



GOCL Corporation Limited

Corporate Office

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Hyderabad 500072, Telangana, India.
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June 30, 2020

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001
Fax:022-22723121/2027/2041/2061/3719

Through: BSE Listing Center

National Stock Exchange of India Limited

Exchange Plaza, C-1, Block G,
Bandra-Kurla Complex
Bandra (E), Mumbai - 400051
Fax:022-2659 8237/38, 2659 8347/48

Through: NEAPS

Dear Sir/Madam,

Press Release

Ref: BSE Scrip code: 506480, NSE Scrip symbol: GOCLCORP

Please find enclosed herewith Press release of the Company dated 30th June, 2020.

This is for your information and records.

Thanking you

Yours faithfully

For GOCL Corporation Limited

A. Satyanarayana
Company Secretary

Encl: As above

Formerly Gulf Oil Corporation Limited

Registered Office : IDL Road, Kukatpally, Hyderabad 500072, Telangana, India.
CIN: L24292TG1961PLC000876, GST No.: 36AABCG8433B1ZX



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Press Release

Highlights

- **GOCL Consolidated Income for 2019-20 at Rs. 559 crores.**
- **Consolidated Net Profit increases by 22%.**

Hyderabad, June 30, 2020: GOCL Corporation Limited, a Hinduja Group Company, has reported a Consolidated Income of Rs. 559 crores during the fiscal year 2019 – 20, 6% lower than previous year. The PAT for the same period was higher at Rs. 50 crores compared to Rs. 41 crores in the previous year, an increase of 22%. The drop in the annual turnover was mainly on account of lower tender prices from major PSUs.

The Q4 consolidated income was Rs. 151 crores lower than previous year corresponding quarter of Rs. 167 crores. The net profit for Q4 was Rs. 13.8 crores as against Rs. 13.9 crores in the corresponding quarter of the previous year.

The Board has recommended a Final Dividend of Rs. 2 per share (100%) in addition to the Special Interim Dividend of 100% (Rs. 2 per share) declared in September, 2019.

Division wise performance and highlights are as under:

ENERGETICS AND EXPLOSIVES

The annual turnover Energetics was Rs.95.57, as compared to the previous year turnover of Rs. 97.76 crores. The reduction in the Energetics turnover is mainly due to disruption of operations in the month of March 2020 due to regulatory issues and impact of Covid-19.

The wholly owned subsidiary, IDL Explosives Limited (IDLEL) reported a Net Sales of Rs.427.32 crores as compared to Rs. 457.44 crores of the previous year. The Profit After Tax of IDLEL for the year is Rs. 8.20 crores against Rs. 18.79 crores in the previous year. The adverse effect was due to lower PSU tender prices, lower production by CIL and SCCL, apart from the impact of Covid-19 in the 2nd half of March affected the turnover and PAT.

The cumulative annual Export for 2019-20 also registered a healthy growth of 8% over the previous year with the consolidated (Energetics & IDLEL) achievement of Rs 47.83 Cr as against Rs 44.32 Cr previous year.

The Company along with IDLEL has orders in hand of Rs. 470 crores and further orders are in process and expected to materialise over the next few months.

The global economy has affected businesses globally. All economies are reporting dip in their GDP growth for F 21. We have also modified our domestic, export targets accordingly. All our explosives plants have been in operation throughout the months of April and May but with lower outputs. The demand by the coal sector has continued due to the demand for power during the lockdown period but on a subdued scale. The normal demand by steel, cement sectors have been affected by low demand for the products by domestic and export end users. The infra projects have been severely affected by the shortage of migrant labours for deployment. We expect the situation to come to a new normal in about 1 year based on the stimulus given by the Union Government to reenergize the economy and the MSME and rural sectors' of the economy in particular. The mining sector, especially, the non-coal sector is slowly coming into play as the demand by the user industries pick up.

REALTY DIVISION

The Bangalore project where 14 out of the 30 acres IT / ITSEZ was readied, definitive talks with interested large organizations were underway in the pre COVID period. These negotiations are on hold as the impact of COVID on the global economies has not been factored in by the respective organizations who had approached us. However, we have received rents during the year from the floor occupied in Building No.3 since October 2018. The Management is reviewing with the developer the possible changes which may be required in the plans once the post COVID situation is clearer.

Regarding Hyderabad development, the in principle approval received earlier has not been proceeded during the COVID lockdown period.

INVESTMENT IN QUAKER HOUGHTON

HGHL Holdings Limited (HGHL), the Company's wholly owned subsidiary based in the UK, which holds the aforesaid beneficial interest of 427,395 shares of common stock and an adjusted cash consideration of USD 12.2 million, has received dividends of USD 3.0 million out of the said Quaker Houghton proceeds in the last two quarters.

With the previous loan of USD 300 million being fully repaid, HGHL has availed of another USD 150 million to pursue one more opportunity. The loan is guaranteed by Gulf Oil International and the collateral in the form of mortgage of a portion of the lands at Hyderabad by GOCL.

OVERVIEW

The COVID pandemic has resulted in major disruption to the economy and we expect that with the active intervention by the Union Government, the economy will be restarted in a few months' time. The Company is reorienting several of its operating areas in Energetics and Explosives to stay with the developments in the mining sector especially the non-coal sector and will be ramping up production and deliveries accordingly. The Realty sector, however, may take a little more time to stabilize at pre-Covid levels.

In the meantime, to mitigate the effect of the economic slowdown, the Company has given certain guarantees and securities for projects in India and abroad which will result in income of approximately Rs. 25 crores per annum.

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

Mr. A. Satyanarayana, Company Secretary, GOCL Corporation Limited at 040-23811442

Mrs. R. Chaudhry, Assistant General Manager – MD's Office, GOCL Corporation Limited, Hyderabad at 040-23700750.