



LUBRICANTS



INDUSTRIAL EXPLOSIVES



MINING & INFRASTRUCTURE



PROPERTY DEVELOPMENT

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# Gulf Oil Corporation Limited

50th ANNUAL REPORT 2010 - 2011

# EVENTS OF THE YEAR



Typical Display at IPL 4 match



Brand Promotion at Airports



Campaigning Gulf Pride 4T Plus



Gulf branding in the Kissan Mela across Maharashtra



Contract signing for supply of Lubricants between Essar Group and Gulf Oil



Launch of Co-branded oil with Mahindra-Mahindra



Opening of a customer care center in Namakkal, Tamil Nadu



A Gulf retail outlet at Hyderabad



Gulf Dirt Track 2010 at Bhopal, Madhya Pradesh



Gulf Oil participate in MRF Formula Championship 2011 at Madras Motorsports Race Track





# Gulf Oil Corporation Limited

## FIFTIETH ANNUAL REPORT 2010 - 2011

### Board of Directors

(as on 25th May, 2011)

S. G. Hinduja, *Chairman*  
 R.P. Hinduja, *Vice Chairman*  
 K.N. Venkatasubramanian  
 H.C. Asher  
 M.S. Ramachandran  
 Ashok Kini  
 Prakash Shah  
 Kanchan Chitale  
 Vinoo S.Hinduja  
 V. Ramesh Rao  
 Vinod K Dasari  
 S.Pramanik, *Managing Director*  
 A.V. Dujean, *Alternate to R.P. Hinduja*  
 K.C. Samdani, *Alternate to Vinoo S. Hinduja*

### Committees of the Board:

<b>Audit</b>	Kanchan Chitale, Chairperson	H.C. Asher	Ashok Kini
<b>Share Transfer &amp; Investors' Grievance</b>	Ashok Kini, Chairman	S.Pramanik	Vinod K. Dasari
<b>Remuneration &amp; Nomination</b>	Prakash Shah, Chairman	H.C. Asher	M.S. Ramachandran Vinoo S Hinduja
<b>Safety Review</b>	Vinod K. Dasari, Chairman	Ashok Kini	K.N. Venkatasubramanian
<b>Investment Appraisal &amp; Project Review</b>	M.S.Ramachandran, Chairman	Vinoo S Hinduja	Vinod K. Dasari

### Executive Team:

<b>Corporate</b>	S.Subramanian	<i>CFO &amp; Company Secretary</i>	V. Satish Kumar	<i>Head (Internal Audit)</i>
<b>Lubricants Division</b>	RaviChawla Dr. Y.P. Rao R. Varadarajan	<i>President (Lubricants) Sr. V.P. (Technical) Sr. V.P. (Sales &amp; Business Development)</i>	Amrish Kathane Manish Gangwal Alok Mahajan	<i>Sr. GM (Supply Chain) CFO (Lubes Business) CMO (Lubes Business)</i>
<b>Explosives &amp; Contracts Divisions</b>	Raman Gopal T.T. Das	<i>President (IDL Divisions) General Manager - Consult</i>		

<b>Company Secretary</b>	S. Subramanian
<b>Deputy Company Secretary</b>	A. Satyanarayana

<b>Bankers</b>	State Bank of India State Bank of Hyderabad Oriental Bank of Commerce ICICI Bank Limited	Andhra Bank IDBI Bank Ltd Bank of Bahrain & Kuwait B.S.C HSBC Bank
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<b>Auditors</b>	Deloitte Haskins & Sells, Chartered Accountants, Secunderabad Shah & Co., Chartered Accountants, Mumbai (Branch Auditors)
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<b>Registered/ Corporate Office</b>	Kukatpally, Hyderabad - 500 072 Andhra Pradesh	<b>Registrar &amp; Share Transfer Agents</b>	Sathguru Management Consultants Pvt. Ltd. Plot No. 15, Hindi Nagar, Behind Sai Baba Temple, Panjagutta, Hyderabad - 500 034.
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## A TEN YEAR REVIEW

(Rs. Lakhs)

Year	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02
<b>INCOME &amp; DIVIDENDS</b>										
Turnover	100102.35	106565.94	99588.84	83321.52	66865.64	50724.65	47340.47	41551.04	40534.71	25250.68
Profit Before Tax	6702.03	5430.23	3875.41	2970.6	3183.37	2543.43	2215.07	2798.39	1132.93	978.55
Profit After Tax	5419.03	4507.23	2904.38	2513.17	2300.59	2278.6	2003.07	2290.80	1531.52	769.55
Profit After Tax as a percentage of Sales	5.41%	4.23%	2.92%	3.02%	3.44%	4.49%	4.23%	5.51%	3.78%	3.05%
Earnings Per Share (Rs.)	6.11 #	6.06 #	3.91 #	3.42 #	16.58	16.43	14.44	16.51	11.04	8.12
Dividend per fully paid Equity Share (Rs.)	2.00 #	1.80 #	1.70 #	1.50 #	7.50	7.00	6.50	6.00	5.00	3.00
Dividend	1982.90	1338.46	1264.10	1115.38	1115.38	971.02	901.66	832.3	693.59	416.15

Year	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02
<b>CAPITAL EMPLOYED</b>										
Net Fixed Assets	43011.36	58103.87	60676.59	200424.32	15647.14	11367.26	10560.95	8215.47	7943.98	8024.33
Net Working Capital	10230.27	11388.15	17835.12	22592.43	14451.81	9597.43	8130.11	9837.19	12593.26	17173.69
Other Assets	8768.26	3204.01	3595.94	6992.93	7980.24	5278.71	4839.49	2394.70	984.10	2211.82
Total Capital Employed	62009.89	72696.03	82107.65	230009.68	38079.19	26243.40	23530.55	20447.36	21521.34	27409.84

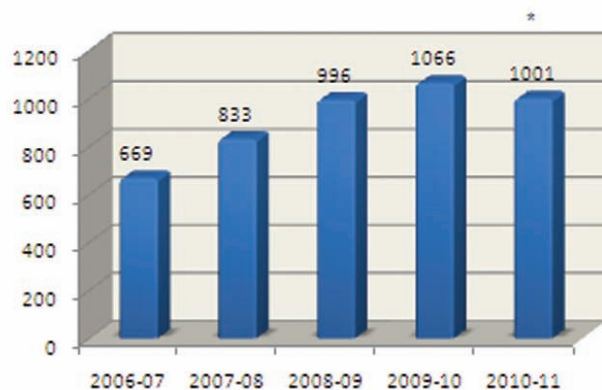
Year	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02
<b>NETWORTH &amp; LOANS</b>										
Shareholders' Funds:										
Capital	1982.90	1487.17	1487.17	1487.17	1387.17	1387.17	1387.17	1387.17	1387.17	1387.17
Reserves	42297.79	40789.77	39794.17	203901.39	14388.71	13393.06	12221.67	11246.72	10454.43	12943.00
Tangible Networth	44280.69	42276.94	41281.34	204717.18	15237.06	14284.78	12827.12	12045.21	11841.6	14330.17
Secured Loans	10204.43	17074.51	17122.63	13457.72	15547.27	8147.69	8243.71	6224.07	7593.02	11206.99
Unsecured Loans	7524.77	13344.58	23703.68	11163.40	6251.04	2810.48	1678.00	1589.40	2086.72	1872.68
Debt Equity	0.40	0.72	0.99	0.12	1.43	0.77	0.77	0.65	0.82	0.91
No. of Shareholders at year end	66661	61276	59476	56218	43790	43840	45893	47605	48945	46969

Note: Sales figure includes Excise Duty

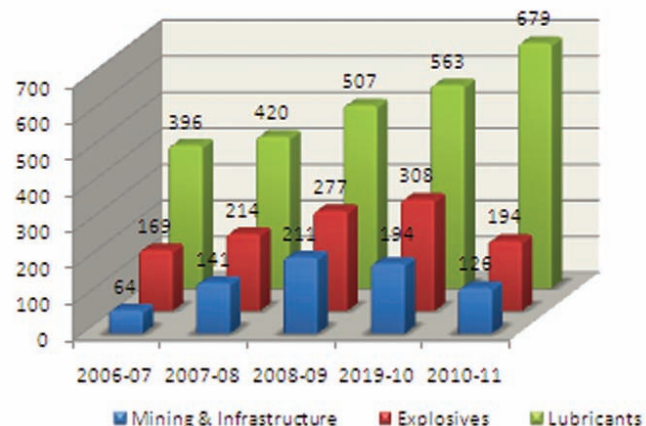
# Equity Shares of face value of Rs. 2 each. Previous years face value of Rs. 10 each

**Turnover**

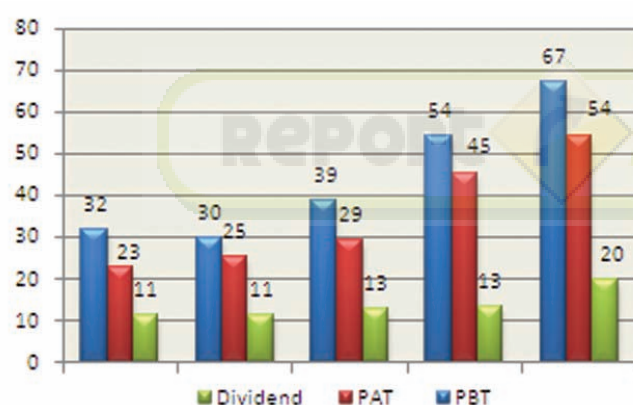
(₹ Crores)

**Segment-wise Turnover**

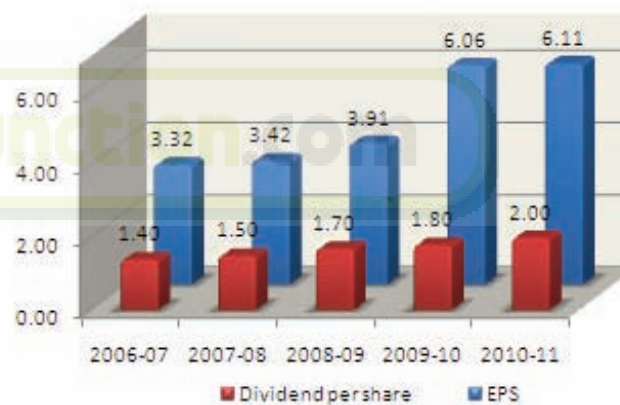
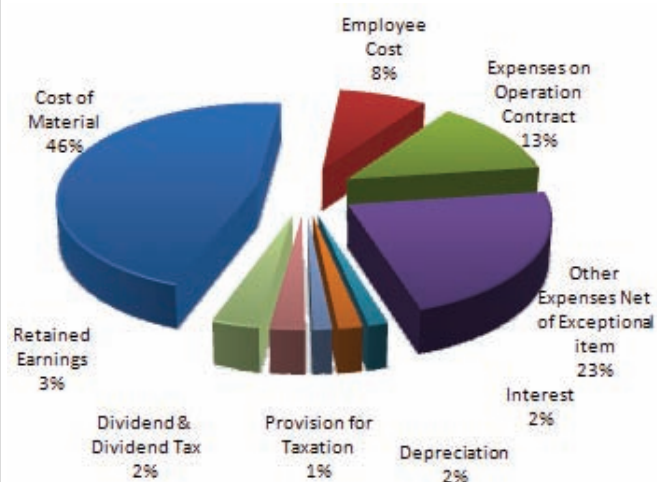
(₹ Crores)

**PAT, PBT and Dividend Payout**

(₹ Crores)

**Dividend per share and EPS**

(₹)

**Disposal of Revenue - F2011****Number of Shareholders**

\* All charts considers only 6 month turnover / business of 'Explosives Undertaking' transferred to 100% subsidiary IDL Explosives Limited w.e.f. 01-10-2010



## Chairman's Letter

Dear Shareholders,

Your Company has completed 50 years of successful operations. I am sure that you would be happy to note the steady growth of the Company over the years. From a single factory started in Kukatpally, Hyderabad in April 1961 the Company operations have become pan-Indian and expanded to Bangladesh, China and Indonesia, whilst domestic turnover has exceeded Rs. 1000 crores with exports to over 20 countries. While our achievements have been noteworthy over these 50 years, the journey into new business areas, new endeavours, meeting new challenges will continue to bring even more shareholder value in the years ahead.

### BUSINESS OVERVIEW

The global economy has been severely affected by the recessionary trends visible in the US and European Union. The Indian economy, however, continues with the growth patterns established over the last few years. GDP in India for 2010-11 manifested a growth of 8.6% with 6 core industries comprising crude oil, petroleum, refining, coal, electricity, cement and finished steel recording significant growth. India, therefore, is currently rated as one of the most attractive investment destinations on the globe.

The main 2 areas of the economy which have a direct bearing on the operations of your Company are Automobiles and Mining sectors. In the Automobiles sector, there was a robust overall growth of 26%. All major segments of the industry viz. Commercial vehicles ( +27% ), Passenger ( +29% ) and 2 wheelers ( +26% ) grew at a significant pace on the back of the strong economic growth with more focus on rural areas and new model launches. Higher spending on infrastructure development, strong consumer confidence, and moderate price hike by auto makers also contributed to the consistent good growth in the industry over the last 6 quarters.

Our Lubricants Division achieved a turnover of Rs. 679 crores, a robust increase of 21% and recorded growth rates higher than competition. The focus on segment wise approach backed by channel expansion, promotions and very aggressive brand building initiatives was successfully executed by the team. The strong brand building exercises will be continued in the future supported by promotions for trade influencers and end users.

On the other hand, the sectors which have seen considerable erosion of growth momentum over the last one year are mining and quarrying, and manufacturing. Mining witnessed a fall in growth to 5.9% in 2010-11 from 10% from 2009-10. As a consequence, the growth in electricity generation also slowed down to 5.6% in 2010-11 from 6.0% in 2009-10. The moderation in the pace of expansion of the mining sector can be related to certain adverse developments relating to the mining sector. Most mining activities in the dominant mining states have been affected due to environment and forest issues. The MoE&F categorized 203 coal blocks as "no go" mining zones, and this has contributed to supply shortfalls. It is estimated that these 203 coal blocks could have generated 1.3 lakhs MW of power per year. Moreover, a considerable number of power projects were said to get delayed because of uncertainty of availability of supply of coal.

Against the above backdrop your Company's Explosives Division's consolidated revenue grew to Rs. 322 crores by 5% over the last financial year. However, due to spinning off of a major portion of the explosives business into a 100% subsidiary w.e.f. 1.10.2010, the turnover reported for your Company was Rs. 194 crores. The growth of this Division is directly linked to the growth of the mining and infrastructure segment in India.

As a fallout of the slow down noticed in the mining sector and market conditions in a mining services industry, the



Service Income reported by the Mining & Infrastructure Division reduced considerably to Rs. 126 crores from Rs. 194 crores in the previous year. In the Orissa sector where the Division is engaged in large scale iron ore mining, there has been a lull in operations in the last three quarters. It is expected that with the policy reviews being undertaken by the State and the Union Governments, the mining policy issues will be resolved over the next few months, and our full-fledged operations would resume. In the meantime, the Division has started work at a mining project for Uranium Corporation of India near Jamshedpur, and also undertaken work on a major irrigation project in Andhra Pradesh to deploy the available equipment.

## NEW INITIATIVES

### Lubricants

The Division was able to retain its overall No. 2 position across India in the key bazaar segment with the aggressive marketing of New Generation Diesel Engine Oils. Technological upgradation of product portfolio was done with the launch of an Advanced Engine Oil, Gulf Super Fleet Dura Max, with high extended life of 80,000 Kms from the existing 36000 kms. Along with this, new OEM tie-up was forged with Mahindra & Mahindra's Automotive Division with the launch of the co-branded lubricants. Several new initiative with fleet operators and infrastructure companies especially BOT participants were also concluded.

To cater to the growth in demand, an automated plant in the South is being planned with an investment of over Rs.100 crs.

### Industrial Explosives

The separation of the cartridge and bulk explosives business into a 100% subsidiary namely IDL Explosives Limited was completed after obtaining the approval of the Andhra Pradesh High Court in March 2011. With this segregation we hope to achieve focus on a major portion of the explosives business which we have been operating since the early 1970s, so that strategic actions / partners can be inducted for the future revamp of the business. The subsidiary has started full fledged operations w.e.f. 24th May, 2011 with the completion of the formalities required for this purpose. Several plans are under consideration of your Board and will be announced as they are finalised.

Four years ago we had introduced electronic detonators, based on our R&D efforts. I am happy to announce that we have now been able to upgrade the product to a field programmable type whereby our users can set specific delay times based on the precise mine requirements at the site.

To enhance the Health and Environment Management System in the Explosives Division, the Division implemented Integrated Management System ( IMS ) which incorporates the Environmental Management System ( ISO 14001 ) and Occupational Health & Safety Management System ( OHSAS 18001 ).

### Mining & Infrastructure Division

The Division also obtained the ISO 14001 and OHSAS 18001 Certificate covering Quality, Safety, Occupational Health and Environment. In view of the challenges, both in the mining and quarrying sectors, the management is relooking at the strategies to optimise the strengths and capabilities of the Division in other infrastructure areas.

## PROPERTY DEVELOPMENT

Development of the Company's property at Yelahanka, Bangalore, where 5.05 mn. sq.ft. is planned to be constructed, a fresh market survey through Cushman Weikfield was completed to revalidate the revenue and construction phasing plans and the Developer has shortlisted a reputed main contractor, the project management consultant and the quality surveyor. In the meantime, all building plans have been revalidated and work on construction of the 1st phase comprising of 1.2 mn sq. ft. of built up area is being started after the monsoon this year.

The global economy is changing and we may see new structures emerging out of the current market turmoil. We will continue to remain flexible as the business climate shifts and demand fluctuates for our products and services. We know that our responsibility to you is to continue seeking new ways to improve everything we do.

Thank you for your continued support. I also wish to thank all members of Team Gulf and our business associates for their long association and contribution to our success.

S. G. Hinduja  
CHAIRMAN

August 16, 2011





## NOTICE OF THE FIFTIETH ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the Fiftieth Annual General Meeting of the Company will be held at 2.30 p.m. on Friday, the 23<sup>rd</sup> day of September 2011 at Grand Ball Room, Hotel Taj Krishna, Hyderabad - 500034 to transact the following:

### ORDINARY BUSINESS

1. To consider and adopt the Directors' Report, the Auditors' Report, the Balance Sheet as at 31st March 2011 and the Profit and Loss Account for the year ended 31st March 2011.
2. To declare dividend for the financial year ended 31st March 2011.
3. To appoint a Director in place of Mr.M.S.Ramachandran, who retires by rotation under Article 122 of the Articles of Association of the Company and is eligible for re-appointment .
4. To appoint a Director in place of Mr.Sanjay G Hinduja, who retires by rotation under Article 122 of the Articles of Association of the Company and is eligible for re-appointment.
5. To appoint a Director in place of Mr.Ramkrishan P Hinduja, who retires by rotation under Article 122 of the Articles of Association of the Company and is eligible for re-appointment.
6. To consider, and if thought fit, to pass, with or without modification, the following Resolution as an Ordinary Resolution:

"RESOLVED that M/s Deloitte Haskins & Sells, Chartered Accountants, Secunderabad (Registration No.008072S) be and are hereby appointed Auditors of the Company from the conclusion of this meeting until the conclusion of the next Annual General Meeting on a remuneration to be negotiated and fixed by the Audit Committee/Board of Directors of the Company in addition to actual out-of-pocket expenses incurred by them for the purpose of audit."

7. To consider, and if thought fit, to pass, with or without modification, the following Resolution as an Ordinary Resolution:

"RESOLVED that M/s. Shah & Co., Chartered Accountants, Mumbai (Registration No.109430W) be and are hereby appointed as Branch Auditors of the Company for its Lubricants Division at Mumbai from the conclusion of this meeting until the conclusion of the next Annual General Meeting on a remuneration to be negotiated and fixed by the Audit Committee/Board of Directors of the Company in addition to actual out-of-pocket expenses incurred by them for the purpose of audit."

### SPECIAL BUSINESS

8. To consider, and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956, Ms.Kanchan Chitale, who was appointed in the casual vacancy caused by the sad demise of Mr.P.N.Ghatalia and who, under Section 262 of the Companies Act, 1956 holds office only upto the date of this Annual General Meeting and being eligible, offers herself for appointment and in respect of whom the Company has received notice in writing from a Member, pursuant to the provisions of Section 257 of the Companies Act, 1956, signifying his intention to propose the candidature of Ms.Kanchan Chitale for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation.

9. "To consider, and if thought fit, to pass, with or without modification, the following resolution as a **Special Resolution**:

"RESOLVED that subject to the approval of the shareholders and pursuant to the provisions of Section 269,198,309,310 of the Companies Act, 1956 read with Schedule XIII to the said Act, as amended from time to time, and other applicable provisions if any, Mr.Subhas Pramanik be and is hereby reappointed as the Managing Director for a period of three years effective 8<sup>th</sup> July, 2011, on the terms and conditions set out in the Explanatory Statement annexed to the Notice of General Meeting under Section 173 of the Companies Act, 1956.

10. To consider, and if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution**:

"RESOLVED that in supersession of previous resolution passed by the Members of the Company at their Meeting held on 23<sup>rd</sup> September 2010 and pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956, the Foreign Exchange Management Act, 1999 (including any statutory modification(s) or re-enactment thereof for the time being in force), and the applicable laws, Rules, Guidelines, Regulations, Notifications and Circulars, if any, issued by the Securities and Exchange Board of India (SEBI), Reserve Bank of India (RBI), the Government of India (GOI), the Foreign Investment Promotion Board (FIPB), and other concerned and relevant authorities, and other applicable Indian laws, rules and regulations, if any, and relevant provisions of Memorandum and Articles of Association of the Company and the Listing Agreement(s) entered into by the Company with the Stock Exchanges where the Shares of the Company are listed and subject to such approval(s), consent(s) permission(s) and/ or sanctions(s) as may be required from GOI, FIPB, RBI, SEBI and any other appropriate authorities, institutions or bodies, as may be necessary and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission or





sanction which may be agreed by the Board of Directors of the Company ("the Board") (which term shall be deemed to include 'Offering Committee' or any other Committee constituted or hereafter be constituted for the time being exercising the powers conferred on the Board by this Resolution), which the Board be and is hereby authorized to accept, if it thinks fit in the interest of the Company, the consent and approval of the Company be and is hereby accorded to the Board to create, issue, offer and allot, from time to time, Securities (as defined below) in the form of Equity or other Shares, Warrants, Bonds or Debentures, Depository Receipts, (whether Global Depository Receipts (GDRs), American Depository Receipts (ADRs), Indian Depository Receipts (IDRs) or any other form of Depository Receipts), or any other debt instrument either convertible or nonconvertible into Equity or any other Shares whether optionally or otherwise, including Foreign Currency Convertible Bonds representing any type of securities (FCCBs), whether expressed in Foreign Currency or Indian Rupees (all or any of which are hereinafter referred to as "Securities") whether secured or unsecured, and further the Board be and is authorized, subject to applicable laws and regulations, to issue the Securities to investors (including but not limited to Foreign Banks, Financial Institutions, Foreign Institutional Investors, Qualified Institutional Buyers, Mutual Funds, Companies, other Corporate Bodies, Non-Resident Indians, Foreign Nationals and other eligible investors as may be decided by the Board (hereinafter referred to as "Investors") whether or not such Investors are members, promoters or directors of the company or their relatives or associates, by way of one or more private and/or public offerings (and whether in any domestic and/or international market(s), through a public issue(s), private placement(s), Qualified Institutional Placement(s), preferential issue(s) or a combination thereof in such manner and on such terms and conditions as the Board deems appropriate at its absolute discretion provided that the issue size shall not exceed US\$100 million or Rs.450 crores inclusive of such premium as may be payable on the Equity Shares or any other Security, at such time or times and at such price or prices and in such tranche or tranches as the Board in its absolute discretion deem fit.

**RESOLVED FURTHER THAT** in the event the Company proposes to issue Securities through Qualified Institutional Placement, the 'Relevant Date' in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2009 shall be August 23, 2011, being the date 30 days prior to the date of this Annual General Meeting or such other date as may be prescribed.

**RESOLVED FURTHER THAT** without prejudice to the generality of the above, the aforesaid issuance of the Securities shall be subject to such terms or conditions as are in accordance with prevalent market practices and applicable Laws and Regulations, including but not limited

to, the terms and conditions relating to payment of interest, dividend, premium on redemption, the terms for issue of additional Shares or variations in the price or period of conversion of Securities into Equity Shares or terms pertaining to voting rights or options for redemption of Securities.

**RESOLVED FURTHER that** the Board be and is hereby authorised to seek, at its absolute discretion, listing of Securities issued and allotted in pursuance of this resolution, on any Stock Exchanges in India, and/or Luxembourg/London/Nasdaq/New York Stock Exchanges and/or any other Overseas Stock Exchanges.

**RESOLVED FURTHER that** the Board be and is hereby authorised to issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion of any Securities referred above as may be necessary in accordance with the terms of offering, and that the Equity Shares so allotted shall rank in all respects pari passu with the existing Equity Shares of the Company.

**RESOLVED FURTHER that** subject to the approval(s), consent(s), permission(s) and/ or sanctions(s) stated above, the Company be and is hereby authorized to retain oversubscription/ green-shoe issue option up to 25% of the amount issued and the Board be authorised to decide the quantum of oversubscription to be retained as also any other matter relating to or arising therefrom.

**RESOLVED FURTHER that** the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may at its discretion deem necessary or desirable for such purpose including, if necessary, creation of such mortgages and/or charges in respect of the Securities on the whole or any part of the undertaking of the Company under Section 293(1)(a) of the Companies Act, 1956 or otherwise and to execute such documents or writings as it may consider necessary or proper and incidental to this Resolution.

**"RESOLVED FURTHER that** the Board be and is hereby authorised to do all such acts, deeds, matters and things and to decide upon, as it may at its discretion deem necessary, expedient or desirable in relation to all or any of aforesaid purpose including without limitation to the utilization of issue proceeds, finalizing the pricing, terms and conditions relating to the issue of aforesaid Securities including amendments or modifications thereto as may be deemed fit by them, to sign, execute and issue consolidated receipt/s for the Securities, listing application, various agreements such as Subscription Agreement, Depository Agreement, Trustee Agreement, undertakings, deeds, declarations, Letters and all other documents or papers and to do all such acts, deeds, matters and things, and to comply with all formalities as may be required in connection with and incidental to the aforesaid offering of Securities or anything in relation thereto, including but not limited to the post issue formalities and with power on behalf of the Company to settle any question, difficulties or doubts that may arise in regard to any such creation,



issuance, offer or allotment of the Securities as it may in its absolute discretion deem fit.

**RESOLVED FURTHER** that the Board be and is hereby authorized to enter into and execute all such arrangements/agreements as may be required for appointing Managers (including lead managers), merchant bankers, underwriters, financial and/or legal advisors, tax advisors, consultants, depositories, custodians, principal paying/transfer/conversion agents, listing agents, registrars, trustees and/ or all such agencies as may be involved or concerned in such offerings of Securities, whether in India or abroad, and to remunerate all such agencies including the payment of commissions, brokerage, fees or the likes, and also to seek the listing of such Securities or Securities representing the same in one or more stock exchanges whether in India or outside India, as it may be deem fit.”

11. To consider, and if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956 including any statutory modifications thereto or any re-enactment thereof for the time being in force (the “Act”) the Articles of Association of the Company be and are hereby altered as under:

**By replacing the existing Article 54 with the following new Article 54:**

Article 54

**“Directors may refuse to register transfers**

Subject to the provisions of Section 111A of the Act and the rules and regulations made thereunder and provisions of Securities and Exchange Board of India and its rules and regulations, the Board of Directors may, at its own absolute discretion, decline by giving reasons to register or acknowledge any transfer or the transmission, by operation of law of the right to, any shares or interest of a Member in, or debentures of the Company, the Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be was delivered to the Company, send notice of the refusal to the transferee(s) and the transferor(s) or to the person given intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that registration of a transfer not be refused on the ground of the transferor(s) being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has a lien on the shares.

Nothing in Section 108,109 and 110 of the Act shall prejudice this power to refuse to register the transfer of, or the transmission by operation of law of the rights to, any shares or interest of a member in, or debentures of the Company.”

**By replacing the existing Article 170 with the following Article 170:**

Article 170:

**“Unclaimed Dividends**

Where the Company has declared dividend but which has not been paid or claimed within 30 days from the date of declaration of the dividend, the Company shall within 7 days from the date of expiry of said period of 30 days, transfer the unpaid/unclaimed dividend amount to a special bank account to be opened by the Company in any Scheduled bank titled ‘Gulf Oil Corporation Limited Unpaid Dividend Account’.

Any money transferred to the unpaid dividend account of the Company; which remains unpaid or unclaimed for a period of Seven years from the date of such transfer, shall be transferred by the Company to the fund established under sub section (1) of Section 205C of the Companies Act, 1956.”

**By inserting the following Article as 51A after the present Article 51 of the Articles of Association of the Company under the heading “Buy Back of Shares and Securities”:**

**Article 51A:**

**“Buy Back of Shares and Securities**

The Company and/ or the Board of Directors shall have power, subject to and in accordance with Sections 77A, 77AA, 77B and other applicable provisions of the Act or the corresponding provisions, rules, regulations, guidelines prescribed by the Government of India, the Securities and Exchange Board of India or any other authority to purchase any of its own fully paid up shares, securities or other specified securities, whether or not they are redeemable and make a payment out of its free reserves or securities premium account or proceeds of any shares or other specified securities, provided that no buy-back of any kind of shares or other securities shall be made out of the proceeds of the earlier issue of the same kind of shares or same kind of other specified securities or from such other sources as may be permitted by law on such terms and conditions and in such manner as may be prescribed by the law from time to time in respect of such shares.”

**By inserting the following Article as 139 C after the present Article 139 B of the Articles of Association of the Company**

Article 139 C:

The Board shall be entitled to appoint any person who has rendered significant (distinguished) services to the Company or to the industry to which the Company’s business relates or in the public field as the Chairman Emeritus of the Company.

The Chairman Emeritus shall hold office until he resigns