



GULF OIL Corporation Limited

Corporate Office

Kukatpally, Post Bag No. 1, Sanathnagar (IE) P O
Hyderabad 500018 Andhra Pradesh, India.

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

M(RM) Remit at 4:30 PM on 05/06/09.

Recd

श्री.म.नि.बि. SEBI	
सं.नं.	15321
दिनांक	04 JUN 2009

5/6

June 3, 2009

The General Manager
Securities and Exchange Board of India
Plot No.C4-A, 'G' Block
Bandra Kurla Complex
Bandra (East)
Mumbai-400051.

Dear Sir/Madam,

Request for Interpretative/Confirmation Letter – Consolidation of Shareholdings – Regulation 11 of the SEBI (SAST) Regulations ('Regulations').

We enclose a case for your opinion/confirmation regarding increase shareholding on account of merger/amalgamation exempted for the purpose of limit of 5% under Regulation 11.

We request you for an Interpretative / Confirmation Letter under SEBI (Informal Guidance) Scheme, 2003.

We enclose cheque No. 095660 dated. 03.06.2009 for Rs.25,000 drawn on Securities and Exchange Board of India payable at par, towards fees specified under the Scheme.

Thanking you,

Yours faithfully
For GULFOIL Corporation Ltd.


S. Subramanian
Company Secretary

Encl: As above.

*cheque sent to SEBI
on 05/06/2009*

Case for Opinion

FACTS:

1. Gulf Oil Corporation Limited (GOCL) is an Indian Company engaged in manufacture of industrial explosives, lubricants, contract mining and property development. Equity Shares of GOCL are listed on the NSE and BSE.
2. Gulf Oil International (Mauritius) Inc. (GOIMI) is the promoter of GOCL having 45.73% shareholding as on date.
3. Helvetia Mauritius Ltd. (Helvetia) and Swallow Enterprises Mauritius Ltd. (Swallow) are Overseas Corporate Bodies (OCBs) based in Mauritius having shareholding in GOCL to the extent of 2.67% and 0.63%, respectively.
4. GOIMI, Helvetia and Swallow had approved on 13th May 2008 a Proposal of Amalgamation (of themselves) under the laws of Mauritius. The Certificate of Amalgamation has been issued by the Registrar of Companies, Republic of Mauritius on 23rd April 2009. Accordingly, beneficial ownership in the shares of GOCL would transfer from OCBs to GOIMI, resulting in increase of shareholding of GOIMI in GOCL from 45.73% to 49.03, an increase of 3.30%.

Though the approval came into effect by April/May 09, the Scheme is with effect from May 08.

5. Helvetia and Swallow had originally acquired the shares of GOCL with approval of RBI/Authorised Dealer and hence they have made application to the Indian regulatory authorities for transfer of shares, on account of amalgamation, in favour of GOIMI. The application is pending approval.
6. Under Regulation 11, an acquirer can consolidate his holdings by further acquiring upto 5% in a financial year, till the holding reaches 75%. Whereas under Regulation 3(1)(j) of the Regulations, nothing contained in Regulations 10, 11 and 12 shall apply to acquisition of shares pursuant to scheme "of arrangement or reconstruction including amalgamation or merger or demerger under any law or regulation, Indian or foreign".
7. GOIMI is of the opinion that the increase in its shareholding in GOCL on account of amalgamation in Mauritius, is exempted under Regulation 3; and as permitted under Regulation 11, they have option of increasing their shareholding in GOCL by way of open market purchase, preferential allotment, etc.



8. In the meantime, GOIMI is planning to increase the holding by creeping acquisition by 5% or accept any preferential allotment proposal from the company, if any, for increase by 5% as stipulated in Regulation 10 to 13.

QUERIES

9. In these circumstances, SEBI is requested to confirm that increase in shareholding of GOIMI on account of Amalgamation of three Mauritius based companies is exempted under Regulation 3; and that they have the option of acquiring further 5% shareholding in GOCL during the current financial year by way of open market purchase or preferential allotment, (5% of the increased capital, in case of allotment of fresh shares) pursuant to Regulation 11, without violating any of the applicable Rules, Regulations or Guidelines in 2009-10.



S. Subramanian

