Gulf Oil Corporation Limited

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12 February, 2014

The Secretary
BSE Limited
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Dalal Street
Mumbai – 400 001
Fax: 022–22723121/2027/2041/2061/3719

National Stock Exchange of India Limited
Exchange Plaza
Bandra Kurla Complex
Bandra (E),
Mumbai – 400 051
Fax: 022 – 2659 8237/38, 2659 8347/48

Dear Sir/Madam,

Sub: Press Release
Ref: BSE Scrip code-506480, NSE Scrip code- GULFOILCOR

Please find enclosed herewith Press Release of the Company dated 12th February, 2014.

This is for your information and records.

Thanking You,

Yours Faithfully
for **Gulf Oil Corporation Limited**

A.Satyanarayana
Company Secretary

Encl: As above

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Press Release **for Immediate Publication**

- **Gulf Oil Q3 PAT up 20% at Rs. 18 crores.**

Highlights

- **9 Months Turnover at Rs.786 crores and PAT up 12% at Rs.40 crores.**

Mumbai, February 12, 2014: Gulf Oil Corporation Ltd., a Hinduja Group Company, has reported a turnover of Rs.265 crores in Q3. Profit after tax for Q3 was Rs.18.03 crores (Rs.15.03 crores). Profit from operations increased QoQ to Rs. 16.82 crores

LUBRICANTS DIVISION:

The Lubricants Division has been able to maintain its revenues in Q3 of Financial Year 2013-14. The net turnover for the quarter increased to Rs. 215 Crores as compared to Rs. 213 Crores in the corresponding quarter of the previous year. Operational Profit before Interest and Tax for the quarter is marginally lower at Rs. 25.08 crores compared to Rs. 25.56 crores in the corresponding quarter of the previous year.

Inspite of negative demand conditions, continuing upward trend in the prices of major raw material and fluctuating exchange rates in Q3, the Division has been able to maintain EBIT margins largely and deliver 11.5% - 12.5% EBIT margins by proactive actions on retaining volumes, affecting regular price increases and other cost related

initiatives. While the overall lubricant industry is in negative volume growth this year so far, largely impacted by the de-growth in the automotive industry, drop in transportation/mining , the Lubes Division has been able to deliver similar volumes as last year thereby consolidating its position by maintaining the trend of achieving market share gains.. The volumes were achieved inspite of a major slowdown in demand conditions across segments, especially in the commercial vehicle lubricants area, as the Division launched special initiatives in the motorcycle oils area with a successful tie-up with the 'Dhoom 3' (D3) blockbuster franchisee which comprised of a special limited edition pack with consumer gifts, movie tickets, TV advertising in music channels and a highly visible retail display contest across major cities. The Gulf D3 initiative was extremely well received by consumer, mechanics & retailers to notch up another all time record for our motorcycle range of lubricants in December. This also positively impacted the results for the quarter.

EXPLOSIVES DIVISION AT HYDERABAD

During Q3, the Explosives Division, which manufactures detonators and accessories, achieved sales of Rs 16.51 crores (as against Rs. 16.89 crores last year).

Production of detonators increased in Q3 by 20% to 26.2 million in units of this kind. Production of Detonating Fuse was restarted in the first week of February'14 and will add to turnover in Q4.

MINING AND INFRASTRUCTURE DIVISION

Operations of the Mining and Infrastructure Division have been completely scaled down due to major projects being under temporary suspension for want of various government / regulatory clearances in the non-coal sectors. In Q3, disposal / impairment of older equipment at sites have been started in keeping with the work expected. However, commencement of mining projects are expected to take more time and is largely dependent on government policy which is yet to be fully announced.

PROPERTY DEVELOPMENT

Work on the Rs.1800 crores project 'Ecopolis' at Yelahanka, Bengaluru, consisting of a 30 acre IT / ITES SEZ park and a 10 acre Hotel / Hospitality / Retail being developed in association with Hinduja Realty Ventures Limited, is progressing as per plan. Stage-I of the project consisting of a building (G + 10 + 3 basements) of 10.46 lakh sft and a multi level car park of 74,000 sft is under construction in the SEZ sector. 10 slabs of the building have been completed. These buildings with external façade, MEP services and related infrastructure will be completed by September 2014, and the revenue streams are expected to commence from Q3 of 2014-15.

Planning work relating to the Hyderabad project is still facing uncertainty due to restructuring issues of the State of Andhra Pradesh.

RESTRUCTURING OF THE BUSINESSES

The Company has fully divested its three subsidiaries based in China, Indonesia and Bangladesh at Rs. 54.93 crores in Q3. However, the Company retains the UK subsidiary, which holds 10% stake in Houghton International Inc., USA.

The Company (GOCL) had announced demerger of the Lubricants Division into Gulf Oil Lubricants India Limited (GOLIL), a wholly owned subsidiary. Post-demerger, demerger of the Lubricants' Division has been approved by the Shareholders and Unsecured Creditors and the Company Petition filed with the Hon'ble High Court of Andhra Pradesh. Shares of GOLIL will also be listed on BSE and NSE, after completion of the necessary legal formalities.

For further information please visit www.gulfoilcorp.com or contact:

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