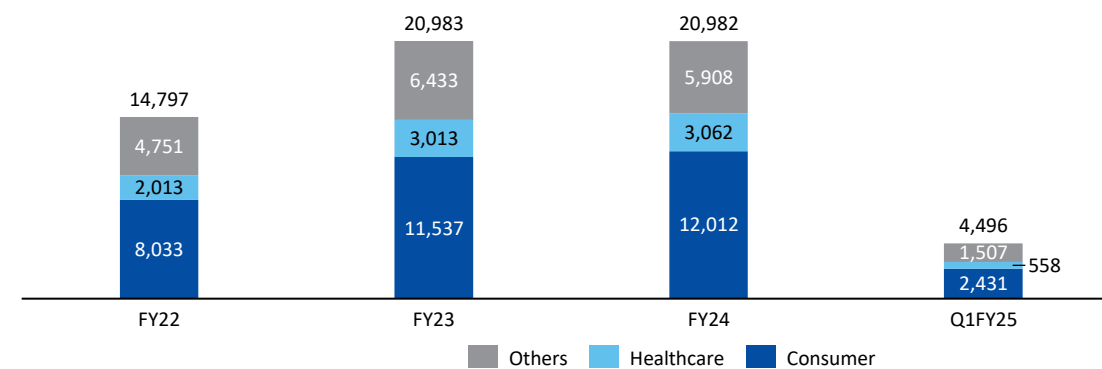
Overseas business across 100+ countries

## PHPO is the Largest Business Division with Exposure to Fast-growing Consumer and Healthcare End-Industries

Q1 FY25 consolidated revenue from finished goods sold (%)



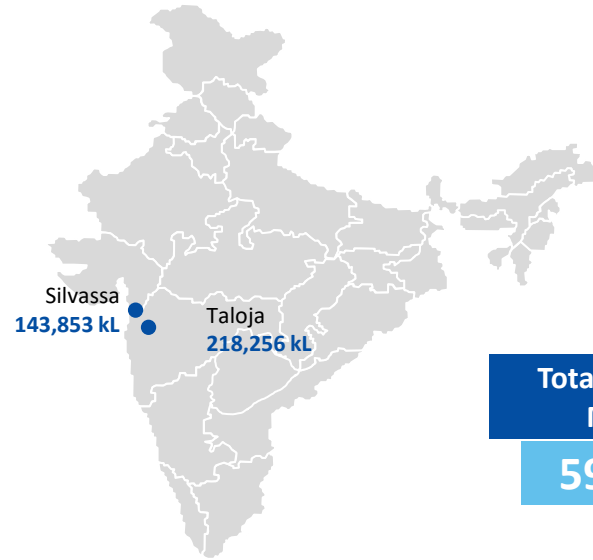
Revenue from PHPO by end-industry (INR mn)



Note: <sup>1</sup> Source: CRISIL Report; <sup>2</sup> Including domestic and overseas sales, <sup>3</sup> Others include Plastics, Chemicals, Textiles and Fragrances

## Operates Two Manufacturing Facilities in Western India and One in UAE

Sharjah  
235,294 kL



Total Capacity as of  
March 2024

597,403 kL

### Key highlights of the manufacturing facilities

- Facilities equipped with advanced technological capabilities, including **jet-mixing and fast-unloading and infrastructure to support product testing and R&D capabilities** at Taloja and Silvassa Plants and **SCADA** capabilities
- The Taloja Plant has **close proximity to ports** such as the Mumbai port and the JNPT port besides connectivity to road and rail



WHO – GMP1



Maharashtra FDA<sup>1</sup>



Certified by FSSAI<sup>1</sup>



ISO-certified



Kosher



Halal

## R&D Facility in Silvassa



**Certificate of registration by the DSIR**

R&D center at Silvassa has been granted



**Strong R&D team**



**Advanced laboratory equipment** for specialized product and quality tests to meet stringent quality requirements

Capabilities to customize, design and **develop bespoke products for customers**



Specialized hair serum



Vitamin A&D ointments



Automotive oil for use in sub-zero temperature

## Risk Management Framework



### Commodity Price Risk

- For the supply arrangements with key suppliers, **pricing is linked to ICIS benchmarks for base oil on a monthly basis**
- Certain customers have contracts with **provisions for price pass-through**
- Estimates procurement and inventory requirements based on expected sourcing levels, and anticipated demand



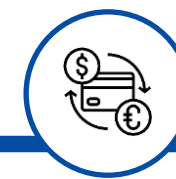
### Foreign Exchange Risk

- Hedging and risk management policy in place
- **58.46% of revenues in FY24 was from overseas sales** and primarily collected in USD, which acts as a natural hedge against currency risks
- Part of foreign exchange risk is managed by entering into **forward contracts**



### Credit Risk

- Gandhar has in excess of **4,000 customers during Q1 FY25**, which limits concentration risk and mitigates the risk of any one of its customers defaulting or delaying payments.



### Liquidity Risk

- As on 30<sup>th</sup> June 2024, Gandhar has fund and non-fund based working capital facilities which helps to maintain sufficient liquidity

### Resilient, Flexible and Scalable Business Model

- Gandhar has increased the scale of our operations over three decades, while **increasing efficiency and reducing costs**
- Given the nature of our industry as well the stringent quality standards applicable to various products in the end-industries, it is **difficult for new entrants to replicate** its quality, scale and business operations

# Diversified Product Range catering to Diverse industries

## Products

Personal care,  
Healthcare and  
Performance Oils  
(‘PHPO’)

**46.67%<sup>1</sup>**



White oil



Waxes



Petroleum jelly

Lubricant  
**28.97%<sup>1</sup>**



Automobile oil



Industrial oil

PIO  
**9.27%<sup>1</sup>**



Transformer oil



Rubber processing oil

## End Industries



Consumer



Healthcare



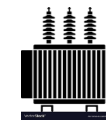
Chemicals and plastics



Automobile



Industrial machines and  
equipment



Transformer  
manufacturers



Power generation  
& distribution



Tyre & rubber  
products

Note: In addition to our three main business divisions, PHPO, lubricants and PIO, we also sell our PHPO, lubricant and PIO products to **channel partners** who sell such products onwards to end-users which contributed 15.05% of Q1 FY25 consolidated revenue from finished goods sold  
<sup>1</sup>As a percentage of Q1FY25 consolidated revenue from finished goods sold



# Experienced Board of Directors and Leadership Team



**Ramesh Parekh**

Chairperson & Managing Director

- Founder of the company with 30 years of experience in the specialty oils industry
- Acts as an exemplary mentor, providing visionary insights and strategic guidance



**Samir Parekh**

Vice Chairperson & Joint Managing Director

- 19+ years of experience in the specialty oils industry
- Responsible for overall management and organization of Gandhar



**Aslesh Parekh**

Joint Managing Director

- 19+ years of experience in the specialty oil industry
- Responsible for overall management and organization of Gandhar



**Indrajit Bhattacharyya**

Chief Financial Officer

- Experience in finance and administration
- Previously CFO and Director at Interdril (Asia) Limited and CFO at Valecha Engineering Limited



**Deena Asit Mehta**

Independent Director

- Experienced in the fields of financial services and management
- Director of Asit C Mehta Financial Services, Fino Payments Bank and Reliance Asset Reconstruction Company



**Raj Kishore Singh**

Independent Director

- Former Chairman and MD of BPCL and former Director of ONGC
- Director of Aegis Logistics, Tema India and Essar UK Services



**Amrita Nautiyal**

Independent Director

- Practicing company secretary and member of WIRC-ICSI and is also serving as Chairperson – WIRC-ICSI
- Director of Cipla Health and Jay Precision Pharmaceuticals



**Jayshree Soni**

CS and Compliance Officer

- Over 19 years of experience in secretarial compliance
- Previously at Euro Ceramics Limited as company secretary/manager-legal

## Roadmap for Next Level of Growth

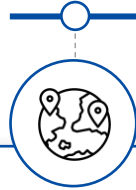
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## Enhanced focus on the consumer and healthcare end-industries

- End-use industries such as pharmaceuticals and consumer products are expected to grow strongly going forward driven by<sup>1</sup>:
  - **Strong domestic consumption**
  - **Favorable demographics**
  - **Government initiatives**
- Leverage its relationships with existing customers in the consumer and healthcare end-industries by:
  - **Expanding wallet share with them**
  - **And look at acquiring new customers in these end-industries**



## Continue to increase overseas sales by strategically expanding product offerings

- Working towards **increasing penetration in existing geographies**
- Potential **entry into new geographies** based on current customer relationships to support our growth globally
- Intend to leverage its existing customer relationships to **expand into manufacturing ingredients** for its key customers, particularly in **the PHPO division**, for their products in other geographies, such as Indonesia, Europe and the United States



## Strengthen our customer base by growing existing customer business and acquiring new customers

- Explore opportunities to grow by:
  - Expanding the array of products and solutions that we offer to our existing customers
  - Win new customer business by developing products and solutions aligned with their needs
- Moving up the value chain by **expanding our contract manufacturing services for finished products** to our customers



## Strengthen our manufacturing and R&D capabilities

- Taloja Plant capacity enhanced by 100,000 kl in FY24.
- Adding 18,840 kL to our Silvassa Plant to cater to the increasing demand for automotive oils

## Financial Highlights

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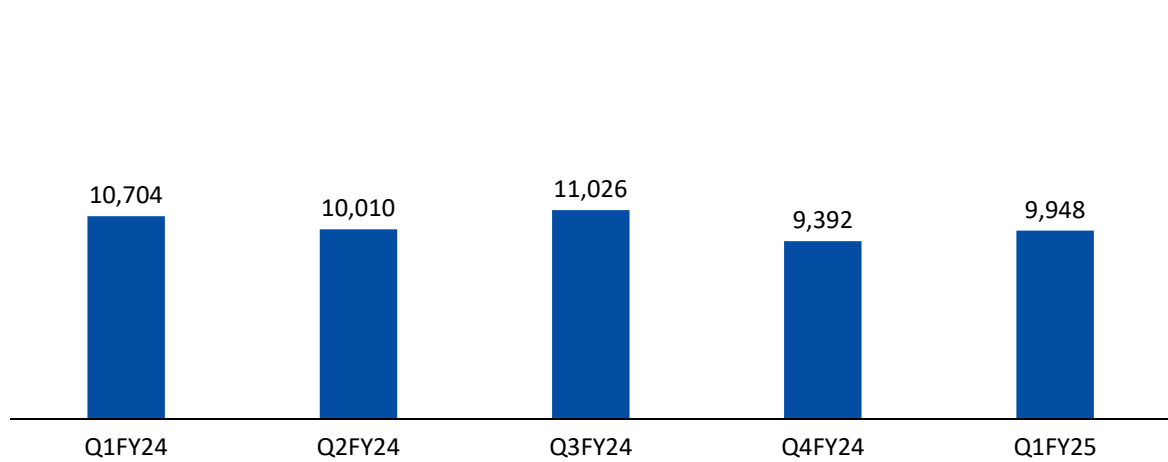




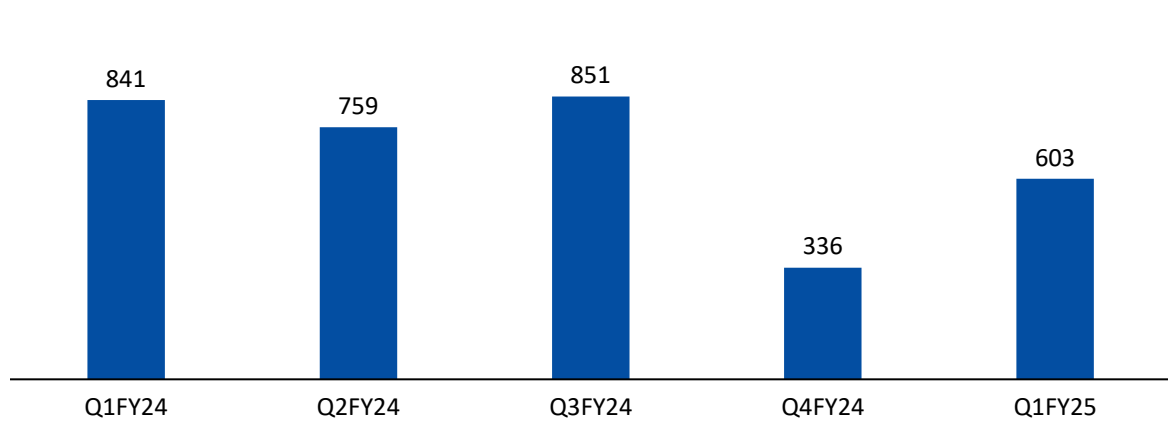
# Quarterly Financial Performance



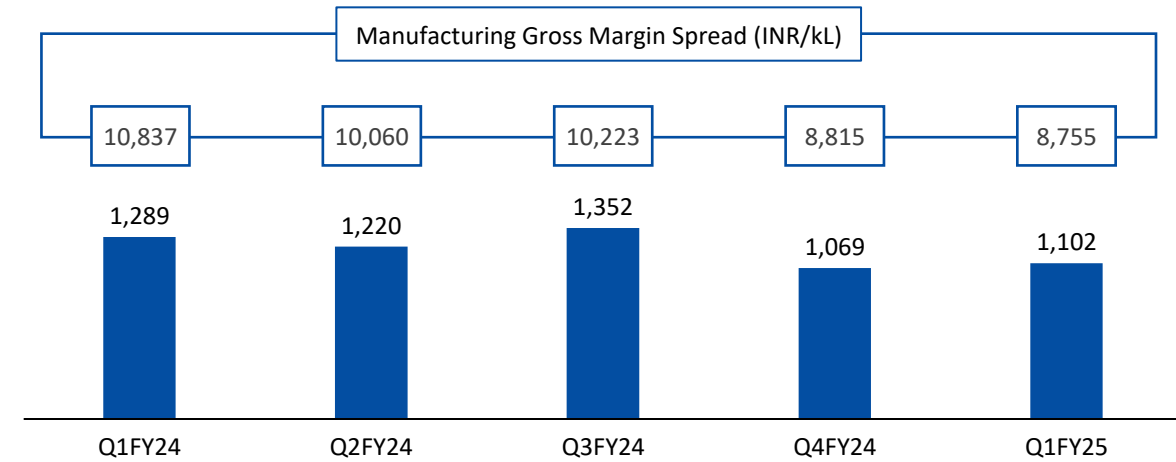
## Revenue (INR mn)



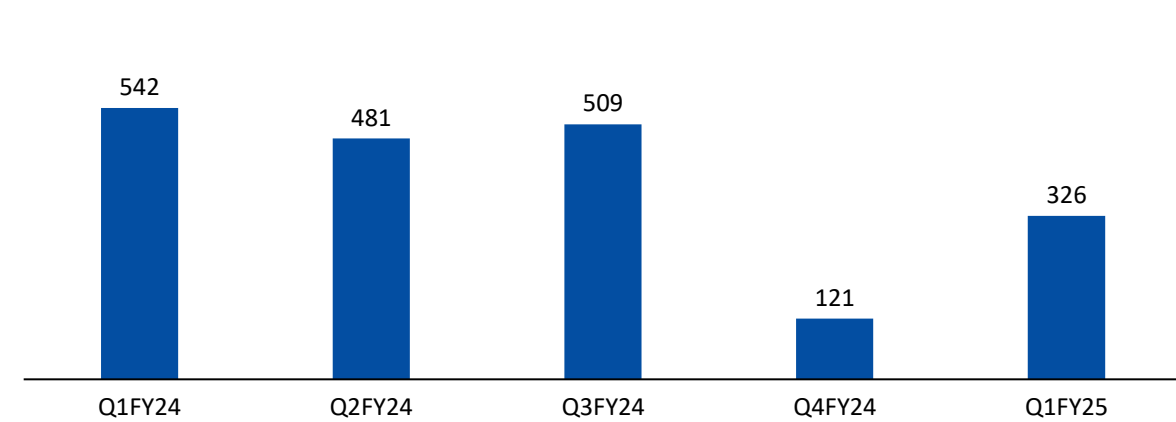
## EBITDA (INR mn)



## Gross Profit & Manufacturing Gross Margin Spreads



## Profit After Tax (INR mn)



# Quarterly Profit & Loss Statement

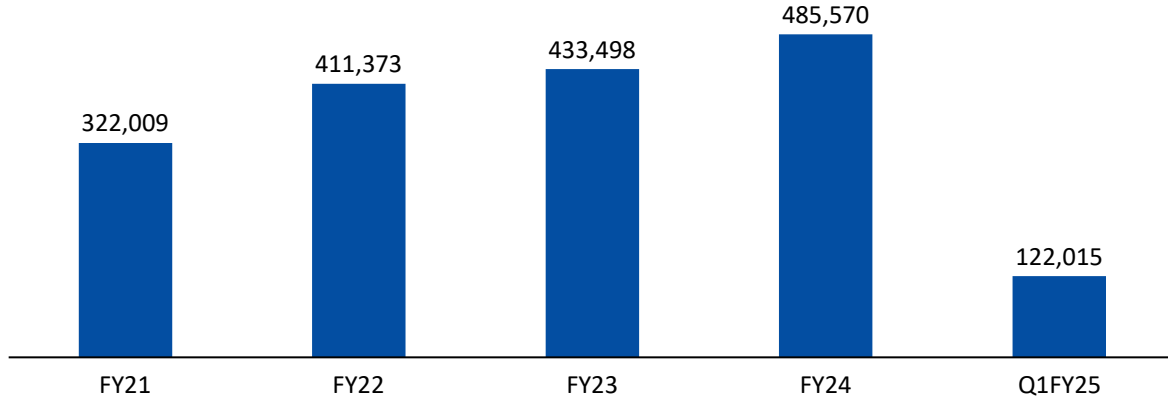


Particulars (₹ in Mn)	Q1FY25	Q1FY24	Q4FY24
<b>Revenue from Operations</b>	<b>9,948</b>	<b>10,704</b>	<b>9,392</b>
Cost of Material Consumed	8,809	8,676	8,369
Purchases of stock in trade	293	812	7
Change in Inventories of Finished goods & Work in Progress	(255)	(73)	(52)
<b>Total Raw Material</b>	<b>8,846</b>	<b>9,415</b>	<b>8,323</b>
<b>Gross Profit</b>	<b>1,102</b>	<b>1,289</b>	<b>1,069</b>
Employee Expenses	115	110	252
Other Expenses	384	338	481
<b>EBITDA</b>	<b>603</b>	<b>841</b>	<b>336</b>
Other Income	50	12	48
Depreciation	64	47	55
<b>EBIT</b>	<b>590</b>	<b>805</b>	<b>329</b>
Finance Cost	130	135	136
<b>Profit before Tax</b>	<b>460</b>	<b>671</b>	<b>192</b>
Tax	134	129	71
<b>Profit After Tax</b>	<b>326</b>	<b>542</b>	<b>121</b>
EPS (As per Profit after Tax)	3.4	5.6	1.1

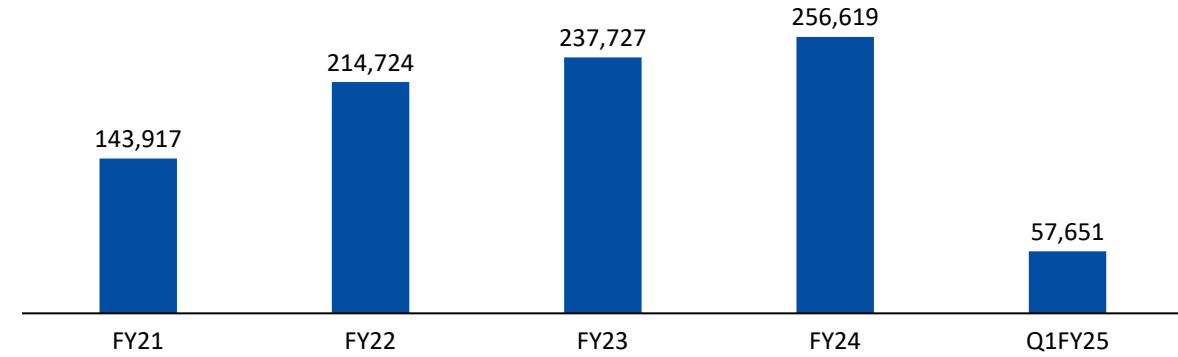
# Manufacturing Volumes



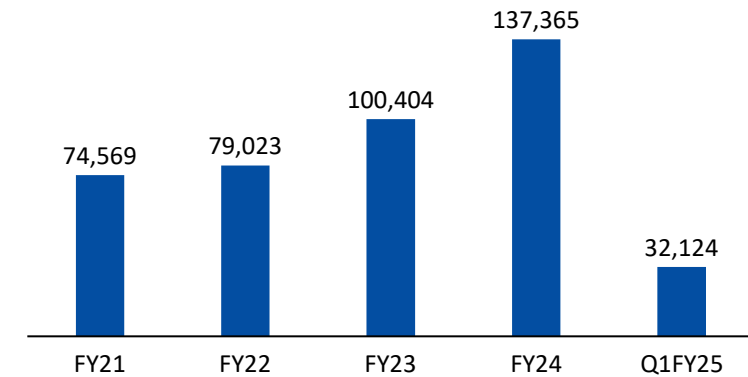
### Total Manufacturing Volumes (kl)



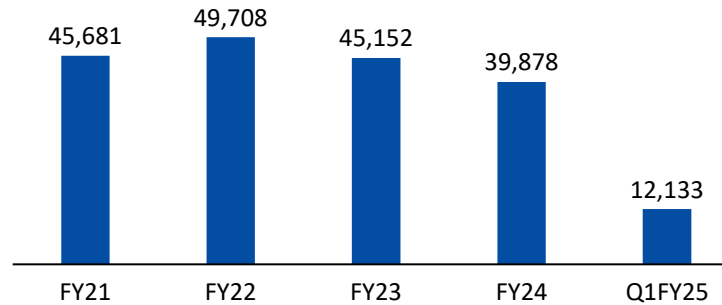
### PHPO (kl)



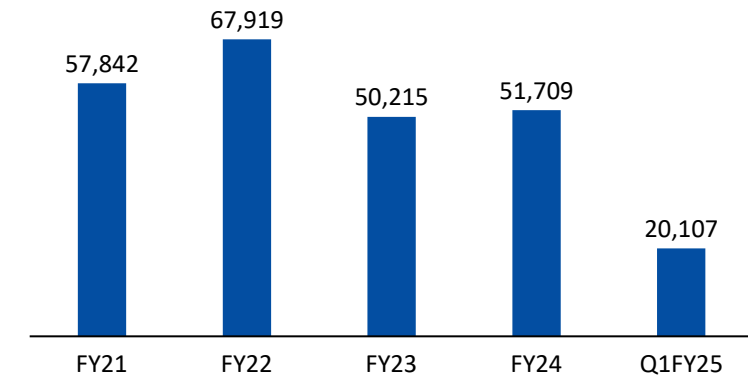
### Lubricants (kl)



### PIO (kl)



### Channel Partners (kl)



**COMPANY :**



**Gandhar Oil Refinery (INDIA) Ltd**

CIN : L23200MH1992PLC068905

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**Thank You**