

**RAJESH NAGAR****MANAGING DIRECTOR & CEO****GS CALTEX INDIA PVT. LTD.**

 GS Caltex, headquartered in Seoul, South Korea, is a leader in the petroleum, lubricant and petrochemical businesses. It was founded in 1967, as a 50-50 joint venture between GS Energy, South Korea & Chevron Corporation, USA and,. On 2nd February 2020, GS Caltex celebrated its 10th Anniversary in India. Since its inception in 2010, the company has grown from a modest beginning to build up an impressive client base including automotive & construction equipment OEMs, mining companies, and many other industrial customers.

We caught up with Mr. Rajesh Nagar; MD & CEO of GS Caltex India on this commemorative occasion to find out more about this memorable journey and future plans for the Indian market.

Q. As GS Caltex India is going to celebrate its 10th anniversary, what are the achievements of the company till now and how has been the journey so far?

GS Caltex operates the fourth largest refinery in the world at Yeosu, South Korea and is the largest producer of aromatics products globally. The Company is a major exporter of petroleum products including lubricants. Building on this competitiveness the company decided to venture into large overseas markets like India, Russia, China & many other countries. The Indian subsidiary was established in Mumbai, India on 2nd February 2010; thus, marking the beginning of our Indian journey.

Indian lubricant market is one of the most competitive and toughest markets in the world. For a relatively young company like ours we have managed to make our own place in the Indian lubricant industry on the strength of our superior technology and products. GS Caltex India might be the only company in India to manufacture high quality premium lubricants using only group II plus/group III base oils imported from its own refinery.

I can probably say that in a short span of time we could establish strong relationships with large OEM's viz Volvo, Hyundai, Amman, Ajax, Kolher to name a few.

Q. How do industrial lubricants contribute in the growth of the construction sector? Which are the factors that are propelling the growth of construction lubricants in India?

At a global level, infrastructure is the key backbone of all developed and industrialized nations. In India as well, the Government has earmarked Rs 100 Lakh Crore (USD 1.45 trillion) for infrastructure development in the next 5 years. Thus the Government's impetus to infrastructure development in the areas of energy, roads, urban development and railways will augur well for the Indian economy.

Fast paced infrastructure development is achieved by the use of right equipment, technology and know-how while adopting and implementing globally accepted best practices. In such a fast paced environment any equipment breakdown implies a cost and time overrun in terms of machine time. We with our superior technology based lubricants and services backed by expertise help in preventing breakdowns by maintaining machines & equipment thus reducing the overall cost of ownership of the equipment.

Q. Lubrication of the equipment can help eliminate the downtime and reduce the operating costs, kindly elaborate this point.

Customers now demand products that would reduce

their down-time and thus reduce the cost of ownership. The high-performance lubricants from GS Caltex offer ultimate reliability at all temperatures, lower oil consumption, significantly lower fuel consumption and specifically extended service intervals. Whenever engines run freer and more reliably, operating costs are lower if only because they consume less; just 1 % lower fuel consumption means, depending on operating conditions, fuel savings of several thousand rupees per vehicle per year. Every penny saved is penny earned; our constant efforts to help our customers to reduce the cost of ownership has been highly appreciated and has helped us grow. Despite the tough conditions across the automobile sector we were able to ensure growth at the end of the year.

Q. Can you please share trends to watch out for in the coming years?

We believe the future looks very promising. It was a cyclical slowdown and the market would improve soon. The numbers from the automobile industry were lowest in decades in 2019 which was not a normal phenomenon. India is a growing economy and with impetus given by the Government to Infrastructure and Construction segment we believe there will good demand for quality products. We see considerable growth in consumption of lubricants, especially in construction and mining industry. India is still lagging in infrastructure creation and it is estimated that in next 15-20 years an investment of \$4 trillion will be needed for construction and mining sector to meet the emerging demands of infrastructure development. Out of the \$4 trillion required for the infrastructure and mining activity, a significant portion will be towards equipment machinery in the coming years.

Infrastructure development is on full swing in various segments such as roads, railways, metro rail, ports, airports and urban infrastructure, which will be the key for the growth of industrial lubricants where a lot of equipment will be at work.

At the recently held EXCON GS Caltex India showcased our futuristic range of products meeting BSVI standards which includes Engine Oils Kixx HDX Euro CK-4 15W-40, long life high performance hydraulic oils Kixx HVL range and High performance fully synthetic gear oil Kixx GearSynGL-5 75W-90. Recently, we have also launched our polymer product portfolio in India.

Gen-next is highly digital and as a part of reaching out to them we are investing significantly in various digital platforms. We have got excellent results and we hope to continue investing in digital platforms as a part of our brand expansion strategy.

GS Caltex India will continue to invest in new technologies and superior products catering to existing and new segments with the objective of adding value to our customers and stakeholders. 