

(Incorporated under the Companies Act, 1956 on October 24, 2005)

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ISSUE OF 1,350,000,000 EQUITY SHARES OF RS.10 EACH FOR CASH AT A PRICE OF RS. [•] PER EQUITY SHARE (INCLUDING SHARE PREMIUM OF RS. [•] PER SHARE) AGGREGATING TO RS. [•] MILLION INCLUDING PROMOTER'S CONTRIBUTION OF 900,000,000 EQUITY SHARES OF RS. 10 EACH FOR CASH AT A PRICE OF RS. [•] PER EQUITY SHARE ("PROMOTERS CONTRIBUTION") AND NET ISSUE TO PUBLIC OF 450,000,000 EQUITY SHARES OF RS. 10 EACH ("NET ISSUE"). THE NET ISSUE WILL CONSTITUTE 10% OF THE FULLY DILUTED POST-ISSUE PAID-UP CAPITAL OF RELIANCE PETROLEUM LIMITED ("COMPANY" OR "ISSUER").

NOTICE TO INVESTORS

RECENT DEVELOPMENTS

This section supplements "Our Business" commencing on Page 58 of the Red Herring Prospectus.

On April 12, 2006, the Company, Reliance Industries Limited and Chevron India Holdings Pte. Ltd. an indirectly wholly owned subsidiary of Chevron Corporation, ("Chevron") entered into an Equity Investment Agreement under which Reliance Industries Limited ("RIL"), the Company's Promoter, agreed to sell 225,000,000 of the Company's Equity Shares (out of the minimum promoters' contribution of 20% subscribed as per Clause 4.1.1 of the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000, as amended (the "SEBI DIP Guidelines"), representing 5% of the Company's post-Issue outstanding Equity Share capital, to Chevron at a price of Rs.60 per Equity Share. This investment is subject to regulatory approval, including that of SEBI and the Reserve Bank of India, if required. After such sale, RIL would cause a nominee of Chevron to be elected to the Company's Board of Directors. After such sale and upon completion of the offering, RIL would hold 75% of the Company's share capital.

The Equity Investment Agreement provides that the Company and Chevron intend to have strategic, financial, technical and supply / off-take collaborations and the Company, RIL and Chevron have agreed to use reasonable commercial efforts to negotiate and execute (i) a supply and off-take agreement; (ii) a share purchase agreement; and (iii) a form of the shareholders agreement with Chevron for possible future strategic collaborations and joint activities for crude oil supply, refined petroleum product sales and purchase of further equity by Chevron in RPL. Upon the entry into such agreements, RIL has agreed to sell to Chevron, and Chevron has agreed to purchase from RIL, at a price per Equity Share that is 5% less than the then prevailing market price, such number of the Company's Equity Shares that would increase Chevron's holding to 29% of the Company's then outstanding Equity Share capital (taking into account only the initial 5% stated above and not any Equity Share Chevron might acquire otherwise). In that event, RIL would hold 51% of the Company's Equity Share capital.

However, if such agreements are not entered into by a date three months after the later of the date of commissioning of the Company's proposed refinery and the end of the three-year holding period applicable to Chevron under SEBI rules, then Chevron shall sell to RIL or its nominee or any person directed by RIL all of the 225,000,000 Equity Shares at Rs.60 per Equity Share.

Further details on such possible future arrangements are set out in a non-binding Memorandum of Understanding between RIL and Chevron dated 12 April, 2006 and include:

- the negotiation of suitable crude oil supply arrangements, including that Chevron may supply approximately 35% of the Company's spot basis crude oil requirements, for an initial period of up to 10 years;
- the negotiation of suitable offtake arrangements for refined petroleum products to be produced by the Company's proposed refinery, including that Chevron may take up to 45% of the proposed refinery's product slate, for an initial period of up to 10 years;
- the setting up of a technology centre in India to develop R&D activities in refining technology.

RISK FACTORS

This section supplements "Risk Factors" commencing on Page xvi of the Red Herring Prospectus.

There is no guarantee that Chevron will enter into a strategic alliance with the Company or become a shareholder.

There is no guarantee that Chevron may be permitted to purchase the 5% Equity Share Capital of the Company from RIL because this purchase is subject to Regulatory Approvals. No assurance may be given that any such approval will be obtained in a timely manner or at all. There can be no assurance that we, RIL or Chevron will enter into any of the relationships or agreements contemplated by the Memorandum of Understanding entered into with Chevron and discussed under "Our Business – Recent Developments". In particular, there can be no assurance that we or RIL will be able to negotiate acceptable terms for the supply of crude oil or the purchase of refined petroleum product by Chevron. Thus there is no guarantee that Chevron will acquire either the 5% or an additional 24% of the equity of the Company.

Additional strategic investments in the Company could dilute your interest or reduce RIL's ability to control the Company's operations

As and when the contemplated sale by RIL of a total of 29% of the Equity Shares of the Company takes place, this would result in reduction of RIL's shareholding in the Company. Any reduction of RIL's shareholding or the terms of any shareholders' agreement with Chevron, could reduce or limit RIL's ability to control the Company's operations and the Project.

CAPITAL STRUCTURE

This section supplements "Capital Structure" commencing on Page 22 of the Red Herring Prospectus.

On 12 April, 2006 we and the Company's Promoter, Reliance Industries Limited ("RIL"), entered into an Equity Investment Agreement with Chevron India Holdings Pte. Ltd, a wholly owned subsidiary of Chevron Corporation, ("Chevron"). Under the terms of the agreement, Chevron has agreed to purchase initially 225 million of the Company's Equity Shares (out of the minimum promoters' contribution of 20% subscribed as per Clause 4.1.1 of the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000, as amended (the "SEBI DIP Guidelines"), representing 5% of the post Issue Equity Share capital of the Company, at a price of Rs. 60 per Equity Share for an aggregate consideration of Rs. 13.5 billion (approximately US\$300 million). This transfer of Equity Shares by RIL to Chevron will be subject to SEBI's approval and approval from Reserve Bank of India, if required. Upon the acquisition of the 5%, Chevron may choose a nominee to serve as a director of the Company for as long as Chevron retains ownership of all of the 5% Equity Shares. After such sale and upon completion of the offering, RIL would hold 75% of the Company's share capital.

If the parties execute certain additional agreements, including a supply and off-take agreement, as discussed in "Our Business-Recent Developments", a share purchase agreement and a form of shareholders' agreement, by the end of the three-month period after the later of (1) the completion of start-up of polypropylene units and all the major oil processing units, production of finished, saleable products from the Project, and refinery operation at 80% or greater utilization for a period of at least 30 days (the "Commissioning"), or (2) the expiration of the three-year holding period for Chevron's initial 5% investment under the SEBI rules and subject to any then applicable regulatory approvals, Chevron will purchase such number of additional Equity Shares from RIL that will give Chevron a 29% ownership (taking into account only the initial 5% stated above and not any Equity Share Chevron might acquire otherwise) of the then fully diluted equity share capital of the Company, at a price per share that is 5% below the then current market price of the Equity Shares. In that event, RIL would hold 51% of the Company's Equity Share capital.

The obligations under the agreement are subject to approvals by SEBI and the Reserve Bank of India to the extent required by applicable law. If the additional agreements are not executed by the end of the three-month period after the later of the date of Commissioning or the expiration of the three year holding period of Chevron's initial purchase of Equity Shares, or if Commissioning does not occur by December 31, 2009, then Chevron is obligated to sell to RIL or its nominee or any person directed by RIL all of the 225,000,000 Equity Shares at a price of Rs. 60 per Equity Share.

For risk factors and other details relating to the Issue, please refer to the Red Herring Prospectus. The Public Notice to investors is required to be read in conjunction with the Red Herring Prospectus and forms an integral part of the Red Herring Prospectus.

These materials are not an offer for sale of securities. The securities of RPL have not been registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold in the United States absent registration or an exemption from the registration requirements of the Securities Act. Any public offering in the United States of RPL securities will be made by means of a prospectus that may be obtained from the issuer and that will contain detailed information about the company and management, as well as financial statements"

Reliance Petroleum Limited
Sd/-

Date : April 12, 2006
Place : Mumbai

K. Sethuraman
Company Secretary