No.G-38011/29/2010-Fin.I
Government of India
Ministry of Petroleum & Natural Gas
****

January 31, 2013

To

The Managing Director
BSE Limited
Phiroze Jeejebhoy Towers
Mumbai-400 001
India

The Managing Director
National Stock Exchange of India Limited
Exchange Plaza
Plot No. C/1, G Block
Bandra Kurla Complex
Bandra (East)
Mumbai 400 051
India

Sub: Announcement of Floor Price for the proposed Offer for Sale of equity shares of Oil India Limited as per the notice issued pursuant to SEBI circular CIR/MRD/DP/18/2012 dated July 18, 2012, as amended by SEBI vide circular number CIR/MRD/DP/04/2013 dated January 25, 2013 (the "Announcement")

Sir,

I am directed to say that the President of India, acting through the Ministry of Petroleum and Natural Gas, Government of India is the Promoter of Oil India Limited (the **"Company"**). The Promoter (**"Seller"**), proposes to sell 6,01,13,157 equity shares of the Company (**"Sale Shares"**) of face value of ₹ 10/- each, aggregating to 10% of the total paid up capital of the Company, in accordance with the SEBI circular number CIR/MRD/DP/18/2012 dated July 18, 2012, as amended by circular number CIR/MRD/DP/04/2013 dated January 25, 2013 (**"SEBI OFS Guidelines"**) and in accordance with notice number 20120222-34 dated February 22, 2012, notice number 20120228-30 dated February 28, 2012, notice number 20120727-26 dated July 27, 2012 and notice number 20130129-23 dated January 29, 2013 issued by the BSE Limited (**"BSE"**) and circular bearing reference number 52/2012 dated August 2, 2012 and circular dated January 30, 2013 issued by the National Stock Exchange of India Limited (**"NSE"**, and together with the BSE, the **"Stock Exchanges"** and such an offer for sale hereinafter referred to as the **"Sale"**). A copy of the notice dated January 30, 2013 (**"Sale Notice"**) is enclosed herewith as Annexure A.

In this regard, the Floor Price for the Sale in terms of the SEBI OFS Guidelines shall be as below:

₹ 510.00 per equity share of Oil India Limited (the **"Floor Price"**)

As stated in the Sale Notice, the Seller has opted to publicly disclose the Floor Price in accordance with Clause 5(c)(i) of the SEBI OFS Guidelines.

Important Information

The Sale is personal to each prospective buyer (including individuals, funds or otherwise) registered with the brokers of the Stock Exchanges who makes a bid (each, a "**Bidder**") and neither the Sale nor this Announcement constitutes an offer to sell or invitation or solicitation of an offer to buy to the public or to any other person or class of persons requiring any prospectus or offer document to be issued, submitted to or filed with any regulatory authority or to any other person or class of person within or outside India.

The Sale is being carried out in accordance with SEBI OFS Guidelines and subject to the circulars, guidelines, rules and regulations of the Stock Exchanges. There will be no public offer of the Sale Shares in India under the Companies Act, 1956, as amended (the "**Companies Act**") or any other jurisdiction. Therefore, no documents have been or will be prepared as an "offer document" or a "prospectus" under the Companies Act, and/or SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("**SEBI (ICDR) Regulations**"), and/or submitted to or registered with the Registrar of Companies, SEBI, the Stock Exchanges or any other regulatory or listing authority in India or any other jurisdiction and no such document will be circulated or distributed to any person in India or any other jurisdiction.

The information/commitments given to the buyers are given solely on the basis of publicly available information and previously published information by the Company available with SEBI or the Stock Exchanges, on the Company's website or otherwise in the public domain, together with the information contained in this Announcement, and shall be subject to the terms set forth in the contract note to be provided to the prospective successful buyers.

This Announcement is for information purposes only and is neither an offer nor invitation to buy or sell nor a solicitation of an offer to buy or sell any securities, nor shall there be any sale of securities in any jurisdiction ("**Other Jurisdiction**") in which such offer, solicitation or sale is or may be unlawful, whether prior to registration or qualification under the securities laws of any such jurisdiction or otherwise. This Announcement and the information contained herein are not for publication or distribution, directly or indirectly, in or to persons in any Other Jurisdiction unless permitted pursuant to an exemption under the relevant laws or regulations in such Other Jurisdiction. Prospective purchasers should seek appropriate legal advice prior to participating in the Sale.

This Announcement is neither an offer to sell nor a solicitation of an offer to buy any Sale Shares in the United States of America, its territories and possessions, any state of the United States of America, and the District of Columbia (together, the "**United States**"). This Announcement and the information contained herein are not for release, publication or distribution, in whole or in part, in the United States. The Sale Shares shall be offered within the United States only to qualified institutional buyers ("**QIBs**" and each a "**QIB**") within the meaning of Rule 144A under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and outside the United States in offshore transactions pursuant to Regulation S

("**Regulation S**") under the Securities Act. The Sale Shares have not been and will not be registered under the Securities Act, or under the securities laws of any state of the United States or any other jurisdiction and may not be offered or sold in the United States except in transactions exempt from the registration requirements of the Securities Act. The buyers of Sale Shares are advised that any resale of Sale Shares must be made in accordance with or in transactions exempt from or not subject to the registration requirements under the securities laws in the United States.

By submitting a bid in connection with the Sale or receiving any Sale Shares, each Bidder and any broker acting on such Bidder's behalf shall be deemed to have (a) read and understood the terms of this Announcement in its entirety along with SEBI OFS Guidelines; (b) accepted and complied with the terms and conditions set out in this Announcement; (c) represented, agreed and acknowledged that such Bidder is, and at the time the Sale Shares are purchased, will be either (i) located outside the United States and purchasing such Sale Shares in an offshore transaction pursuant to Regulation S, or (ii) a QIB purchasing the Sale Shares in a transaction exempt from the registration requirements of the Securities Act.

By submitting a bid on behalf of a Bidder in connection with the Sale, each broker will also be deemed to have represented, agreed and acknowledged that it is located outside the United States and that none of the broker, its affiliates or any person acting on its or their behalf (a) has offered or will offer and sell the Sale Shares in the United States except to QIBs in transactions exempt from the registration requirements of the Securities Act, or (b) has engaged or will engage in any directed selling efforts with respect to the Sale Shares (within the meaning of Regulation S) in connection with the offer or sale of the Sale Shares or has engaged or will engage in any form of general solicitation or general advertising (within the meaning of Regulation D under the Securities Act) in connection with the Sale in the United States.

Yours faithfully,

(Raj Sekhar Sikdar)
Under Secretary to the Govt.of India
Ph. 23384473

आर. एस. सिकदर / R. S. SIKDAR
अवर सचिव / Under Secretary
पेट्रो. एवं प्रा. गैस मंत्रा. / M/o P&NG
भारत सरकार / Govt. of India