

PRESS RELEASE

Oil India Limited (OIL) completes transaction for acquisition of interest in the Giant Gas Field in Rovuma Area 1 Offshore Block in Mozambique

Dated: 07 January, 2014

Oil India Limited ("OIL"), along with ONGC Videsh Limited ("OVL"), has completed the acquisition of 100% shares in Videocon Mozambique Rovuma 1 Limited from Videocon Mauritius Energy Limited. Videocon Mozambique Rovuma 1 Limited holds a 10% participating interest in the Rovuma Area 1 Offshore Block in Mozambique ("Area 1"). This is pursuant to our earlier announcement on 25th June 2013, of signing of definitive agreements to acquire this interest. The terms of the transaction remain broadly the same as per the earlier announcement.

Area 1 covers approximately 2.6 million acres in the deepwater Rovuma Basin offshore Mozambique and represents the largest gas discovery offshore East Africa with estimated recoverable resources of between 35 and 65 TCF as per operator's estimates. Partners in Area 1 include Anadarko, operator of the project, ENH, Mitsui, BPRL and PTTEP. Area 1 has the potential to become one of the world's largest LNG producing hubs with first LNG expected in 2018.

The Area 1 LNG project is strategically located to competitively supply LNG to India, and OIL's and OVL's participation in the project will facilitate access to the growing Indian gas market which will supplement the country's energy security endeavour. OIL and OVL will also devote significant financial and technical resources to the development of the project. This investment is expected to further enhance the strong business and cultural links between Mozambique and India.

This acquisition marks OIL's entry into the global LNG industry.

About OIL

Incorporated in 1959, Oil India Limited (BSE: 533106, NSE: OIL) is the second largest national oil and gas company in India as measured by total proved plus probable oil and natural gas reserves and production. It is engaged in the business of exploration for oil and gas, production of crude oil, natural gas and LPG and transportation of crude oil, natural gas and petroleum products. The company has over 120,000 sq km of Petroleum Exploration License (PEL)/ Mining Lease (ML) areas for its exploration and production activities. OIL has 58 domestic E&P blocks besides an International presence spanning USA, Venezuela, Gabon, Egypt, Nigeria, Libya and Yemen among other countries. The company had total turnover of INR 9,948 Cr (US\$1.83 Bn) and PAT of INR 3,589 Cr (US\$ 0.66 Bn) in FY13 and produced 6.33 MMTOE of Oil and Gas in the corresponding period. OIL has total 2P reserves of 916 MMBOE in India with a reserve replacement ratio of over 164% for domestic assets in FY13. Market capitalisation of the Company was INR 28,590 Cr (US\$ 4.59 Bn) as of 6th January 2014.

Note: Turnover and profit data for OIL presented in US\$ for illustrative purposes only and converted from Indian Rupee at the exchange rate of INR 54.45 for US\$1 (average RBI reference rate for 2012-13). Market capitalisation of OIL as on 6th January 2014 converted at INR 62.33 for US\$1 (RBI reference rate of 6th January 2014).

For further information, please contact:

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