



GOCL Corporation Limited

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September 27, 2021

BSE Limited

Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400 001
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- 400 051.
Fax: 022-2659 8237/38, 2659 8347/48

Through: NEAPS

Dear Sir,

Presentation made by the Company at the AGM.

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

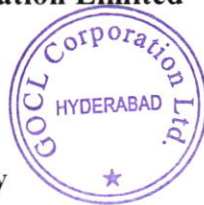
Please find attached, presentation made at the 60th Annual General Meeting of the Company held today

Thanking You.

Yours Faithfully,

For GOCL Corporation Limited


A. Satyanarayana
Company Secretary



Encl: a/a

Formerly **Gulf Oil Corporation Limited**

Registered Office : IDL Road, Kukatpally, Hyderabad 500072. Telangana, India.

CIN: L24292TG1961PLC000876, GST No.: 36AABCG8433B1ZX





GOCL Corporation Limited

60th Annual General Meeting

27th September 2021



HINDUJA GROUP





GOCL Corporation Limited



Energetics



Realty



Explosives



Defence Products



Metal Cladding



Electronics



Weak economy : Slowdown in Operations

The Global economy has been slowing down

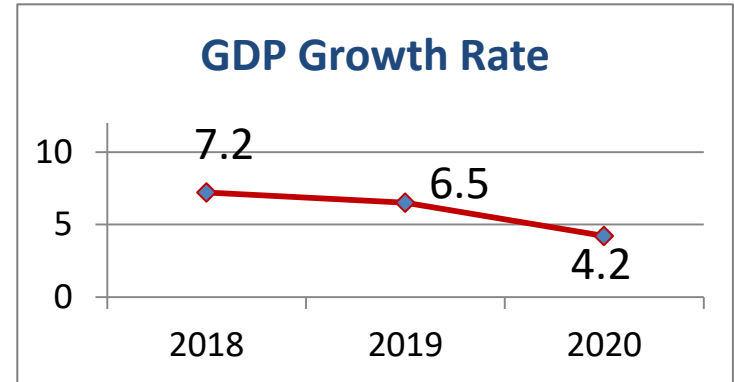
Indian GDP Growth has been declining in the past recent years

F-2018 : 7.2%

F-2019 : 6.5 %

F-2020 : 4.2%

The slowdown in the Indian economy which contracted in F2020 and continued into F 2021



https://www.business-standard.com/article/economy-policy/india-s-gdp-growth-rate-for-2019-20-revised-downwards-to-4-from-4-2-121012902037_1.html#:~:text=%E2%80%9CReal%20GDP%20or%20GDP%20at,in%20revised%20national%20account%20data.

Weak economy : Slowdown in Operations

The operations during 2020-21 were extremely challenging with Pandemic affecting businesses globally

Resources in short supply

Industries worked below 50% of the workforce

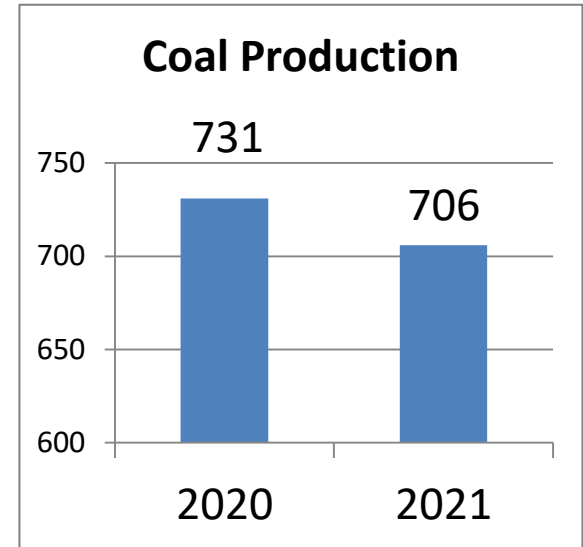


Weak economy : Slowdown in Operations

Coal production dropped. Coal production during F 21 was 706 million tonnes (previous year 731 million tonnes)

Iron ore production shrunk by 18% in F21 to 190 mn tonnes from previous year production of 235 mn tonnes

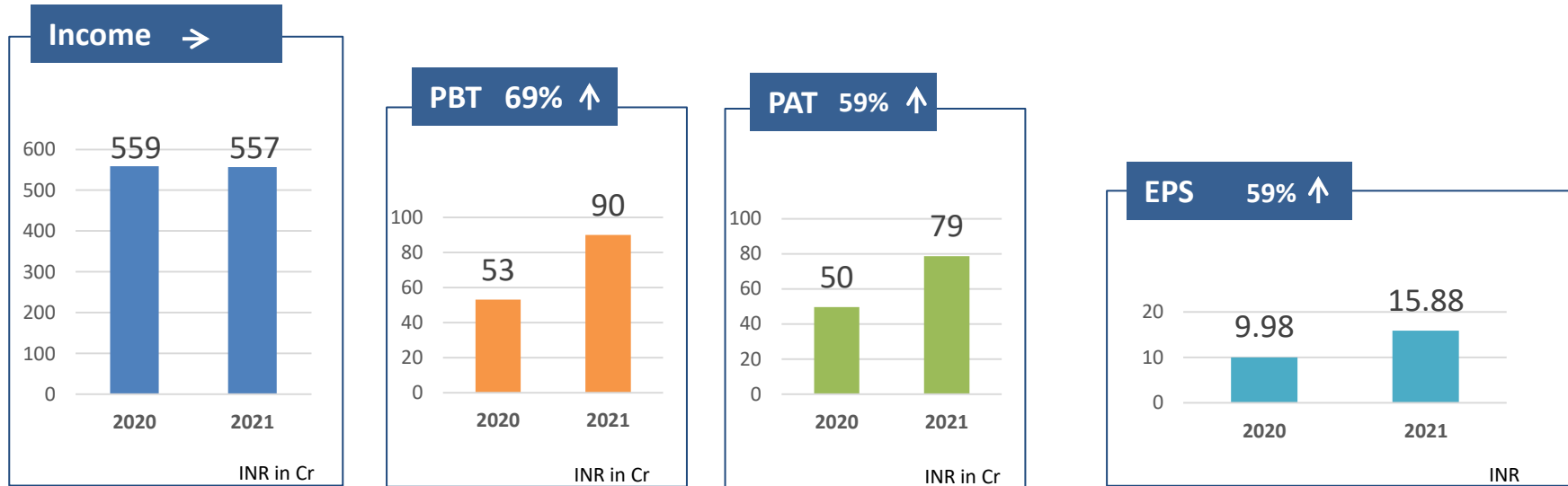
The operating environment for your Company has also been impacted



Million Tonnes

Financial Performance – F2021

Consolidated Financials



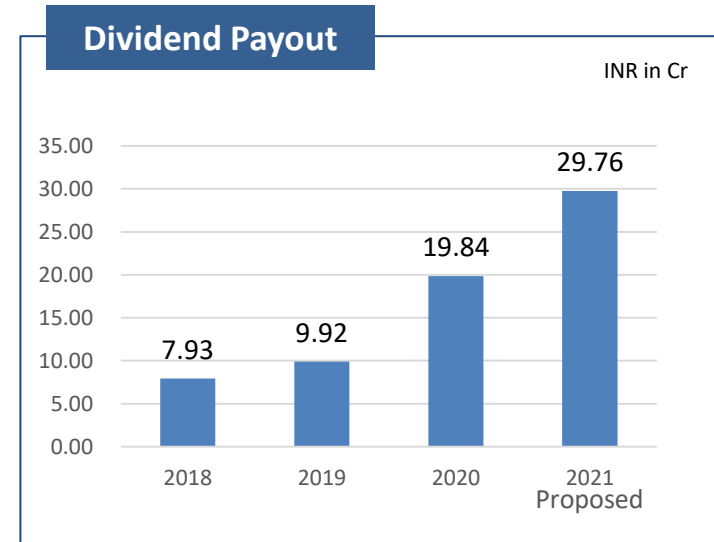
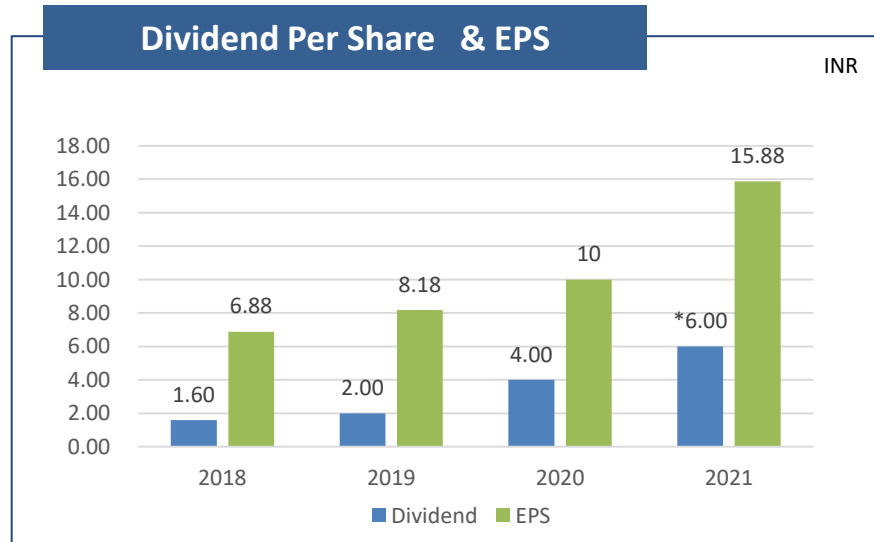
Summarised Financials

INR in Cr

	GOCL	IDLEL	HGHL	Consolidated
Revenue	114	323	120	557
PBT	23	6*	61	90
PAT	16	4*	59	79

*Ammonium Nitrate shortage and increase in RM prices

Dividend Per Share & EPS and Dividend Payout



* Includes Interim Dividend and Final Dividend

Credit Ratings

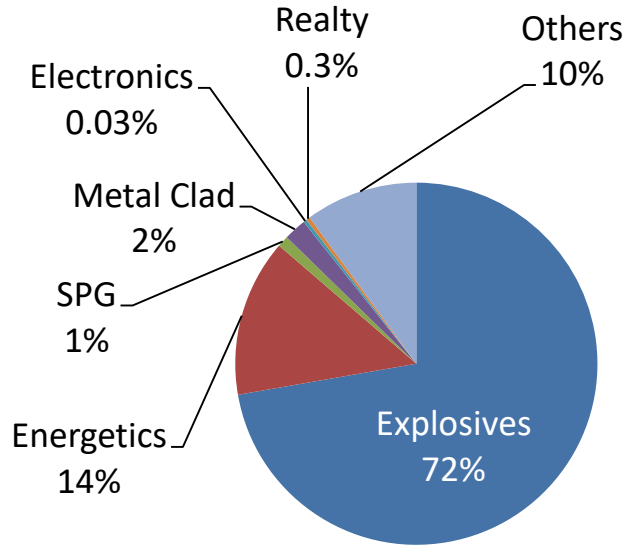
Ratings	GOCL	IDLEL
Long Term Rating	IVR A / Credit watch (Due to COVID uncertainties)	IVR A / Credit watch (Due to COVID uncertainties)
Short Term Rating	IVR A1	IVR A1



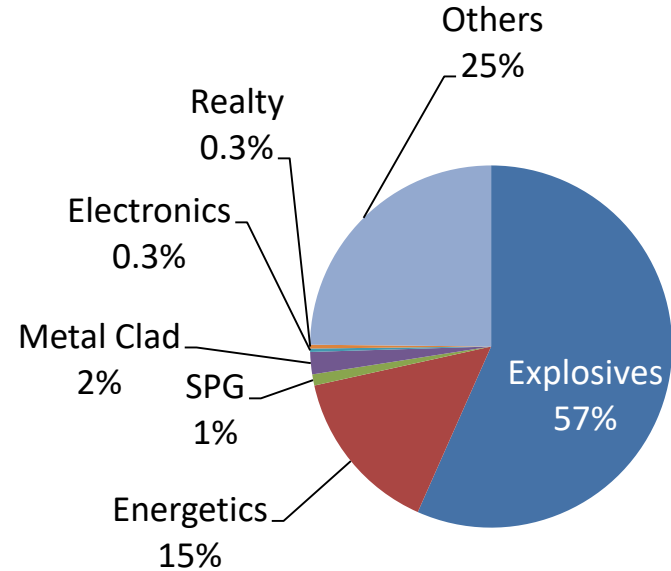
Operations of Business Segments in F-2021



Segmentwise Revenue



F 2020 : Revenue Rs. 559 Crores



F 2021 : Revenue Rs. 557 Crores

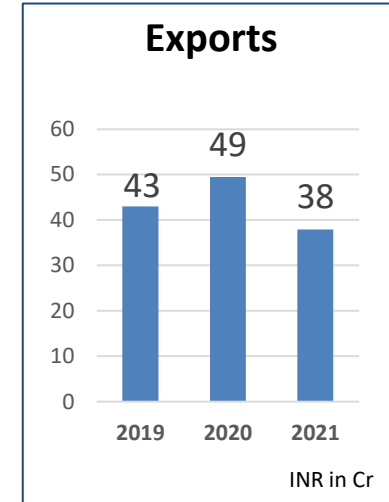
Exports

Exports have shown sustained growth over the past few years

But due to pandemic our exports was impacted in the first 6 months of the year 2021

Despite disruptions your Company achieved export sales of 37.89 crores

All our export products are **CE** certified



Figures rounded off for presentation purpose

HGHL Holdings Limited, UK : Overseas Holdings

The Company through its UK based subsidiary HGHL Holdings Limited (HGHL) which was holding a strategic beneficial interest of 10% in Houghton International Inc. in USA (*which has combined with Quaker Chemical Corporation, NYSE code: KWR, in 2019*) has divested about 4.68% during the year for a consideration of about USD 35 million

Quaker is a global leader in the space of process fluids, chemical specialties, and technical expertise to the global primary metals and metal working industries

The initial investment of GOCL in HGHL was only GBP 1,00,000. Thus the Company and its overseas subsidiary HGHL have substantially benefitted out of the said investment



HGHL Holdings Limited, UK : Overseas Holdings

After fully repaying the LOC/SBLC Facility of USD 300 million availed in the year 2012 in connection with the acquisition of Houghton International Inc., HGHL has availed of another Stand By Letter of Credit (SBLC) USD 150 million to pursue an opportunity in the United Kingdom

This SBLC facility availed by HGHL is collaterally secured by the factory land parcel of the Company at Hyderabad and also guaranteed by Gulf Oil International Limited (GOIL) along with a Cash Deficit Undertaking to the lender

The Company continues to receive 100 bps per annum for providing security for the SBLC



Divisionwise Performance



Energetics

Operating environment impacted due to lower output from mining activities

Also Pandemic impacted the production activities for 2 months

Availability of Raw materials and Manpower were major issues



Energetics

Despite the disruption of operations and regulatory issues Turnover achieved was similar to last year

Turnover : Rs. 96 crores (Rs. 98 crores)

PBT : Rs. 13.41 crores (Rs. 4.97 crores)

Product mix and Several automation projects and mechanisation initiatives taken in previous years helped in reducing the operating costs



Divisionwise Performance

Electronics Group

Commenced commercial operations from January 2020

Successfully catered to all in-house requirements

Successfully meeting the standards of External Customers in Domestic and Export markets

Catering to Automotive (including EV Chargers), Automation & Robotics applications, Medical and for IOT and various other sectors

Plans are in place to enhance the capacity to meet increased business requirements

Successfully incorporated Quality management systems with IMS.
Currently working on AS9100D (defence) and TS16949 for automotive certifications



Divisionwise Performance

Special Products Group

The Special Products Group (SPG), which serves the Defence and Space sectors, improved its performance over the last year

Successfully absorbed transfer of technology (TOT), completed qualification, manufactured and supplied Guanidinium Azotetrazolate (GZT) to the Indian Space Research Organisation (ISRO) for their special projects

It has also successfully manufactured the first set of Special Purpose Motors used in rocket launchers for VSSC, Trivandrum under GOCO

Developed and supplied pyro-tech cartridges for drone application to Indian Army



Special Products Group

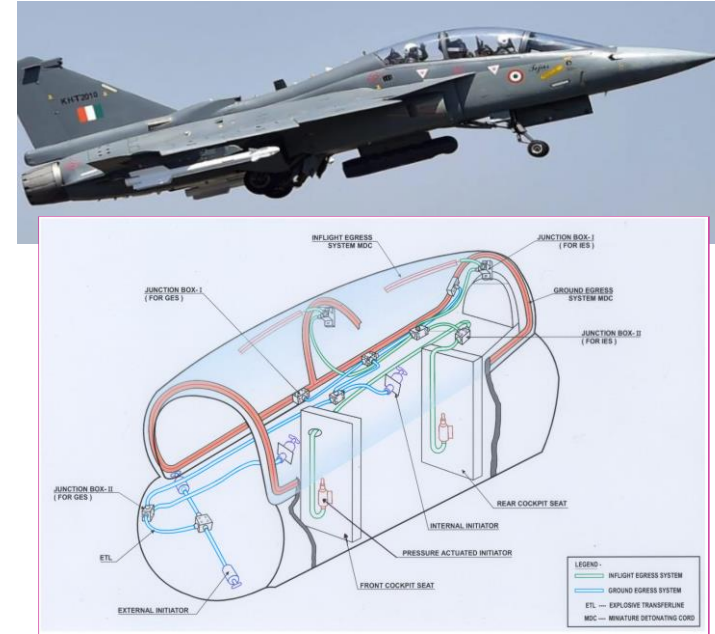
Also developed and supplied delay pyros for Amogha III missile to Bharat Dynamics Limited, (BDL), a Public Sector Undertaking, for evaluation

After successful trial lots, supplied production lots of Igniters for Konkur Missile against order from BDL

After successful absorption of TOT from ARDE, received first order for supply of 12 sets of Canopy Severance System (CSS) for LCA fighter for Hindustan Aeronautics Ltd.

Sophisticated Initiation system for missiles for DRDL was completed

The Group is continuing its initiatives to develop more specialised products for DRDO and defence



Manufactured and supplied Canopy Severance System for Tejas fighter aircraft to DRDO.

IDL Explosives Limited – Wholly Owned Subsidiary

Bulk and Cartridge explosives are manufactured by IDL Explosives Ltd., a wholly owned subsidiary

Reduction in volumes of Cartridge and Bulk Explosives due to COVID 19 & lockdown

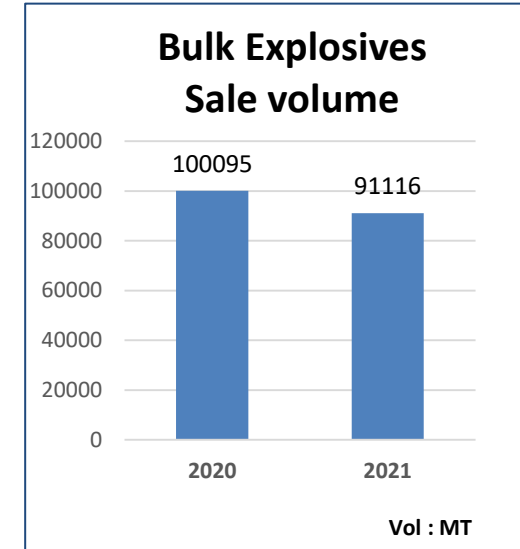
Increased Cost of materials

Severe shortage of Ammonium Nitrate

Production of explosives was lower by 17% compared to previous year

Adjusted production plans to meet these contingencies

Several initiatives have been taken during the year which is expected to result in giving benefits in the coming years

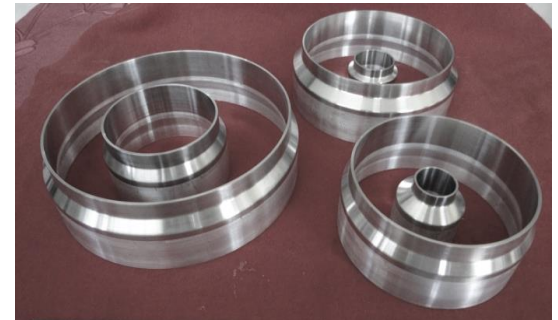
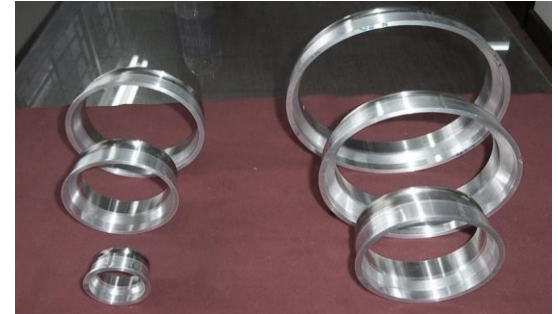


Metal Cladding

Metal Clads are extremely specialized products for which the Company is one of the global licencees with major certifications from the Lloyd Register, the American Bureau of Shipping and the Indian Register of Shipping

We planned to increase business in this area but the production was halted due to pandemic and extended rainy season during the year

Inspite of production impacted for 6 months, the revenue from this business was Rs. 11 crores. (Rs. 13 cr)



Thrust nozzles for space rockets

Realty Business

Bengaluru Property : Ecopolis

A mixed-use commercial project, Joint development with Hinduja Realty Ventures Ltd.

Located in North Bengaluru. The 38.15 acres Techpark comprises of SEZ and commercial office space, is being constructed in phases

Phase 1 is operational with IT/ITES clients working in the building

New lease agreements could not be finalized as Potential IT/ITES clients have deferred their decision for new office space

The second wave of COVID-19 pandemic continued to cloud the outlook for commercial real estate sector

The Developer was in discussions with many MNCs and Indian IT companies for lease



Completed Phase 1 construction of over 24.60 lakh sft comprising of office buildings 'e3' 'e2' and Multi Level Car Parking space (MLCP) with a leasable area of over 14.98 lakh sft.

Both 'e3' & 'e2' are LEED Gold certified green buildings.

Phase 2 planned based on client requirements or built to suit was on hold due to pandemic

Hyderabad Property

The 100 acre integrated mixed use Knowledge Park comprises of IT / ITES, office space, educational institutes, hospitality, healthcare and residential apartments

The plans have been redesigned in line with the revised master plan submitted to Greater Hyderabad Municipal Corporation (GHMC)

The expected demand for office / commercial space in Kukatpally has not picked up and work from home policies have remained in vogue. Under these circumstance, the in principle approval received earlier for the Hyderabad development has not proceeded during the year

The Project

The Company's 100-acre integrated mixed use township is located in Kukatpally, easily accessible to all the hotspots of the city.

Plan to develop 76 acres. Built up area of 106 lakhs sft.

This township will comprise of IT/ITeS office space, Retail segment, Educational Institution, Hotel, Hospital, Clinics and Residential apartments.

Hyderabad Property

Recently, the Company was advised by the Developer, Hinduja Estates Pvt Limited, (HEPL) that since the Joint Development agreement for 76.34 acres signed in 2012 was not progressing well due to market and environmental conditions, The Developer has introduced to the Company, Squarespace Infra City Pvt Ltd, who would obtain necessary approvals to buy and develop 44.25 acres

Pursuant to the approval of our Board of Directors at its Meeting on 27th August 2021, the company has entered into an Agreement with Squarespace Infra City Private Limited for sale of 44.25 acres land at Kukatpally, Hyderabad subject to requisite approvals, for a consideration of Rs. 451.79 crores. The Company has, in the meantime, received a payment of 10 % of the consideration on execution of an Agreement. The approvals are expected within 3 to 6 months time

The balance land for development of 32.09 acres will continue under the JDA with HEPL for development based on approvals

Outlook for the year 2021-22

Outlook for the Year 2021-22

The GDP growth projection for FY 2021-22 is expected to be around 8.0 % to 9.5% as per World Bank and IMF

The RBI has also projected a growth of 9.5%

Growth will depend on the pace of vaccination programmes, and recovery of the world economy

There are several green shoots emerging under the Indian economy:

- Exports rising 48.3 % to \$ 32.5 billion compared to June 2020
- Forex reserves increasing by \$ 6.8 billion to \$ 6.5 billion
- GST collections stabilising at over 1 lakh crores per month
- Manufacturing sector has grown to 25% of GDP from 19%

Government Initiatives and Investments / Developments

Mining

As part of the “Atmanirbhar Bharat” mission the Government implemented reforms in the Mining & Minerals Policy

Proposal to auction over 500 mineral properties removing the distinction between captive and non-captive mines and rationalizing stamp duty, royalty & cess, etc.

Amended the Mines & Minerals Act 1957 and proposed setting-up of National Mineral Index

The Government also proposed joint auction of Bauxite and Coal to make aluminium manufacturing competitive in India

All the above reforms will help us to grow in our explosives business

Government Initiatives and Investments / Developments

Infrastructure

Central and State Governments are giving thrust to Infrastructure sector with development plans and budget allocations

The Infrastructure industry in India is estimated to grow at a CAGR of approximately 7%

Government plans to invest about 102 lakh crores on infrastructure projects by 2024-25

The rise in infrastructure development will drive growth in the metals and mining sector aided by Power and cement industries

Government Initiatives and Investments / Developments

The Government also relaxed FDI norms to 100% under automatic route in the sector for mining of non-fuel and nonatomic minerals

The Government of India has initiated strict measures to enhance the security of detonators and explosives and as an immediate step curtailed the production of electric detonators to force a shift towards non-electric and secure electronic detonators over 5 years starting from April 2020

Our Initiatives

Transition from electric & plain detonators to non-electric and electronic detonators

Automation and mechanisation of processes and expansion projects to improve efficiency and reduce dependence on trained manpower

Capex earmarked : Rs. 10 Crores

Focus on developing niche products for defence & space applications

Develop more products for export to new territories and customers

Take advantage of opportunities in Electronics growth sectors

Monetise the land bank

We have also Identified niche areas for future growth : Electronic Systems for commercial mining , Defence, Aerospace, electronic assemblies and metal cladding

Orders in hand

Business segment	Order Value
Energetics & Explosives	
- Domestic	Rs. 403 cr
- Exports	Rs. 18 cr
SPG & MCD	Rs. 9 cr
Electronics	Rs. 7 cr
Total	Rs. 437 cr

During the year the Company and its subsidiary spent Rs. 91 lakhs towards improving education / skill , Healthcare infrastructure and supporting fight against pandemic under the CSR initiatives

Corporate Social Responsibility



Donation of ambulance to St. Joseph's Hospital, Vishakapatnam



Multifarious Skill Development Center built under CSR at Balijodi, Orissa



Mr. Subhas Pramanik, Managing Director, handing Rs. 50 lakhs cheque to Mr. KT Rama Rao, Minister for Municipal Administration & Urban Development, Industries & Commerce, and Information Technology of Telangana towards emergency healthcare fund in the wake of COVID-19 pandemic.

Promoter Holdings

Hinduja Capital Limited, Mauritius continued to reinforce their confidence in the long term prospects of your Company

Reduced their holding by 1.10 % to 73.83 % to enable the Company to undertake defence projects and become compliant with the Government of India's Atmanirbhar initiatives

In Conclusion

The financial year 2020-21 was a challenge to our teams due to uncertainties, non availability of resources mainly raw materials and manpower. However we have been able to maintain our business trajectory

The coming year poses further challenges and at the same time provides new opportunities for your Company. The Government is also energising the economy with new Initiatives and Schemes. The RBI is optimistic about 9.5 % growth but a lot depends on factors related to COVID and other global issues and markets

We are confident of meeting the new set of challenges. In the midst of these issues, your Company have been able to establish steady income streams leveraging its land bank and action regarding pending realty development issues

Your Company has also identified certain niche areas for future growth such as Special Products, Metal Cladding, Electronic Systems having applications in Commercial Mining, Defence, Aerospace sectors and Electronics Assemblies. We are therefore confident of maintaining the trajectory of our businesses in Financial Year 2022



Thank You

Safe Harbour Statement

This document may include predictions, estimates or other information that might be considered forward-looking. While these forward-looking statements represent current judgment on what the future holds, they are subject to risks and uncertainties that could cause actual results to differ materially. GOCL disclaims any obligation to update / revise or publicly release any revision to these forward-looking statements in light of new information or future events.

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