Gulf Oil Corporation Limited

Corporate Office
Kukatpally, Post Bag No.1
Sanathnagar (IE) P.O.
Hyderabad-500 018
Andhra Pradesh, India

T: +91 (40) 23810671-9
F: +91 (40) 23813860, 23700747
E: info@gulfoilcorp.com
W:http://www.gulfoilcorp.com

Press Release **for Immediate Publication**

Gulf Oil Net Profit Increases 15% to Rs. 62 crores in 2011-12
Dividend Increased to 110%

Highlights for Q4

- **Turnover up 20% to Rs. 300 crores from Rs. 251 crores in corresponding quarter of last year.**
- **Profit higher by 11% to Rs. 20.94 crores.**

Mumbai, May 30, 2012: Gulf Oil Corporation Ltd., a Hinduja Group Company, has reported a 20% increase in income in Q4. For the year ended 31st March 2012, the Turnover was Rs. 1074 crores and Profit After Tax increased by 15 % to Rs. 62.11 crores. The Board has recommended an increased Dividend of Rs. 2.20 at 110% as against Rs. 2.00 (100%) for the previous year.

Division wise performance and highlights are as under:

LUBRICANTS DIVISION:

The Lubricants Division continued to record growth in revenues and volumes in Q 4 of Financial Year 2011-12. The Net Turnover for the quarter increased to Rs. 231 crores as compared to Rs. 184 crores in the corresponding quarter of the previous year i.e. a growth of 26% on QoQ basis. Operational Profit before Interest and Tax for the quarter has also gone up by 21% to Rs. 23 crores compared to Rs. 19 crores in the corresponding quarter of the previous year mainly on account of higher volumes achieved by the Division, inspite of pressure on margins due to raw material cost increases and competitive price reductions.

Contd.....2

For the year ended 31st March, Lubricants Division achieved Net Turnover of Rs. 822 crores compared to Rs. 598 crores in the previous year 2010-11, a growth of 37% and Operational Profit before Interest and Tax for the year increased by 28% to Rs. 88 crores against Rs. 69 crores in the previous year.

The Lubes Division achieved growth in volumes which was well ahead of the industry and other leading competitors. Increase in volumes and growth was strong in the focus segments namely New Generation Diesel Engine Oils and Motorcycle Engine Oils. Continued on-the-ground / below-the-line initiatives and distribution increase across segments resulted in increased retail shares and product usage. Sales of co-branded ranges with Ashok Leyland and Mahindra also contributed to the growth.

Brand Building efforts with media-led campaigns were launched with The Champions of IPL – the Chennai Super Kings as a build-up to Season V of the Indian Premier League (IPL). An All-India multi-media campaign exclusively featuring our newly appointed Brand Ambassador – Indian cricket Captain and India's leading Youth Icon – Mahendra Singh Dhoni, was launched in January across leading television channels to drive-up brand awareness, communicating the brand value of 'longer drain' and strengthening the brand equity.

EXPLOSIVES DIVISION AT HYDERABAD

During Q4, the Explosives Division achieved sales of Rs. 21 crores (as against Rs. 26 crores last year).

Production of detonators and cords was increased by 6% YoY. In detonating cords the high value 40 gms and 80 gms cords were increased.

During the year under review, R&D has obtained relevant statutory permissions for trial manufacture and field-evaluation of improved programmable electronic detonators. Field trials of the indigenously developed improved version of Electronic Detonators were successfully completed. More trials for customers are planned. High energetic materials for defense applications were also developed for premier Defense establishments of the Government of India and Pyrotechnic Igniters for Space applications.

ISO certifications ISO 9001/14001 and OHSAS 18001 for Hyderabad factory were renewed during the year.

MINING AND INFRASTRUCTURE DIVISION

IDLconsult Division reported a service income of Rs 16 crores in Q4 (previous year Rs 18 crores), based on activity in long term contracts for service in coal, metal and infra sectors.

Most of the iron ore mines in Orissa and Karnataka where the business of the Division are located continued to remain closed during the quarter due to regulatory issues. This is the major reason for low turnover in Q4. Our clients from the iron and manganese ore sectors continued to follow up for Forest and Environment Department clearances for validating their approvals.

Contd.....3

Our work in the first package of the Pranahita-Chevella Irrigation Project in Andhra Pradesh is progressing well after the agreement reached between the Andhra Pradesh and Maharashtra Governments.

The Division is in discussions on long term Projects in Mining and Infrastructure sectors. About Rs. 200 crores of new orders are expected over the next two quarters to augment the current order booking position of around Rs. 250 crores.

PROPERTY DEVELOPMENT

Ground breaking for the Company's Bengaluru Project was performed in April 2012. Pre-construction stage work on the Rs.1800 crores project at Yelahanka, Bengaluru, consisting of a 30 acre IT / ITES SEZ park and a 10 acre Hotel / Hospitality / Retail areas being developed in association with Hinduja Realty Ventures Limited, has commenced. Work at site is progressing rapidly.

For the Hyderabad property, the Company is in final stages for entering into a development agreement with Hinduja Realty Ventures Limited. Sharing ratio based on recommendations of reputed property consultants are being considered for the documentation. In the meantime, work by GHMC on the 100 ft road passing through the Company's property, has progressed further.

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

Mr. Alok Mahajan, Chief Marketing Officer, Lubricants Division, Gulf Oil Corporation Ltd., at 022-66487777, 66487700, Mobile : 9920886001

Mrs. R. Chaudhry, Deputy Manager – MD's Secretariat, Gulf Oil Corporation Limited, Hyderabad at 040-23700750, Mobile : 9849052064

Mr. Thomas Abraham, Senior Vice President (Corporate Communications & PR), Hinduja Group at 022-28248359 – Extn. 232, Mobile : 9820279349