



ऑयल इंडिया लिमिटेड

( भारत सरकार का उद्यम )

Oil India Limited

(A Government of India Enterprise)

Our Company was incorporated on February 18, 1959 under the Companies Act, 1956 ("Companies Act") as a private limited company. The name of our Company was changed from Oil India Private Limited to Oil India Limited with effect from May 4, 1961. **Registered Office:** P.O. Dulaijan, District Dibrugarh, Assam 786 602, India. **Tel:** +91 (374) 2800 508. **Fax:** +91 (374) 2800 433. **Corporate Office:** OIL House, Plot Number 19, Sector 16A, Noida, District Gautam Budh Nagar, Uttar Pradesh 201 301, India. **Tel:** +91 (120) 2488 333. **Fax:** + 91 (120) 2488 310. For details of changes in our name and registered office, see "History and Certain Corporate Matters" on page 106 of the RHP. **Contact Person and Compliance Officer:** Mr. S.R. Krishnan, Company Secretary, **Tel:** +91(120) 2488 307. **Fax:** +91(120) 2488 412. **E-mail:** investors@oilindia.in **Website:** www.oil-india.com

**PUBLIC ISSUE OF 26,449,982 EQUITY SHARES OF Rs. 10 EACH ("EQUITY SHARES") FOR CASH AT A PRICE OF Rs. [-] PER EQUITY SHARE OF OIL INDIA LIMITED ("OIL INDIA", "THE COMPANY") AGGREGATING Rs. [-] MILLION ("ISSUE"). THE ISSUE COMPRISES A NET ISSUE TO THE PUBLIC OF 24,045,438 EQUITY SHARES ("NET ISSUE") AND A RESERVATION OF 2,404,544 EQUITY SHARES FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES ("EMPLOYEE RESERVATION PORTION"), AT THE ISSUE PRICE. THE ISSUE SHALL CONSTITUTE 11% OF THE FULLY DILUTED POST-ISSUE CAPITAL OF THE COMPANY.**

**PRICE BAND: Rs. 950 TO Rs. 1,050 PER EQUITY SHARE OF FACE VALUE Rs. 10 EACH.**

**THE FLOOR PRICE IS 95 TIMES OF THE FACE VALUE AND THE CAP PRICE IS 105 TIMES OF THE FACE VALUE.**

**BIDS CAN BE MADE FOR A MINIMUM OF 6 EQUITY SHARES AND IN MULTIPLES OF 6 EQUITY SHARES THEREAFTER.**

**BID/  
ISSUE**

**OPENS ON SEPTEMBER 7, 2009  
CLOSES ON SEPTEMBER 10, 2009**

In case of revision in the Price Band, the Bid/Issue Period will be extended for three additional Business Days after revision of the Price Band subject to the Bid/Issue Period not exceeding 10 Business Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Bombay Stock Exchange Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"), by issuing a press release, and also by indicating the change on the websites of the Book Running Lead Managers ("BRLMs") and at the terminals of the members of the Syndicate.

This is an Issue of less than 25% of the post-Issue Equity Share capital of the Company and is being made pursuant to Rule 19(2) (b) of the Securities Contract Regulation Rules, 1957 ("SCRR") through the 100% Book Building Process wherein at least 60% of the Net Issue size is required to be allocated to Qualified Institutional Buyers ("QIBs") on a proportionate basis out of which 5% shall be available for allocation on a proportionate basis to Mutual Funds. The remainder of the QIB portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds subject to valid Bids being received at or above Issue Price. In addition, in accordance with Rule 19(2) (b) of the SCRR, a minimum of two million securities are being offered to the public and the size of the Net Issue will aggregate at least Rs. 1,000 million. If at least 60% of the Net Issue cannot be allocated to QIBs, then the entire application money will be refunded. Further, not less than 10% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 30% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. Further, 2,404,544 Equity Shares shall be available for allocation on a proportionate basis to our Eligible Employees, subject to valid Bids being received at or above the Issue Price.

**Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant-Identification number and Beneficiary Account Number provided by them in the Bid cum Application Form, the Registrar to the Issue will obtain from the Depository, demographic details of the Bidders such as their address, occupation, bank account details for printing on refund orders / refund advices or for giving refund through any of the mode namely ECS or Direct Credit or RTGS or NEFT. Hence, Bidders are advised to immediately update their details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in despatch/ credit of refunds to Bidders at the Bidders sole risk and neither the BRLMs nor the Company or the Registrar or the Escrow Collection Banks shall be liable to pay any interest for such delay or shall have any responsibility or undertake any liability for the same. Hence, Bidders should carefully fill in their Depository Account details in the Bid cum Application Form.**

**ADDENDUM:** Note 4 under the heading "Other Notes on Restated Financial Statements" in Annexure V B to the Restated Financial Statements on page 170 of the Red Herring Prospectus 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."

Cover page, page 14 and page 23 of the Red Herring Prospectus, the fax number of Citigroup Global Markets India Private Limited shall be read as +91 (22) 6646 6192, page 16 of the Red Herring Prospectus, the contact person for Axis Bank Limited shall be read as Mr. Rajendra Krishna.

**Promoter of the Company: President of India, acting through Ministry of Petroleum and Natural Gas, Government of India.**

**Listing:** Our Equity Shares offered through this Red Herring Prospectus are proposed to be listed on BSE and NSE. We have received in-principle approvals from BSE and NSE for the listing of our Equity Shares pursuant to letters dated January 22, 2008 and January 8, 2008, respectively. The NSE shall be the Designated Stock Exchange.

**Disclaimer Clause of SEBI:** "SEBI only gives its observations on the offer documents and this does not constitute approval of either the issue or the offer document."

**Disclaimer Clause of NSE (The Designated Stock Exchange):** "It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the offer document. The investors are advised to refer to the offer document for the full text of the Disclaimer clause of NSE."

**Disclaimer Clause of BSE:** "It is to be distinctly understood that the permission given by Bombay Stock Exchange Limited should not in any way be deemed or construed that the Red Herring Prospectus has been cleared or approved by Bombay Stock Exchange Limited nor does it certify the correctness or completeness of any of the contents of the Red Herring Prospectus. The investors are advised to refer to the Red Herring Prospectus for the full text of the Disclaimer clause of the Bombay Stock Exchange Limited."

Book Running Lead Managers ("BRLMs")			Registrar to the Issue	
<b>JM FINANCIAL</b>  <b>JM Financial Consultants Private Limited</b> 141, Maker Chambers III Nariman Point Mumbai 400 021 Maharashtra, India Tel: +91 (22) 6630 3030 Fax: +91 (22) 2204 7185 Email: oilipo@jmfinancial.in Investor Grievance e-mail: grievance.ibd@jmfinancial.in Website:www.jmfinancial.in Contact Person: Mr. Munindra Sehgal SEBI Registration Number: INM000010361	<b>Morgan Stanley</b>  <b>Morgan Stanley India Company Private Limited</b> 1101-1115, Trident Nariman Point Mumbai 400 021 Maharashtra, India Tel: +91 (22) 6621 0555 Fax: +91 (22) 6621 0556 E-mail: oilindia@morganstanley.com Investor Grievance e-mail: investors_india@morganstanley.com Website: www.morganstanley.com/ indiaofferdocuments Contact Person: Ms. Sonali Johari/ Mr. Vishal Gahlaut SEBI Registration Number: INM000011203	 <b>Citigroup Global Markets India Private Limited</b> 12 <sup>th</sup> Floor, Bakhtawar Nariman Point Mumbai 400 021 Maharashtra, India Tel: +91 (22) 6631 9999 Fax: +91 (22) 6646 6192 E-mail: oil ipo@citi.com Investor Grievance e-mail: investors_cgmb@citi.com Website: www.citibank.co.in Contact Person: Mr. Shitij Kale SEBI Registration Number: INM000010718	 <b>HSBC Securities and Capital Markets (India) Private Limited</b> 52/60, Mahatma Gandhi Road Fort, Mumbai 400 001 Maharashtra, India Tel: +91 (22) 2269 4921 Fax: + 91 (22) 2263 1984 Email: oilipo@hsbc.co.in Investor Grievance e-mail: investorgrievance@hsbc.co.in Website: http://www.hsbc.co.in/ 1/2/corporate/equities-global-investment-banking Contact Person: Mr. Gaurav Shimpi SEBI Registration Number: INM000010353	 <b>Karvy Computershare Private Limited</b> Karvy House 46, Avenue 4 Street Number 1, Banjara Hills Hyderabad 500 034 Andhra Pradesh, India. Tel: +91 40 2342 0815 Toll Free Number: 1-800-345 4001 Fax: +91 40 2342 0814 Email: ganapathy@karvy.com Website: www.karvy.com Contact Person: Mr. M. Murali Krishna SEBI Registration Number: INR000000221
<b>Company Secretary and Compliance Officer:</b> <b>Mr. S.R. Krishnan</b> OIL House, Plot Number 19, Sector 16A, Noida District Gautam Budh Nagar , Uttar Pradesh 201301, India Tel: + 91 (120) 2488 307, Fax: +91(120) 2488 412, <b>E-mail:</b> investors@oilindia.in		Investors can contact the Compliance Officer, the Registrar, or the BRLMs, in case of any pre- or post-Issue related problems such as non-receipt of letters of allotment, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc.		

**IPO Grading:** The Issue has been graded by CRISIL Limited and has been assigned a grade of 4/5. The IPO Grading is assigned on a five point scale from 1 to 5, with IPO Grade 5/5 indicating strong fundamentals and IPO Grade 1/5 indicating poor fundamentals. For more information on the IPO Grading, see "General Information" and "Appendix C" on page 12 and 516, respectively of the Red Herring Prospectus. Attention is drawn to the disclaimer appearing on Page 524 of the RHP.

**Availability of Red Herring Prospectus:** Investors should note that investment in equity shares involves a high degree of risk and are advised to refer to the Red Herring Prospectus and the Risk Factors contained therein before applying in the Issue. Full copy of the Red Herring Prospectus available on the website of SEBI at www.sebi.gov.in and the websites of the BRLMs mentioned above.

**Availability of Bid-cum-Application Forms:** Bid-cum-application forms can be obtained from **Oil India Limited, BRLMs: JM Financial Consultants Private Limited**, Tel: +91 (22) 6630 3030, Fax: +91 (22) 2204 7185; **Morgan Stanley India Company Private Limited**, Tel: +91 (22) 6621 0555, Fax: +91 (22) 6621 0556; **Citigroup Global Markets India Private Limited**, Tel: +91 (22) 6631 9999, Fax: +91 (22) 6646 6192; **HSBC Securities and Capital Markets (India) Private Limited**, Tel: +91 (22) 2269 4921, Fax: + 91 (22) 2263 1984. Registrar to the Issue: **Karvy Computershare Private Limited**, Tel: +91 40 2342 0815, Toll Free Number: 1-800-345 4001, Fax: +91 40 2342 0814; Syndicate Members: **JM Financial Services Private Limited**, Tel: +91 (22) 6704 3184/3185, Fax: +91 (22) 6654 1511 and at the select locations of the Sub-Syndicate members participating in this Issue as given below:

A. G. Shares & Securities Ltd, A. K. Stockmart (P) Ltd, Acumen Capital Market Ltd, Adroit Financial Services P. Ltd, AG Shares & Securities Ltd, Aldan Investments, Almondz Global Securities Ltd, Amit Jasani Financial Services P. Ltd, Amrapali Capital and Finance Services, Anagram Capital Ltd, Anand Rathi Securities Pvt. Ltd, Angel Broking Ltd, Angel Capital & Debt Market Ltd, Anil Dhulia, Ankit Securities & Finance Co Pvt Ltd, ANS Pvt Ltd, Apollo Sindhoor, Arcadia Share & Stock Brokers Pvt. Ltd, Arvind Securities Ltd, Ashika Stock Broking Ltd, Asit C Mehta Investment Intermediates Ltd, ASL Capital Holdings Pvt Ltd, Astha Credit & Securities P. Ltd, Aum Capital Market P. Ltd, Bajaj Capital Ltd, Balaji Securities P. Ltd, Balance Equity Broking (I) Pvt. Ltd, Bharat Bhushan Equity Traders Ltd, Bhargava Lodha Stock Brokers Pvt Ltd, Bonanza Portfolio Ltd, Canara Bank Securities Ltd, Capstocks & Securities (I) P. Ltd, Caregrowth Broking Pvt. Ltd, Centrum Broking Private Ltd, CFS Financial Services Pvt Ltd, Chona Financial Services Pvt Ltd, Chugh Securities P. Ltd, Citigroup Global Markets India Pvt. Ltd, Colimabore Capital Ltd, Composite Investments Pvt Ltd, Consortium Securities Pvt Ltd, D R Share & Stock Brokers Pvt Ltd, Dalal & Broacha Stock Broking Pvt. Ltd, Darashaw & Company Pvt. Ltd, DB International DBFS Securities Ltd, Deep Financial Services Pvt Ltd, Dharmesh R. Shah (Ognajwala), Edelweiss Securities Ltd, Elite Stock Management Ltd, Emkay Share & Stock Brokers Ltd, Enam Securities Pvt Ltd, Escorts Securities Ltd, Eureka Stock & Share Broking Services Ltd, FE Securities Pvt Ltd, Fortune Equity Brokers (I) Ltd, Fortune Securities, Fulletron Securities & Wealth Advisors Ltd, Ganesh Stock Investment P. Ltd, Geojit BNP Paribas Financial Services Ltd, Gigantic Securities Ltd, Gogia International Securities Ltd, Great Indian Securities Company Ltd, HDFC Securities Ltd, Hem Finlease P. Ltd, Hem Securities Ltd, Hitesh Shah, Hitesh Shah Share & Stock Brokers, ICICI Securities Ltd, IDBI Capital, IL&FS Investsmart Securities Ltd, Inda Capital Markets Ltd, India Infoline Ltd, Indiabulls Securities Ltd, Innovate Securities Pvt. Ltd, Integrated Master Securities P. Ltd, Integrated Stock Broking Services Pvt Ltd, Interface Brokerage and Research Ltd, Investment Point, ISE Securities & Services Ltd, Jhaveri Securities Pvt Ltd, JM Financial Services P. Ltd, Jobanputra Fiscal Services P. Ltd, Joindre Capital Services Ltd, JRG Securities Ltd, K & A Securities P. Ltd, Kantilal Chhaganlal Securities P. Ltd, Karvy Stock Broking Ltd, Keynote Capitals Ltd, Khandwala Integrated Financial Ser. Pvt. Ltd, Khandwala Securities Ltd, KIFS Securities Private Ltd, KJMC Capital Market Services Ltd, Kotak Securities Ltd, Kumar Share Brokers Ltd, LKP Securities Ltd, Lohia Securities Ltd, Lunia Investments & Finance Pvt Ltd, M G Capital Services Ltd, Mangal Keshav Securities Ltd, Manushuk Stock Brokers Ltd, Marwadi Shares & Finance Ltd, Master Capital Services, Matalia Stock Broking P. Ltd, Mehta Equities Ltd, Microsec Capital Ltd, Modex International Securities Ltd, Morgan Stanley India Financial Services Private Ltd, Motilal Oswal Securities Ltd, MPSE Securities Ltd, Muthoot Securities Ltd, Navia Markets Ltd, NDA Securities Ltd, Network Stock Broking Ltd, Nirmal Bank Securities Pvt. Ltd, Nirman Share Brokers P. Ltd, Nitin Parikh & Co, NKB Securities, O.J. Financial Services Ltd, Pace Financial Services, Paras Mal Jain Share Stock & Finance Broker, Patco Investment & Consultancy Pvt Ltd, PELF Finstock Ltd, Prabhat Financial Services Ltd, Prabhudas Lilladher P. Ltd, Pravin Ratilal Share & Stock Brokers Ltd, Progressive Share Brokers Pvt Ltd, R K Stockholding P. Ltd, Rajesh Jain Portfolio P. Ltd, RBS Securities Ltd, Reliance Securities Ltd, Reliance Securities Ltd, RR Equity Brokers Ltd, Safal Investments, Saigao Securities Pvt Ltd, SBICAP Securities Ltd, Seema Securities Ltd, Seeta Portfolio Management Ltd, Sharekhan Ltd, Sharewealth Securities Ltd, Shreeji Kosh Securities, Shriram Insight Share Brokers Ltd, Siddhi Shares P. Ltd, SKI Capital Services Ltd, SKP Securities Ltd, SMC Global Securities Ltd, SPA Securities Ltd, SPFL Securities Ltd, SS Corporate Securities Ltd, Stanchart - STCI Securities Ltd, Standard Chartered - STCI Capital Markets Ltd, Star Finvest P. Ltd, Stock Holding Corporation of India Ltd, Sugai & Damani Share & Stock Brokers Pvt Ltd, Sun 'N' Sun Financial Services Ltd, Sunidhi Securities & Finance Ltd, Sushil Finance Consultants Ltd, Sushil Financial Services Private Ltd, Systematic Shares & Stocks (I) Ltd, Tata Securities Ltd, Techno Shares & Stock Ltd, Unicorn Securities P. Ltd, Upendra A Gandhi & Co, Vibrant Securities P. Ltd, Viren M Shah, Vivek Financial Focus Ltd, Vogue Commercial Co. Ltd, Way2wealth Brokers P. Ltd, Zen Securities Ltd, & Zurai Investments Ltd.

**APPLICATIONS SUPPORTED BY BLOCKED AMOUNT ("ASBA"):** In its continuing endeavor to make the existing public issue process more efficient SEBI has introduced a supplementary process of applying in public issues, viz: the "Applications Supported by Blocked Amount (ASBA)" process. **Certain Investors may also apply through ASBA.** ASBA Investor means "Resident Retail Individual Investor" applying in the issue whose Application is Supported by Blocked Amount and is applying for an amount upto Rs. 1,00,000/- and bidding at cut off price with single option as to number of shares bid for. The investor shall apply through blocking of funds in a bank account with the Self Certified Syndicate Bank ("SCSB") and shall agree not to revise his/her bid. This mode of payment is not applicable to applicants bidding under the reserved categories. ASBA has been introduced to provide a simplified alternate payment mechanism to the Resident Retail Individual Investor. An investor is not required to make the payment at the time of application as done in the normal process. Instead an amount equal to the application money will be blocked by SCSB where investor has his account. SCSB will block the amount and upload the bid of the applicant. The amount will be unblocked on completion of allotment process. Thus the amount will remain in bank account till allotment and same will be appropriated in case of allotment to the applicant. A separate application form (different from the normal form) is available for use by the ASBA investors who are required to mention important details such as 1) DP Id/Client Id 2) PAN details 3) Bank Account details and 4) No. of shares bid for in the application form. The Resident Retail Individual Investor maintaining account at any of the SCSBs can use this facility subject to fulfilling all the terms and conditions stipulated in this regard by SCSBs. ASBA forms can be obtained from BRLMs, the Registrar to the Issue, SCSBs and their designated branches. The list of banks who have been notified by SEBI to act as SCSBs for the ASBA process are provided on website of SEBI, NSE & BSE. For details on designated branches of SCSB collecting ASBA forms, please refer to the websites of SEBI, NSE and BSE.

**Bankers to the Issue and Escrow Collection Banks:** **ABN Amro Bank N.V., Axis Bank Limited, Citibank N.A., Deutsche Bank AG, HDFC Bank Limited, Kotak Mahindra Bank Limited, ICICI Bank Limited, IDBI Bank Limited, Standard Chartered Bank, State Bank of India Limited, The Hongkong and Shanghai Banking Corporation Limited & Yes Bank Limited**

For **OIL INDIA LIMITED**

On behalf of the Board of Directors

Sd/

**N.M.Borah**

Chairman & Managing Director

"The Company is proposing, subject to market conditions and other considerations, a public issue of its equity shares and has filed a Red Herring Prospectus with the Registrar of Companies, RoC, Assam, Tripura, Manipur, Nagaland, Meghalaya, Mizoram and Arunachal Pradesh, at Shillong, Meghalaya, India. The Red Herring Prospectus is available on the website of SEBI at www.sebi.gov.in and the respective websites of the Book Running Lead Manager at www.jmfinancial.in, www.morganstanley.com/indiaofferdocuments, www.citibank.co.in, and http://www.hsbc.co.in/1/2/corporate/equities-global-investment-banking. Investors should note that investment in equity shares involves a high degree of risk and for details relating to the same, see the section titled "Risk Factors" of the Red Herring Prospectus. This advertisement does not constitute an offer of securities for sale in any jurisdiction, including the United States of America. Securities may not be offered or sold in the United States absent registration under the U.S. Securities Act of 1933, as amended, or an exemption therefrom. The Company has not and does not intend to register any securities under the U.S. Securities Act of 1933, as amended, and does not intend to offer any securities to the public in the United States. The Company will not be registered under the U.S. Investment Company Act of 1940, as amended, and investors will not be entitled to the benefits of that Act. No money, securities or other consideration from any person inside the United States is being solicited and, if sent in response to the information contained in this advertisement, will not be accepted."