



OIL AND NATURAL GAS CORPORATION LIMITED

SECRETARIAT

Regd. Office : Jeevan Bharati, Tower-II, 124, Indira Chowk, New Delhi-110001

CIN No. L74899DL1993GOI054155

Website : www.ongcindia.com Email : secretariat@ongc.co.in

ONGC/CS/SE/2015

14th February, 2015

The Bombay Stock Exchange Limited,
Corporate Relationship Department
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
MUMBAI – 400 001

National Stock Exchange of India Ltd.
Exchange Plaza
Bandra-Kurla Complex
Bandra (E)
MUMBAI – 400 051

Sub: Un-audited Financial Results for third quarter and nine months ended 31st December, 2014.

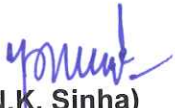
Dear Sir(s),

Further to our letter(s) of even number dated 27th January, 2015 and 10th February, 2015 on the captioned subject, enclosed please find a copy of the Un-audited Financial Results (after Limited Review) of the Company for **Third Quarter and nine months ended 31st December, 2014,** approved by the Board of Directors in its meeting held today i.e. 14th February, 2015, in terms of Clause-41 of Listing Agreement.

Kindly take note of the same.

Thanking you,

Yours faithfully,
For **Oil and Natural Gas Corporation Ltd.**


(N.K. Sinha)
Company Secretary

Enc: As above

OIL AND NATURAL GAS CORPORATION LIMITED

CIN No. L74899DL1993GOI054155

Regd. Office : 'Jeevan Bharti', Tower II, 124-Indira Chowk, New Delhi 110 001

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STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2014

(₹ in Crore)						
PART I	3 months ended 31.12.2014	Preceding 3 months ended 30.09.2014	Corresponding 3 months ended 31.12.2013 in the previous year	Nine months ended 31.12.2014	Corresponding Nine Months ended 31.12.2013 in the previous year	Year ended 31.03.2014
Particulars	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Income from operations						
(a) Gross Sales/Income from Operations	18,770.49	20,425.77	20,832.85	61,009.34	62,499.73	83,468.39
Less: Excise Duty recovered	55.79	64.63	88.19	186.50	224.78	312.51
(b) Net Sales/Income from Operations (Net of excise duty)	18,714.70	20,361.14	20,744.66	60,822.84	62,274.95	83,155.88
(c) Other Operating Income	209.75	86.61	107.58	400.63	300.89	733.05
Total income from operations (net) (b+c)	18,924.45	20,447.75	20,852.24	61,223.47	62,575.84	83,888.93
2 Expenses						
(a) Cost of materials consumed*	188.44	132.33	190.67	451.00	431.04	664.08
(b) Purchase of stock-in-trade	1.27	0.98	0.74	3.06	2.51	3.18
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade [(Increase)/Decrease]	65.08	227.99	(56.66)	90.02	(100.81)	104.28
(d) Employees benefits expenses**	400.05	455.89	448.85	1,262.67	1,481.23	1,935.69
(e) Depreciation and amortisation expenses***	3,339.54	2,453.75	2,588.36	8,355.60	7,347.36	10,927.71
(f) Statutory levies	5,312.59	5,449.75	5,740.20	16,589.43	17,136.35	22,652.78
(g) Exploration Cost written off	2,475.43	1,912.49	1,810.57	8,215.43	5,449.48	7,843.30
(h) Other expenses	3,351.93	3,239.69	2,210.06	9,589.30	10,715.14	14,038.85
Total Expenses	15,134.33	13,872.87	12,932.80	44,556.51	42,462.30	58,169.87
3 Profit/(Loss) from Operations before other Income, finance costs and exceptional Items (1-2)	3,790.12	6,574.88	7,919.44	16,666.96	20,113.54	25,719.06
4 Other income	1,377.57	1,360.89	2,662.33	3,633.64	5,341.40	6,713.23
5 Profit/(Loss) from ordinary activities before finance cost and exceptional Items (3+4)	5,167.69	7,935.77	10,581.77	20,300.60	25,454.94	32,432.29
6 Finance costs	1.25	0.14	0.02	1.52	0.32	0.36
7 Profit/(Loss) from ordinary activities after finance cost but before exceptional items (5-6)	5,166.44	7,935.63	10,581.75	20,299.08	25,454.62	32,431.93
8 Exceptional items	-	-	-	-	-	-
9 Profit/(Loss) from ordinary activities before tax (7+8)	5,166.44	7,935.63	10,581.75	20,299.08	25,454.62	32,431.93
10 Tax expense						
a) For current tax	1,850.00	2,080.00	1,730.00	6,500.00	6,080.00	6,550.00
b) MAT Credit Entitlement	-	-	-	-	-	(280.00)
c) For earlier years	(600.00)	-	214.36	(600.00)	214.36	214.59
d) Deferred tax liability/(asset)	345.24	410.74	1,511.42	601.20	1,954.45	3,852.53
Total tax expense	1,595.24	2,490.74	3,455.78	6,501.20	8,248.81	10,337.12
11 Net Profit/ (Loss) from Ordinary Activities after tax (9-10)	3,571.20	5,444.89	7,125.97	13,797.88	17,205.81	22,094.81
12 Extraordinary items (net of tax)	-	-	-	-	-	-
13 Net Profit/ (Loss) for the period (11+12)	3,571.20	5,444.89	7,125.97	13,797.88	17,205.81	22,094.81
14 Paid-up equity share capital of face value of share ₹ 5 each	4,277.76	4,277.76	4,277.76	4,277.76	4,277.76	4,277.76
15 Reserves excluding revaluation reserves						131,353.37
16 Earnings Per Share (EPS) (in ₹)						
(a) Basic and diluted EPS before extraordinary items	4.17	6.36	8.33	16.13	20.11	25.83
(b) Basic and diluted EPS after extraordinary items	4.17	6.36	8.33	16.13	20.11	25.83

*Represents consumption of raw materials, stores & spares. ** Employees cost shown above is net of allocation to different activities. *** includes depletion and impairment loss

PART II						
SELECT INFORMATION FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2014						
	3 months ended 31.12.2014	Preceding 3 months ended 30.09.2014	Corresponding 3 months ended 31.12.2013 in the previous year	Nine months ended 31.12.2014	Corresponding Nine Months ended 31.12.2013 in the previous year	Year ended 31.03.2014
A PARTICULARS OF SHAREHOLDING						
1 Public shareholding						
- Number of shares	2,657,729,787	2,657,729,787	2,632,943,598	2,657,729,787	2,632,943,598	2,657,729,787
- Percentage of shareholding	31.06	31.06	30.77	31.06	30.77	31.06
2 Promoters and promoter group Shareholding						
a) Pledged/Encumbered						
-Number of shares	-	-	-	-	-	-
-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
-Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-	-
b) Non-encumbered						
-Number of shares	5,897,760,333	5,897,760,333	5,922,546,522	5,897,760,333	5,922,546,522	5,897,760,333
-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00	100.00
-Percentage of shares (as a % of the total share capital of the company)	68.94	68.94	69.23	68.94	69.23	68.94

Particulars		3 months ended 31.12.2014		
B	INVESTORS COMPLAINTS	RELATED TO OTHER THAN OFFER FOR SALE 2004	RELATED TO OFFER FOR SALE 2004	TOTAL
	Pending at the beginning of the quarter	0	95	95
	Received during the quarter	548	1	549
	Disposed of during the quarter	544	NIL	544
	Remaining unresolved at the end of the quarter	4	96*	100

*Complaints related to Offer for Sale 2004 have to be resolved by the erstwhile Registrar to the issue (MCS Ltd.) appointed by the Government of India.

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SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED UNDER CLAUSE 41 OF THE LISTING AGREEMENT

(₹ in Crore)

	Particulars	3 months ended 31.12.2014	Preceding 3 months ended 30.09.2014	Corresponding 3 months ended 31.12.2013 in the previous year	Nine months ended 31.12.2014	Corresponding Nine Months ended 31.12.2013 in the previous year	Year ended 31.03.2014
Sl. No.		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Segment Revenue						
	a) Offshore						
	Gross Revenue	13,721.15	14,955.85	15,349.60	43,870.78	44,687.87	59,940.28
	Less: Excise Duty	52.46	59.24	79.50	171.77	201.16	277.17
	Revenue Net of Excise Duty	13,668.69	14,896.61	15,270.10	43,699.01	44,486.71	59,663.11
	b) Onshore						
	Gross Revenue	5,259.09	5,556.53	5,590.83	17,539.19	18,112.75	24,261.16
	Less: Excise Duty	3.33	5.39	8.69	14.73	23.62	35.34
	Revenue Net of Excise Duty	5,255.76	5,551.14	5,582.14	17,524.46	18,089.13	24,225.82
	Total	18,924.45	20,447.75	20,852.24	61,223.47	62,575.84	83,888.93
	Less: Inter Segment Revenue	-	-	-	-	-	-
	Net sales/income from operations	18,924.45	20,447.75	20,852.24	61,223.47	62,575.84	83,888.93
2	Segment Result Profit(+)/Loss(-) before tax and interest from each segment						
	a) Offshore	4,286.68	6,777.77	8,505.89	16,258.11	20,771.69	26,686.21
	b) Onshore	533.21	306.35	1,509.94	2,475.74	2,984.09	3,584.72
	Total	4,819.89	7,084.12	10,015.83	18,733.85	23,755.78	30,270.93
	Less:						
	i. Interest Payment	1.25	0.14	0.02	1.52	0.32	0.36
	ii. Other unallocable expenditure net of unallocable income.	(347.80)	(851.65)	(565.94)	(1,566.75)	(1,699.16)	(2,161.36)
	Profit before Tax and Extraordinary Items	5,166.44	7,935.63	10,581.75	20,299.08	25,454.62	32,431.93
	Extraordinary Items	-	-	-	-	-	-
	Profit before Tax	5,166.44	7,935.63	10,581.75	20,299.08	25,454.62	32,431.93
3	Capital Employed (Segment Assets - Segment Liabilities)						
	a) Offshore	65,887.71	66,023.91	63,186.88	65,887.71	63,186.88	61,535.63
	b) Onshore	41,054.23	39,357.22	34,755.58	41,054.23	34,755.58	36,778.34
	Total	106,941.94	105,381.13	97,942.46	106,941.94	97,942.46	98,313.97
	Unallocated Corporate Assets less Liabilities	38,344.94	41,467.18	38,397.64	38,344.94	38,397.64	38,411.03
	Grand Total	145,286.88	146,848.31	136,340.10	145,286.88	136,340.10	136,725.00

Note: Above Segment information has been classified based on Geographical Segment

Notes:

1. The above financial results have been reviewed and recommended by the Audit & Ethics Committee held on 14th February, 2015 and approved by the Board of Directors in its meeting held on the same day.
2. The Limited Review of the Unaudited Standalone Financial Results for the quarter and nine months ended 31st December, 2014 has been carried out by the Statutory Auditors of the Company as required under Clause 41 of the Listing Agreement.
3. The Board of Directors had declared an interim dividend of ₹ 5 per share (100%) amounting to ₹ 4,278 Crore in its meeting held on 12th December 2014, which has since been paid.
4. In terms of the decision of the Government of India (GoI), the Company has shared under- recoveries of Public Sector Oil Marketing Companies for the quarter and nine months ended 31st December, 2014 by allowing discount in the prices of Crude Oil, PDS Kerosene and Domestic LPG based on the rates of discount communicated by Ministry of Petroleum & Natural Gas, GoI and Petroleum Planning and Analysis Cell. The impact of this on revenue and profit is as under:-

(₹ in Crore)

Decrease in	For the Quarter ended			For the Nine Months ended		For the Year ended
	31.12.2014	30.09.2014	31.12.2013	31.12.2014	31.12.2013	31.03.2014
Gross Revenue	9,458	13,641	13,764	36,300	40,182	56,384
Less: Value Added Tax (VAT)	233	402	462	1,015	1,284	1,784
Net Sales Revenue	9,225	13,239	13,302	35,285	38,898	54,600
Less: Statutory levies	1,066	1,658	1,714	4,339	4,962	6,844
Profit before tax (PBT)	8,159	11,581	11,588	30,946	33,936	47,756
Profit after tax (PAT)	5,386	7,645	7,649	20,427	22,401	31,524

5. In terms of the statutory provisions of Oilfields (Regulation and Development) Act, 1948 (ORDA), Petroleum & Natural Gas (PNG) Rules 1959 and Notifications issued thereunder; the Company is liable to pay royalty to Central Government (GoI) and State Governments, on production of Crude Oil and Natural Gas from offshore fields and onshore fields, respectively. Since 2008-09, the Company has been paying royalty on crude oil at realized price which is net of under-recovery of the OMCs shared by the Company as per GoI directives. On an application filed by the State of Gujarat, the Hon'ble High Court of Gujarat in its order dated 30.11.2013 has directed the Company to pay the shortfall of royalty on crude oil produced from the onshore fields in the State of Gujarat on pre-discount prices from 01.04.2008 onwards. Based on the Special Leave Petition filed by the Company against the said order of the Hon'ble High Court of Gujarat, pending further orders, Hon'ble Supreme Court vide order dated 13.02.2014 stayed the operation of the impugned judgment subject to the condition that the company pays royalty to the State of Gujarat on pre-discounted price of crude oil w.e.f. 01.02.2014 onwards. Accordingly, differential amount of ₹ 13,368 Crore on this account for the period from April, 2008 to December, 2014 has been considered as Contingent Liability.

Pending the final outcome of the SLP filed before the Hon'ble Supreme Court, differential royalty (royalty on pre-discount price minus royalty on post-discount price) amounting to ₹ 1,970 Crore deposited w.e.f. February, 2014 in terms of Hon'ble Supreme Court order has been shown as deposit.

6. Government of India (GoI) vide letter dated 1st January 2015, has decided to reimburse an amount of ₹ 420 Crore as compensation of past costs incurred by ONGC in the discovered Panna, Mukta, Tapti and Ravva fields awarded to Joint Ventures/Private Companies. Accordingly, an amount of ₹ 26 Crore has been adjusted against the net carrying amount of assets of those fields and balance amount of ₹ 394 Crore has been accounted for as other income during the quarter and nine months ended 31st December, 2014.
7. Pursuant to the enactment of the Companies Act, 2013 the company has, effective from 1st April, 2014, revised the estimated useful life of its fixed assets generally in accordance with Schedule-II to the Companies Act, 2013. Accordingly, an amount of ₹ 102.22 Crore (net of deferred tax of ₹ 52.63 Crore) has been recognized in the opening balance of retained earnings in respect of assets whose useful life has exhausted as at April 1, 2014. Further, the consequential impact of depreciation charged on the results for the quarter and nine months ended 31st December, 2014 is not material.
8. Previous period's figures have been regrouped/ reclassified by the Company, wherever necessary, to conform to current quarter's classification.

By order of the Board


(A K Banerjee)
Director (Finance)

Place: New Delhi
Date : 14th February, 2015