

### Growth sustained with capacity expansion.

Gulf Oil Lubricants India Ltd delivered a record Q4FY26 performance with highest-ever quarterly lubricant volumes of 45,000 KL (+14% YoY; ~3x industry growth), alongside highest-ever quarterly EBITDA of Rs. 1,360 mn (+6% YoY). FY26 lubricant volumes grew 10.5% YoY to 1,68,000 KL, while AdBlue volumes rose ~8% YoY to 1,51,000 KL. Consolidated revenues crossed Rs. 40,000 mn for the first time during FY26, while FY26 EBITDA stood at Rs. 5,140 mn.

Growth remained broad-based with double-digit expansion in PCMO, commercial vehicles, agriculture and industrial lubricants, alongside continued strength in OEM franchisee workshops. Management highlighted that Gulf continues to outperform industry growth through market share gains, deeper distribution and strong OEM relationships.

Despite sharp volatility in crude oil and base oil prices following the Middle East crisis, the company maintained profitability through calibrated price hikes, inventory build-up and supply chain agility. Crude prices increased from ~US\$65-70/bbl to above US\$100/bbl during the quarter, resulting in rapid escalation in base oil, additives and packaging costs. Management reiterated its 12-14% EBITDA margin guidance.

On the EV mobility side, subsidiary Tirex crossed the Rs. 1,000 mn revenue milestone during FY26, while Gulf highlighted ~35-40% market share in DC chargers for electric buses. The company also continues to expand its EV fluid portfolio and has developed two data-center cooling fluid products, with compatibility testing currently underway.

Capex expansion at Chennai and Silvassa remains on track, with commissioning expected by Q3FY27 and Q4FY27 respectively.

#### Financial Summary

Y/E Mar Rs Mn	FY23	FY24	FY25	FY26	FY27E
Net Sales	29,991	33,011	36,312	40,560	45,428
EBITDA	3,428	4,209	4,723	5,139	5,948
PAT	2,323	3,081	3,573	3,448	4,179
EPS	47.30	62.63	73.00	70.38	85.29
P/E	20	15	13	14	11
ROE(%)	20%	24%	24%	22%	25%
ROCE(%)	23%	27%	27%	26%	27%

Source: Dalal & Broacha Research, Company



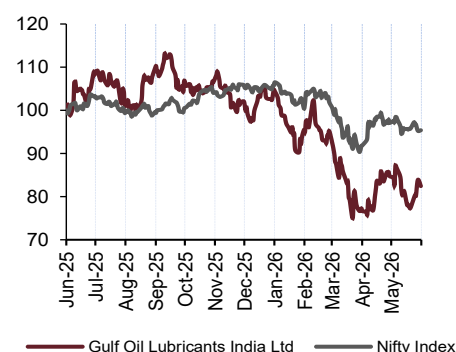
Rating	TP (Rs)	Up/Dn (%)
<b>BUY</b>	<b>1,280</b>	<b>34</b>

#### Market Data

Current price	Rs	957
Market Cap (Rs.Bn)	(Rs Bn)	47
Market Cap (US \$ Mn)	(US \$ Mn)	498
Face Value	Rs	2
52 Weeks High/Low	Rs	1331.9 / 864.5
Average Daily Volume	('000)	605
BSE Code		506945
Bloomberg		GOLI.IN

Source: Bloomberg

#### One Year Performance



Source: Bloomberg

% Shareholding	Mar-26	Dec-25
Promoters	67.01	67.11
Public	32.99	32.89
<b>Total</b>	<b>100.00</b>	<b>100.00</b>

Source: Bloomberg

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## Concall Highlights

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### Segmental Highlights

#### B2C

- Double-digit growth across PCMO and commercial vehicle segments; agriculture segment also delivered robust double-digit growth.
- Continued traction in rural markets and focus on premiumization under Unlock 2.0.

#### B2B/Industrial

- Industrial lubricants continued strong double-digit growth trajectory.
- Healthy demand from infrastructure, mining and construction equipment segments.

#### OEM & Workshop Segment

- Highest-ever quarterly lubricant volumes at 45,000 KL (+14% YoY; ~3x industry growth).
- FY26 lubricant volumes grew 10.5% YoY to 168,000 KL.
- OEM franchisee workshops delivered strong double-digit growth.
- Strong relationships across 50+ OEMs spanning automotive, industrial and construction equipment.

#### AdBlue

- Q4FY26 AdBlue volumes stood at 40,000 KL (+8% YoY).
- FY26 AdBlue volumes grew ~8% YoY to 151,000 KL ~8% volume growth in 9MFY26 (111,000 KL).

#### EV Mobility / Tirex

- Tirex crossed Rs. 1,000 mn revenue milestone during FY26.
- ~35-40% market share in DC chargers for electric buses.
- AC charging solutions supplied to MG Motor and VinFast.
- New Tirex manufacturing facility expected by Q3FY27.
- Gulf increased stake in Tirex from 51% to 65% during FY26.

**Data Center Cooling Fluids**

- Two products developed:
  - 1) Synthetic-based cooling fluid
  - 2) Mineral-based cooling fluid
- Material compatibility testing completed successfully.
- Commercial testing with data centers expected next.

**Supply Chain & Inventory**

- Inventory levels increased from normal 45 days to ~45-60 days to ensure supply security.
- No major supply disruptions witnessed despite allocation tightness from certain refiners.

**Dividend**

- The Board declared a final dividend of ₹30/share, taking total FY26 dividend (including ₹21/share interim dividend) to a record-high ₹51/share, the highest-ever dividend payout by the company.
- The FY26 dividend implies a payout ratio of ~72% and dividend yield of ~5.3% at the current market price.

**Capex**

- Chennai expansion expected by Q3FY27
- Silvassa expansion expected by Q4FY27

**Operational & Financial Performance****Volume Growth**

- Q4FY26 lubricant volumes: 45,000 KL (+14% YoY), highest-ever quarterly volumes
- FY26 lubricant volumes: 1,68,000 KL (+10.5% YoY)
- Q4FY26 AdBlue volumes: 40,000 KL (+8% YoY)
- FY26 AdBlue volumes: 1,51,000 KL (+8% YoY)

**Revenue**

- FY26 consolidated revenue crossed ₹40,000 mn for the first time.
- Revenue growth broadly in line with strong volume growth.

**EBITDA**

- Q4FY26 EBITDA: ₹1,360 mn (+6.0% YoY), highest-ever quarterly EBITDA
- FY26 EBITDA: ₹5,140 mn
- EBITDA margin guidance maintained at 12-14%

**PAT**

- Q4FY26 PAT: ₹896 mn (-3.5% YoY); primarily due to a sharp rise in finance costs, which increased 125% YoY to ₹228 mn, driven by higher debt levels. Total debt increased to ₹5,140 mn from ₹4,220 mn in FY25.
- FY26 PAT: ₹3,449 mn (-3.5% YoY)

**Forex & Input Costs**

- Crude prices increased from ~US\$65-70/bbl to above US\$100/bbl during the quarter.
- Multiple calibrated price hikes undertaken to offset sharp increase in base oil, additives and packaging costs.

**Outlook:** Management remains confident of sustaining growth at ~2-3x industry levels through market share gains, OEM expansion and premiumization initiatives. While crude and base oil volatility remain key near-term risks, the company continues to focus on pricing discipline, supply security and maintaining its 12-14% EBITDA margin band.

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## Valuation & Outlook

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Gulf Oil remains one of the fastest-growing lubricant players in India, supported by a strong distribution network, leading OEM franchisee workshop presence and a diversified presence across automotive, industrial and infrastructure segments. The company continues to gain market share by growing at ~2-3x industry growth rates, while strengthening its position in higher-growth categories such as PCMO, industrial lubricants and mobility solutions.

FY26 was a landmark year for the company, with lubricant volumes reaching 1,68,000 KL (+10.5% YoY), revenues crossing ₹40,000 mn for the first time and EBITDA touching a record ₹5,140 mn. Despite sharp volatility in crude oil and base oil prices during Q4FY26, management successfully protected profitability through calibrated pricing actions, supply chain agility and disciplined cost management while maintaining its 12-14% EBITDA margin framework.

Beyond the core lubricant business, Tirex has emerged as a meaningful growth driver, crossing ₹1,000 mn in revenue during FY26 and establishing a strong position in EV charging infrastructure. Capacity expansions at Chennai and Silvassa, continued distribution expansion, increasing OEM penetration and emerging opportunities in EV fluids and data-center cooling solutions provide additional growth levers over the medium term.

We maintain a positive view on the company, supported by sustained market share gains, healthy demand outlook, strong cash generation and multiple growth adjacencies. **We recommend a 'BUY' rating on the stock with a target price of ₹1,280, based on 15x FY27E EPS of ₹85.**

## Quarterly Result Analysis

Particulars (Rs.Mn)	4QFY26	4QFY25	YoY (%)	3QFY26	QoQ (%)
<b>Revenue from Operations</b>	<b>10,553</b>	<b>9,527</b>	<b>11%</b>	<b>10,176</b>	<b>4%</b>
Other Income	252	228	11%	244	4%
<b>Total Revenue</b>	<b>10,805</b>	<b>9,755</b>	<b>11%</b>	<b>10,419</b>	<b>4%</b>
Total RM Cost	6,133	5,473	12%	5,770	6%
<b>Gross Profit</b>	<b>4,419</b>	<b>4,055</b>	<b>9%</b>	<b>4,406</b>	<b>0%</b>
Employee Expense	539	479	13%	547	-2%
Other Expenses	2,516	2,288	10%	2,533	-1%
Total Expenses	9,188	8,239	12%	8,850	4%
<b>EBITDA (Excluding OI)</b>	<b>1,365</b>	<b>1,288</b>	<b>6%</b>	<b>1,326</b>	<b>3%</b>
Depreciation	189	162	17%	178	6%
<b>EBIT / PBIT</b>	<b>1,428</b>	<b>1,354</b>	<b>5%</b>	<b>1,391</b>	<b>3%</b>
Finance Costs	228	101	125%	141	61%
<b>EBT/ PBT</b>	<b>1,201</b>	<b>1,253</b>	<b>-4%</b>	<b>1,022</b>	<b>17%</b>
Tax Expense	305	324	-6%	260	17%
<b>PAT</b>	<b>896</b>	<b>928</b>	<b>-3%</b>	<b>761</b>	<b>18%</b>
Earning Per Share	18.2	18.7	-2%	15.5	18%
<b>Adjusted PAT</b>	<b>896</b>	<b>929</b>	<b>-4%</b>	<b>932</b>	<b>-4%</b>
Adj Earning Per Share	18.2	18.8	-3%	19.0	-4%
<b>Margins (%)</b>			<b>(In bps)</b>		<b>(In bps)</b>
Gross Margins	41.9%	42.7%	-80	43.3%	-142
EBITDA Margins (Excl OI)	12.9%	13.3%	-38	13.0%	-9
PAT Margins	8.5%	10.6%	-208	7.5%	101
<b>As a % to sales</b>					
RM as a % to sales	58.1%	57.4%	68	56.7%	142
EE Cost as a % to sales	5.1%	5.0%	8	5.4%	-27
Other exps as a % to sales	23.8%	24.0%	-18	24.9%	-105

Source: Dalal &amp; Broacha Research, Company

## Financials

P&L (Rs mn)	FY21	FY22	FY23	FY24	FY25	FY26	FY27E
Net Sales	16,521	21,917	29,991	33,011	36,312	40,560	45,428
Total Operating Expenses	8,890	13,121	18,677	19,461	21,018	23,304	26,218
Employee Cost	1,165	1,168	1,352	1,507	1,834	2,126	2,359
Other Expenses	3,816	4,770	6,534	7,833	8,736	9,991	10,903
<b>Operating Profit</b>	<b>2,651</b>	<b>2,859</b>	<b>3,428</b>	<b>4,209</b>	<b>4,723</b>	<b>5,139</b>	<b>5,948</b>
Depreciation	339	357	396	507	558	692	761
PBIT	2,312	2,502	3,032	3,702	4,166	4,447	5,187
Other income	521	442	471	681	987	976	976
Interest	146	96	376	259	359	564	591
PBT	2,686	2,848	3,127	4,124	4,793	4,632	5,572
Provision for tax	687	733	804	1,043	1,221	1,183	1,393
Reported PAT	2,000	2,115	2,323	3,081	3,573	3,448	4,179
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Balance Sheet (Rs mn)	FY21	FY22	FY23	FY24	FY25	FY26	FY27E
Equity capital	101	101	98	98	99	99	99
Reserves	8,594	10,327	11,684	12,846	14,519	15,264	16,929
<b>Net worth</b>	<b>8,695</b>	<b>10,428</b>	<b>11,782</b>	<b>12,944</b>	<b>14,617</b>	<b>15,363</b>	<b>17,028</b>
Non controlling interests	-	-	-	719	695	473	473
<b>Total Equity</b>	<b>8,695</b>	<b>10,428</b>	<b>11,782</b>	<b>13,663</b>	<b>15,312</b>	<b>15,836</b>	<b>17,501</b>
<b>Non Current Liabilities</b>	<b>247</b>	<b>385</b>	<b>479</b>	<b>599</b>	<b>646</b>	<b>972</b>	<b>972</b>
<b>Current Liabilities</b>	<b>5,448</b>	<b>7,112</b>	<b>8,455</b>	<b>9,825</b>	<b>11,619</b>	<b>13,341</b>	<b>15,005</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>14,390</b>	<b>17,925</b>	<b>20,717</b>	<b>24,086</b>	<b>27,577</b>	<b>30,150</b>	<b>33,479</b>
<b>Non Current Assets</b>	<b>3,167</b>	<b>3,452</b>	<b>4,026</b>	<b>4,999</b>	<b>5,255</b>	<b>5,421</b>	<b>5,666</b>
Tangible + Intangible Assets	2,463	2,456	2,418	3,205	3,530	3,963	4,208
Goodwill	-	-	-	277	277	277	277
Non Current Investments	203	214	738	764	743	365	365
Deferred Tax Asset	-	-	-	2	7	72	72
Other Financial Assets	315	255	247	174	219	262	262
Other Non Current Assets	186	528	622	577	478	482	482
<b>Current Assets</b>	<b>11,221</b>	<b>14,472</b>	<b>16,691</b>	<b>19,088</b>	<b>22,323</b>	<b>24,729</b>	<b>27,812</b>
Current investments	-	-	-	-	-	-	-
Inventories	3,765	4,763	4,717	4,943	5,075	5,947	6,981
Trade Receivables	1,890	2,959	4,100	5,018	4,943	5,348	5,817
Cash and Bank Balances	4,956	5,744	6,543	7,573	10,505	11,694	13,271
Short Term Loans and Advanc	2	2	3	4	4	5	5
Other Current Assets	609	1,004	1,328	1,549	1,795	1,735	1,738
<b>TOTAL ASSETS</b>	<b>14,389</b>	<b>17,924</b>	<b>20,717</b>	<b>24,086</b>	<b>27,577</b>	<b>30,150</b>	<b>33,479</b>

Cashflow (Rs mn)	FY21	FY22	FY23	FY24	FY25	FY26	FY27E
PBT	2,686	2,848	3,127	4,124	4,793	4,632	5,572
Depreciation	339	357	396	507	558	692	761
Net Chg in WC	-234	-2,388	148	140	395	-320	-329
Taxes	-551	-762	-934	-1,024	-1,257	-1,284	-1,393
Others	-305	-291	-32	-372	-500	-222	-385
<b>CFO</b>	<b>1,935</b>	<b>-236</b>	<b>2,733</b>	<b>3,376</b>	<b>3,989</b>	<b>3,497</b>	<b>4,226</b>
Capex	-86	-246	-232	-277	-534	-512	-1,006
Net Investments made	-137	-363	101	-898	438	31	-
Others	527	434	437	669	-10,666	-10,251	976
<b>CFI</b>	<b>304</b>	<b>-175</b>	<b>306</b>	<b>-506</b>	<b>-10,762</b>	<b>-10,732</b>	<b>-30</b>
Change in Share capital	71	40	2	53	52	33	-
Change in Debts	-1,522	1,583	-260	7	905	683	490
Others	-1,321	-642	-1,764	-2,440	-2,424	-3,480	-3,106
<b>CFF</b>	<b>-2,772</b>	<b>982</b>	<b>-2,021</b>	<b>-2,379</b>	<b>-1,467</b>	<b>-2,763</b>	<b>-2,616</b>
<b>Total Cash Generated</b>	<b>-534</b>	<b>571</b>	<b>1,018</b>	<b>527</b>	<b>3,228</b>	<b>1,098</b>	<b>1,580</b>
<b>Cash Opening Balance</b>	<b>5,450</b>	<b>4,916</b>	<b>5,487</b>	<b>6,505</b>	<b>7,032</b>	<b>10,261</b>	<b>11,359</b>
<b>Cash Closing Balance</b>	<b>4,916</b>	<b>5,487</b>	<b>6,505</b>	<b>7,032</b>	<b>10,261</b>	<b>11,359</b>	<b>12,939</b>

Ratios	FY21	FY22	FY23	FY24	FY25	FY26	FY27E
OPM	16%	13%	11%	13%	13%	13%	13%
NPM	12%	10%	8%	9%	10%	9%	9%
Tax rate	26%	26%	26%	25%	25%	25%	25%
<b>Growth Ratios (%)</b>							
Net Sales		33%	37%	10%	10%	12%	12%
Operating Profit		8%	20%	23%	12%	9%	16%
PBIT		8%	21%	22%	13%	7%	17%
PAT		6%	10%	33%	16%	-3%	21%
<b>Per Share (Rs.)</b>							
Net Earnings (EPS)	39.84	41.98	47.30	62.63	73.00	70.38	85.29
Dividend Per Share (DPS)	15.9	5.0	25.1	35.7	48.2	50.7	59.7
<b>Valuation Ratios</b>							
P/E(x)	24	23	20	15	13	14	11
P/B(x)	5.5	4.6	4.0	3.6	3.2	3.1	2.8
EV/EBIDTA(x)	17	16	13	10	9	8	7
Div. Yield(%)	1.67%	0.53%	2.62%	3.73%	5.03%	5.30%	6.24%
<b>Return Ratios (%)</b>							
ROE	23%	20%	20%	24%	24%	22%	25%
ROCE	27%	21%	23%	27%	27%	26%	27%
RoIC	37%	26%	30%	38%	46%	46%	49%

Source: Dalal &amp; Broacha Research, Company

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