



GULF OIL Corporation Limited

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Press Release

GULF OIL Profit Increases 3 Times to Rs. 26.74 crores in Q4

Highlights for Q4

- **Total Turnover higher by 17% to Rs. 290 crores (Rs.247crores)**
- **Profit up 231%**

Highlights for F2009

- **Total Turnover higher by 20% at Rs. 996 crores (Rs.833 crores)**
- **Profit up 16%**
- **Dividend for the year 85%**

Hyderabad, June 25th, 2009: GULF OIL Corporation, a Hinduja Group Company, has reported a 17% increase in income in Q4. Profit Before Tax for Q4 was Rs. 32.83 crores as against Rs.8.18 crores in the same quarter last year. Profit after tax was Rs. 26.74 crores (Rs. 8.06 crores) an increase of 231%.

For the year ended on 31st March 2009, the turnover increased by 20% to Rs. 996 crores and Profit after Tax by 16% to Rs. 29.05 crores. The Board has recommended a Dividend of Rs. 1.70 per share.

Division wise performance and highlights are as under:

LUBRICANTS DIVISION

During the Fourth quarter of the financial year 2008-09, the Lubricants Division achieved a gross turnover of Rs. 144 crores as compared to Rs. 136 crores in the corresponding quarter of the previous year. For the year ended 31st March'09,

gross turnover is Rs. 508 crores compared to Rs. 421 crores in the previous year 2007-08. Import of base oils at high international market prices and exposure to the depreciation of the Indian Rupee during Q3 and Q4 of F 2009 impacted margins adversely.

The automotive sector continued to witness a slowdown during the quarter, particularly the commercial & industrial segments, resulting in reduced demand for lubricants. The SBU managed to retain its base of customers in the bazaar segment by achieving similar volumes to the previous year by launching customised promotions & products catering to the agricultural segment, adding new fleet customers & focussing on promoting sales of new products / skus.

EXPLOSIVES DIVISION

Explosives Division achieved a net sales revenue of Rs. 251 crores during the financial year 2008-09, a 33% yoy growth. This growth has been possible with the focus on Value for Customer in both Domestic and exports Market.

Our new Initiating systems offering very low vibration and noise blasts, Emulsion Explosives in Small Diameter Applications and Emulsion boosters were well received in the market place. Our working with the customers to get the best value from our products in their business resulted in organic growth and also helped us develop several products and services best suited for their application.

Exports of Explosives grew 51% (Rs. 40 crores in 2008-09). Our international markets now include Countries in Eastern Europe, Africa, Middle East and South East Asia. Our products compete with international brands and companies in these markets.

MINING AND INFRASTRUCTURE DIVISION (IDLconsult DIVISION)

Contract Mining achieved net sales revenue of Rs. 211 crores during the year. 50% increase over last year and growing 3.3 times in a two year time line.

We started contract operation at a new coal site in Nighai, at Northern Coalfields limited of Coal India, while, continuing several other metal mining operations. In spite of recessionary trends, IDLconsult did well in the iron ore mining sector in Orissa and Karnataka. Production volume from its iron ore mines at Orissa has increased substantially. The contract in the iron ore mine of NMDC at Donimalai is being carried out successfully. The Division has bagged more works from the Aditya Birla Group for Structural works at their Alumina plant in Orissa.

Our operations are now geographically diverse and well balanced with Coal, Iron Ore, Manganese and other minerals along with Mining related infrastructure projects. With National presence, experience in handling a variety of minerals, ability to handle large volumes efficiently, we have emerged as a partner of choice for mining companies. We are well prepared to participate in the new growth of mining industry. Orders booked till date is valued at over Rs. 400 crores.

SCHEME OF ARRANGEMENT

During the year the High Court of Andhra Pradesh sanctioned the Scheme of Arrangement under Sections 391 to 394 of the Companies Act, whereby the Speciality Chemicals Division of the Company was demerged and merged with the IDL Speciality Chemicals Limited, a 100% subsidiary of the Company. Simultaneously the Agro Division of IDL Speciality Chemicals Limited (formerly known as IDL Agro Chemicals Limited) was demerged and merged the Company. The formalities after receipt of the Court Order have been completed. As a result, the Speciality Chemicals business is currently a 100% subsidiary of the Company with effect from 1st April, 2008.

PROPERTY DEVELOPMENT

The Company received the approvals for :

- a) Setting up of an IT/ITES SEZ on 30 acres out of the 40 acres proposed to be developed at Yelahanka Bangalore from both the Government of Karnataka and the Central Government in June 2009.
- b) Approval for a Knowledge Park on 100 acres at Hyderabad from the Government of Andhra Pradesh

Requisite layout plans and financing proposals along with the Developer and Architects are being finalised

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

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