

INDIA'S SME GROWTH STORY BY



BS BRAND CONNECT

“BEYOND ENGINES: HOW ARABIAN PETROLEUM IS ENGINEERING HIGH-MARGIN INDUSTRIAL GROWTH.”

New customers, institutional contracts and a production facility under construction are shaping the next phase of growth for the lubricant manufacturer.

EXPERT: We usually associate lubricants with vehicles. How much wider is Arabian Petroleum's business?

ARABIAN: Vehicles are one part of our business. Our products also go into factory machinery, turbines, hydraulic systems and specialised equipment. Each application has its own requirements, so developing the right formulation matters.

We manufacture automotive and industrial lubricants, specialty oils and coolants, with a portfolio of more than 500 formulations. From our manufacturing base at Ambernath near Mumbai, we serve industries including automobiles, steel, power, pharmaceuticals and chemicals.

EXPERT: How did the company build this range?

ARABIAN: Our manufacturing journey began at Taloja in 2006. Arabian Petroleum was incorporated in 2009, became a public limited company in 2011 and entered automotive lubricants with the ARZOL brand in 2015.

Since then, we have steadily expanded our product range, manufacturing capabilities and customer relationships. Today, our scale includes:

Key sectors: Defence, Power, Automobiles and Chemicals.

Domestic reach: Across 28 states through more than 300 distributors.

Global presence: Exports to 22+ countries.

EXPERT: What progress have you made in the industrial and automotive businesses?

ARABIAN: In the industrial business, we appointed distributors in Madurai and Hyderabad and added customers including UNO Minda, Spark Minda, Birla NU, Mahabal Group, Mahindra's Swaraj Division and International Combustion (India) Limited. We also completed a successful trial with Sugami Precision.

In automotive lubricants, we added three distributors in Rajasthan. Durazol All Seasons recorded a single order of 250 cases, providing an encouraging response for the product.

We have also opened warehouses in Aurangabad, Bengaluru and Nagpur to support our distribution network.



EXPERT: Institutional orders have become an important part of the story. Which developments stand out?

ARABIAN: Our ₹20 Crore Indian Army contract and continuous BHEL/ISRO assignments demonstrate our higher engineering capabilities.

We received an Indian Army order worth approximately ₹90 lakh for defence-grade lubricants. MOIL and BEML awarded new rate contracts in the second half of FY 25 26.

We also secured a second repeat order for the Border Roads Organisation's Project Dantak in Bhutan and successfully completed an ISRO development order for a water-soluble forming fluid. These assignments give us opportunities to demonstrate our capabilities in demanding applications.

EXPERT: And what new business came in during April–September 2026?

ARABIAN: We added business across electrical equipment, defence manufacturing, logistics and railway applications.

The wins included 150 KL of transformer oil for Kerala Electrical & Allied Engineering Co. Ltd., Honing Oil 981 for the Small Arms Factory in Kanpur, and ARZOL Super Duty Plus 15W40 API CI-4 for Container Corporation of India Limited in Gujarat and Madhya Pradesh.

Other additions included ARBOCOOL for MSME Technology Centre, Bhiwadi, and SPL Turbo Prime 46 for Chittaranjan Locomotive Works in West Bengal.



EXPERT: What allows you to serve such different applications?

ARABIAN: Product development and testing are central to the business. Our ISO 17025, NABL-accredited laboratory supports formulation development and quality checks, while our processes carry ISO 9001, ISO 14001 and ISO 45001 certifications.

We have entered the food-grade lubricant market with NSF (US FDA) approval for our range and secured BIS certification for transformer oils.

Technology transfers from DRDO for Universal Recoil Fluids and Low Temperature Coolants have also strengthened our capabilities in specialised defence applications.

EXPERT: What is new in the product portfolio?

ARABIAN: We have expanded into process oils and specialty oils and developed products for metalworking, rust protection, cleaning, gear and hydraulic applications.

These include the Arzol Cutmaster Series, Arzol Rust Coat WB Series, Arzol SuperClean SPC, Arzol Biogear 75W90, Arzol PEGCOL Hydrex 89 and Arzol Hydrex Superclean Series.

The aim is to build a broader range around customers' operating needs and increase our presence in specialised products.

EXPERT: How are you preparing the manufacturing business for the next stage?

ARABIAN: Future-Ready Infrastructure: We are expanding capacity to 70,000 KL to capture skyrocketing industrial demand. This is an important part of our capacity expansion plans.

We also began in-house production of Fatty Acid Amides in December 2025. Making these inputs ourselves is intended to reduce dependence on imported key raw materials, improve cost control and create opportunities for sales to other customers. We are also laying the foundation for esterification.

EXPERT: Where do the subsidiaries fit into these plans?

ARABIAN: They add capabilities in products and international business.

Lavisa Technologies, our 91%-owned subsidiary, strengthens our presence in specialty metalworking products through acquired customers, technology and know-how. It remains at an early stage of development. Arzol Petroleum Trading FZE, our wholly owned subsidiary in Dubai's Jebel Ali Free Zone, provides a platform for finished lubricant trading, raw-material sourcing and expansion in the Middle East.

EXPERT: How did this progress reflect in FY 25 26 financial performance?

ARABIAN: Consolidated revenue rose 44.9% to ₹413.27 crore, EBITDA grew 15.6% to ₹20.11 crore and profit attributable to owners increased 23.5% to ₹11.22 crore. EPS stood at ₹10.30. Standalone revenue grew 31.6% to ₹375.42 crore.

EXPERT: What will support the next phase of growth?

ARABIAN: Our priorities are commissioning the new facility, expanding specialised products and deepening customer relationships. We have also entered the Construction, Mining and Infrastructure segment, opening up new growth opportunities. Our exports have been growing consistently, with 7–8 new countries added to our export markets over the past year. Industry exhibitions continue to support our market outreach, while our focus remains on repeat business, better margins and stronger cash generation.

THE NUMBERS BEHIND THE STORY — FY 25 26

What would you like to know?	Performance
Revenue from operations	₹413.27 crore
Revenue growth	44.9%
EBITDA	₹20.11 crore
EBITDA growth	15.6%
EBITDA margin	Approximately 4.9%
Profit attributable to owners of the parent	₹11.22 crore
Profit growth	23.5%
Earnings per share	₹10.30

Figures are consolidated. Growth percentages are year-on-year.



Connect on Whatsapp



E-Mail - info@equibridgex.com



Website - www.equibridgex.com



Contact No: 80822 26688



Track Our Growth Journey



NSE Emerge: HRHNEXT.
Leaders in AI-Led Vernacular Customer
Experience BPM Services

LEARNINGS FROM OVER 50 MILLION CONVERSATIONS A YEAR AND 30+ TB OF INDIA'S REAL CONVERSATION DATA: WHY AI IS A TAILWIND, NOT A THREAT.

ANKIT SHAH, MANAGING DIRECTOR, HRH NEXT SERVICES LIMITED.

A conversation about how an organisation that began as Hyderabad Radio House - a consumer durables giant established in 1938, with a rich entrepreneurial legacy - grew into a customer experience company of 2,500+ people; why AI is making its contact centres more profitable, not obsolete; and what twenty years of vernacular conversations are worth.



50 Million+ conversations a year

2,500+ people, 8 delivery centres

11+ Indian languages, 10 Industries

+38% EBITDA growth, FY26

+55% PAT growth, FY26

Q : Start with the business. What does HRH Next actually do?

ANKIT SHAH : We run customer conversations for some of India's largest consumer brands. Voice, chat, email, social and digital - customer support, collections, sales, verification and back office. Eight delivery centres, 2,500+ people, eleven-plus Indian languages, ten industries. Last year we handled over 50 million conversations for category leaders in food delivery, telecom, travel, auto-commerce and digital lending. Most of those relationships are years old, and they renew because we are inside their daily operations, not on their vendor list.

Q : Why build in Coimbatore, Tumkur and Warangal rather than Gurugram or Pune?

ANKIT SHAH : Because that is where India's languages live. A Tamil customer wants a Tamil voice, and the best Tamil voices are in Coimbatore, not in a metro tech park. Tier II and III cities give us deep vernacular talent, lower attrition and a cost base metro-centric competitors cannot match. We are now taking the same model into Jaipur and Indore, to bring the Hindi heartland into our delivery and data footprint.

Q : The market's fear is simple. AI will replace call centres. Why shouldn't an investor in a BPM company worry?

ANKIT SHAH : Because AI replaces the routine minute, not the customer relationship. The operators who will lose are the ones who sell hours and hope automation passes them by. We automated ourselves first. If AI were eroding our business, it would show in our numbers. Instead revenue grew 18 per

cent last year and EBITDA grew 38 per cent. A collections call, a legal notice, a customer about to churn - these still need judgement, language and accountability. AI makes each of those conversations cheaper and better. Whoever delivers it inside the client contract keeps the gain, and that is us.

Q : So what has AI changed inside HRH Next, concretely?

ANKIT SHAH : FY26 was the year AINA, our AI platform, moved from launch into full commercial deployment. It gives agents real-time assistance, runs voicebots and chatbots, automates workflows and audits every single interaction rather than a two per cent sample. We estimate that at scale AINA saves about 7 per cent of people costs, supports 5–10 per cent revenue growth and adds 3–4 points of EBITDA margin. We are partway there, not all the way.

Q : Every company can license the same AI models. What do you have that they don't?

ANKIT SHAH : Twenty years of Indians talking to brands. More than 30 terabytes of data from real conversations - code-mixed, accented, emotional, unscripted - across industries and dialects. No lab can generate that and no one can buy it. We built our own foundational model to annotate and label that data archive, which turns it into a training set that gives Agentic Voice AI higher accuracy on Indian conversations. Models get cheaper every quarter. That data does not.

Q : You say AINA understands what was meant, not what was said. Explain that without the marketing.

ANKIT SHAH : A borrower says "I'll pay by Friday." The words are the same whether he means it or not. The voice is not. Our Voice Intelligence Tool turns every call into Acoustic DNA - tone, pace, hesitation, sentiment - and scores the intent behind the words. It flags churn and payment risk while there is still time to act.

Q : Is any of this live, or still a pilot?

ANKIT SHAH : Live, and billing. Multiple AI projects are in production across client programmes. The clearest example is our integrated legal communication platform for lenders. A process that used to run across vendors, spreadsheets and couriers is now one platform: notices generated in the borrower's own language, delivered on SMS, WhatsApp and email, tracked in real time, with an audit-ready trail, meeting all statutory compliances. It processes over a million notices a month at an 85 per cent delivery rate, with 80 per cent faster turnaround.

Q : Start with the year just gone.

ANKIT SHAH : Revenue of ₹68.16 crores in FY26 against ₹57.84 crores, up 18 per cent. EBITDA up 38 per cent to ₹12.66 crores, and margin up 270 basis points to 18.6 per cent. Profit after tax up 55 per cent to ₹4.86 crores. The order is what matters: profit grew faster than EBITDA, and EBITDA faster than revenue. That is what AI-led delivery looks like in a P&L.

Q : You are launching a do-it-yourself voice agent. Doesn't that cannibalise your own service business?

ANKIT SHAH : The DIY Voice Agent, launching as early as October, lets any business - a regional NBFC, a D2C brand, a hospital chain - build and deploy a vernacular voice agent without writing code, on the same data foundation our clients use. Large accounts will keep buying managed delivery. The thousands of businesses that could never afford a contact centre now get one, and we earn a platform revenue line we did not have.

Q : Investors who want AI usually have to buy a large IT services company or wait for a startup to list. You trade at about six times earnings. Where does HRH Next fit?

ANKIT SHAH : Look at who builds vernacular voice AI in India today. Almost all of them are venture-funded startups that a public market investor cannot buy. HRH Next is one of the few listed companies in India that brings all three pieces together: a vernacular voice AI platform co-created with technology partners, the twenty years of data it is trained on, and the clients it already earns from. At about six times trailing earnings, the market still prices us as a call centre. What the right multiple is, investors will decide. Our job is to make the AI revenue large enough that the question answers itself.

Q : Last question. What should an investor watch over the next two years?

ANKIT SHAH : Watch AINA. In FY26 about 10 per cent of our revenue came from it; this year we are on course for 15 to 18 per cent. That AI revenue is adding to the bottom line, not just the top line. Headcount may rise marginally as we grow, but profits should grow faster and wider as we deepen existing relationships and win new ones. That is the difference between a contact centre with AI and an AI company with contact centres, and we would rather be judged on it than on a story.

AINA
AI in production, not in pilot.

- Real-time agent assist, AI voicebots & chatbots
- Automated audits on 100% of interactions
- Voice Intelligence with Acoustic DNA
- Vernacular SMS & workflow automation

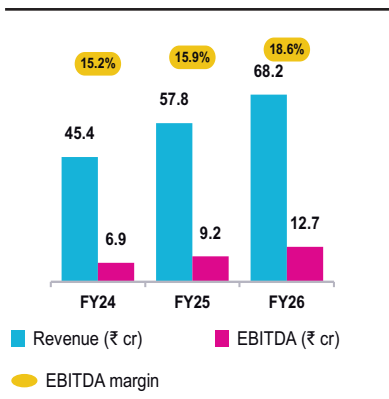
Integrated Legal Communication Platform

- 1 Mn+** notices / month
- 85%** delivery success
- 80%** faster turnaround

RBI & IT Act compliant · TRAI compliant · DLT registered

COMING AS EARLY AS OCTOBER
AINA DIY Voice Agent
Build, train and deploy your own vernacular AI voice agent - no code, built on 20 years of India's conversations.

AI IS SHOWING UP IN THE P&L



WHAT THE INVESTOR WANTS TO KNOW

Consolidated (₹ cr)	FY25	FY26	% chg
Revenue from operations	57.84	68.16	17.80%
EBITDA	9.18	12.66	37.80%
EBITDA margin	15.90%	18.60%	+270 bps
Profit after tax	3.14	4.86	54.90%
PAT margin	5.40%	7.10%	+170 bps
Net worth	36.58	41.44	13.30%
EPS - Basic / Diluted (₹)	2.77	3.68	32.90%

As reported in the Company's audited financial results for FY2025-26. Market price ₹23.20 and market capitalisation ≈ ₹30.63 crore as on 06-10-2026 (NSE Emerge: HRHNEXT).

THE HRH NEXT MOAT: DATA NO ONE ELSE HAS

Models are a commodity. Proprietary data is not.

30+ TB data

Vernacular conversational data

Twenty years of real customer calls across telecom, BFSI, e-commerce, travel and government, in 11+ languages and dialects.

Data Annotation Model

Foundation for Agentic Voice AI

A foundational model that turns the data archive into a structured training set for higher-accuracy Agentic Voice AI.

Voice Intelligence

What was meant, not just what was said

A customer can say "YES" while the voice says "NO". AINA's Voice Intelligence reads tone, pace and hesitation to understand intent - on every call.

20 years

Marquee client relationships

Embedded with category leaders in food delivery, telecom, travel, auto-commerce and digital lending - every new AI capability ships into a live programme on day one.



Connect on Whatsapp



E-Mail - info@equibridgex.com



Website - www.equibridgex.com



Contact No: 80822 26688