## IMPORTANT NOTICE

**IMPORTANT: This e-mail is intended for the named recipient(s) only. If you are not an intended recipient, please delete this e-mail from your system immediately. You must read the following before continuing.** The following terms apply to the Red Herring Prospectus and accompanying International Wrap, each dated August 25, 2009 (the **"Preliminary Offering Memorandum"**) of Oil India Limited (the **"Company"**) the attached to this e-mail. You are therefore advised to read this page carefully before reading, accessing or making any other use of the attached Preliminary Offering Memorandum. In accessing the Preliminary Offering Memorandum, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access. The attached Preliminary Offering Memorandum is in preliminary form only, is not complete and contains information that is subject to completion and change.

**Confirmation of Your Representation:** You are accessing the attached Preliminary Offering Memorandum on the basis that you have confirmed your representation to each of JM Financial Consultants Private Limited, Morgan Stanley India Company Private Limited, Citigroup Global Markets India Private Limited and HSBC Securities and Capital Markets (India) Private Limited (collectively, the **"Book Running Lead Managers")** that: (1) you are the intended recipient of the attached Preliminary Offering Memorandum; (2) (i) you are neither resident in the United States nor a U.S. person, as defined in Regulation S under the U.S. Securities Act of 1933, as amended (the **"U.S. Securities Act")**, nor acting on behalf of a U.S. person, the electronic mail address to which this e-mail has been delivered is not located in the United States, its territories or possessions, and, to the extent that you eventually purchase the equity shares described in the attached Preliminary Offering Memorandum, you will be doing so pursuant to Regulation S under the U.S. Securities Act OR (ii) you are both (A) a "qualified institutional buyer" as defined in Rule 144A under the U.S. Securities Act and (B) a "qualified purchaser" as defined in Section 2 (a)(51) of the U.S. Investment Company Act; and (3) you consent to delivery of the attached Preliminary Offering Memorandum and any amendments or supplements thereto by electronic transmission.

The attached Preliminary Offering Memorandum has been made available to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission. Consequently, none of the Book Running Lead Managers, their respective affiliates or any person who controls any of them, or any of their respective directors, officers, employees or agents or any affiliates of any such person, accepts any liability or responsibility whatsoever in respect of any discrepancies between the Preliminary Offering Memorandum distributed to you in electronic format and the hard copy version. We will provide a hard copy version to you upon request.

You are reminded that no representation or warranty, expressed or implied, is made or given by or on behalf of any Underwriter named herein, nor any person who controls it or any director, officer, employee or agent of it, or affiliate of any such person as to the accuracy, completeness or fairness of the information or opinions contained in this document and such persons do not accept responsibility or liability for any such information or opinions.

**Restrictions:** The attached Preliminary Offering Memorandum and notice are being furnished in connection with an offering exempt from registration under the U.S. Securities Act solely for the purpose of enabling a prospective investor to consider the purchase of the Equity Shares described in the Preliminary Offering Memorandum. In making an investment decision, investors must rely on their own examination of the merits and risks involved.

THE COMPANY HAS NOT BEEN REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT AND THE EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION IN THE UNITED STATES AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, "U.S. PERSONS" (AS DEFINED IN REGULATION S UNDER THE U.S. SECURITIES ACT), EXCEPT PURSUANT TO AN EXEMPTION FROM OR IN A TRANSACTION NOT SUBJECT TO REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT.

Except with respect to eligible investors in jurisdictions where such offer is permitted by law, nothing in this electronic transmission constitutes an offer or an invitation by or on behalf of either the issuer of the Equity Shares or any of the BOOK RUNNING LEAD MANAGERS to subscribe for or purchase any of the Equity Shares described therein, and access has been limited so that it shall not constitute a "general solicitation" or "general advertising" (each as defined in Regulation D under the U.S. Securities Act) or "directed selling efforts" (as defined in Regulation S under the U.S. Securities Act) in the United States or elsewhere. If a jurisdiction requires that the Offering be made by a licensed broker or dealer and the underwriters or any affiliate of the underwriters is a licensed broker or dealer in that jurisdiction, the Offering shall be deemed to be made by the Book Running Lead Managers or any of their respective eligible affiliates on behalf of the issuer in such jurisdiction. Recipients of this e-mail and the attached Preliminary Offering Memorandum who intend to subscribe for or purchase the Equity Shares are reminded that any subscription or purchase of the Equity Shares may only be made on the basis of the information contained in the final offering document.

You are reminded that you have accessed the attached Preliminary Offering Memorandum on the basis that you are a person into whose possession this Preliminary Offering Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorized to deliver or forward this document, electronically or otherwise, to any other person. If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to purchase any of the Equity Shares described therein.

**Actions That You May Not Take:** You should not reply by e-mail to this transmission, and you may not purchase any Equity Shares by doing so. Any reply e-mail communications, including those you generate by using the "Reply" function on your e-mail software, will be ignored or rejected.

YOU MAY NOT AND ARE NOT AUTHORIZED TO (I) FORWARD OR DELIVER THE ATTACHED PRELIMINARY OFFERING MEMORANDUM, ELECTRONICALLY OR OTHERWISE, TO ANY OTHER PERSON OR (II) REPRODUCE SUCH PRELIMINARY OFFERING MEMORANDUM IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT AND THE ATTACHED PRELIMINARY OFFERING MEMORANDUM IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE U.S. SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

**You are responsible for protecting against viruses and other destructive items.** Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

**Supplement dated August 29, 2009**

**to**

**Preliminary Offering Memorandum dated August 25, 2009**

Note 4 under the heading "Other Notes on Restated Financial Statements" in Annexure VB to the Restated Financial Statements on page 170 of the Preliminary Offering Memorandum is hereby deleted and replaced in its entirety with the following:

> "The Income Tax Assessing Officers had rejected claim of the Company for certain reliefs and concessions and further did not allow the discount on Crude oil and LPG being allowed to Oil Marketing Companies (OMCs) as per the Government order/ notification, as expense for Assessment Years 2003-04 to 2006-07, due to which demand of Rs. 8402.30 million had been raised on the Company. The Company had preferred an appeal before the first Appellate Authority against such order/demand and succeeded in the appeal proceeding resulting into refund of Rs. 6955.11 million including interest of Rs. 752.48 million. No accounting action has been taken either for reversal of the tax provision or the interest receipt in view of second appeal having been filed by the Income Tax department before the Income Tax Appellate Tribunal (ITAT). On finalization of such appeal by ITAT necessary adjustments will be carried out.
>
> The matter was referred to Committee of Disputes (COD), Government of India who had referred the question of allow ability of discount to OMCs to Ministry of Law, Government of India. Ministry of Law has now opined that discount to OMCs is an allowable expense and no useful purpose would be served by agitating the matter before ITAT.
>
> For the Assessment Year 2007-08, the Assessing Officer continued the disallowance of both the above two claims of the Company in the Assessment Order and demanded Rs 7166.09 million. The Company has preferred appeal before CIT(A) disputing such disallowances.
>
> No Contingent Liabilities arises in respect of above mentioned Orders as:-
>
> a) Opinion of Ministry of Law, Government of India mentioned discount to OMCs as an allowable expenses not allowing Income Tax Department to agitate on the issue.
>
> b) Disallowance of benefits U/S 80 (IB)/80 (IC) has been considered by Company on conservative basis while making provision for income tax in its books and no reversal had been done pending disposal of appeal before IAT by the Income Tax Department."

The fax number of Citigroup Global Markets India Private Limited on the cover page, page 14 and page 23 of the Preliminary Offering Memorandum is hereby deleted and replaced with +91 (22) 6646 6192.

The name of the contact person for Axis Bank Limited on page 16 of the Preliminary Offering Memorandum is hereby deleted and replaced with Mr. Rajendra Krishna.