



GOCL Corporation Limited

Corporate Office

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Hyderabad 500072, Telangana, India.
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November 12, 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 12th November, 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 Standalone Profit for Q2 F 21 at Rs. 4.68 crores, an increase of 9.4 X.**
- **Declares 200% Special Interim Dividend.**

Hyderabad, November 12, 2020: GOCL Corporation Limited, a Hinduja Group Company, has reported a Consolidated Income of Rs. 132 crores for the Q2 of financial year 2020–21, an increase of 11% over previous year. The PAT for the same period was at Rs. 17.47 crores compared to Rs. 5.06 crores in the Q2 of the previous year, an increase of 245%. For H1 the Consolidated Income was Rs. 274 crores and the profit Rs. 35.60 crores an increase of 226% over previous year.

Further, HGHL has at the end of September 2020 divested a beneficial interest equivalent of 200,000 common stock of Quaker Chemical Corp in USA and realized the gain of USD 38 million / INR 281 crores (approx.).

The Q2 Standalone income was Rs. 35 crores an increase of 16% over Q2 of previous year. Corresponding to this increase, the Standalone net profit for Q2 was 943% higher at Rs. 4.68 crores over previous year.

The improvement in profitability of operations has been due to of more efficient manufacturing operations, Metal Cladding Services as well as commission earned on Guarantees / Collateral Security given to the wholly owned subsidiary HGHL Limited and for working capital requirement of Hinduja National Power Corporation Limited, a non related party.

Division wise performance and highlights are as under :

ENERGETICS AND EXPLOSIVES

The Q2 turnover of Energetics was slightly lower at Rs. 24 crores as compared to Rs. 26 crores in the corresponding quarter previous year. The sales were lower due to the deceleration of activity in the mining, minerals and infrastructure sectors on account of COVID-19 and slow down in logistics. The focus of the Division continued during the quarter on production of value added products such as nonelectric detonators which were higher by 65.85% and boosters by 31.64%.

The wholly owned subsidiary, IDL Explosives Limited (IDLEL) reported quarterly income of Rs. 81 crores as compared to Rs. 95 crores of corresponding quarter of the previous year. The results were affected due to lower prices in PSU tenders, adverse impact on the supply chain of a major raw material on account of regulatory issues.

After the negative impact of Covid-19 induced lockdown in the 1st quarter, the demand from coal and mineral mines were gradually improving in Q2 but from mid-September the AN shortage impacted operations to the extent of around Rs. 15 crores in sales commitment. The shortage is continuing in Q3. We expect pickup in sales during mid of H2.

In Exports, the countries dealing with us had reduced their orders due to the COVID situation in their respective mining areas. In Q2, we exported of around Rs. 14 crores which was a major improvement over Q1. We expect this trend to strengthen in H2.

The Company along with IDLEL has orders in hand of around Rs. 500 crores. The Company and IDLEL have continued their efforts towards cost optimization and quality improvement programs.

INVESTMENT IN QUAKER HOUGHTON

HGHL Holdings Limited (HGHL), the Company's wholly owned subsidiary based in the UK, which held a beneficial interest of 427,395 common stock of Quaker Chemical Corp. (Quaker) and an adjusted cash consideration of USD 12.2 million, has received dividends of USD 7.50 million out of the said Quaker Houghton proceeds.

HGHL has at the end of September 2020 divested a beneficial interest equivalent of 200,000 common stock of Quaker Chemical Corp in USA for a consideration of USD 38 million / INR 281 crores (approx.) and realized the gain.

OVERVIEW

After the downturn in the Indian economy in Q1 F 21 by 23.92%, the recovery in Q2 F 21 has been gradual. We therefore expect the demand and consumption situation to improve in H2 F 21 over H1 F 21. The economic indicators such as power consumption, diesel consumption, demand for steel and cement have been encouraging. For the first time this fiscal, GST collections also crossed Rs.1.00 lakh crores in the month of October 2020. Overall commercial and industrial demand has improved with easing of lockdown restrictions and would be better in the coming quarters.

In the Realty sector, new enquiries for large sized space are still less in number while small to medium sized requirements continue to be active in the market. While market activity is showing early signs of recovery, we anticipate that the revival activity will stabilise from Q1 F 22.

For further information please visit www.goclcorp.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.