



OIL AND NATURAL GAS CORPORATION LIMITED

COMPANY SECRETARIAT

ONGC/CS/SE/2026-27

30.10.2026

National Stock Exchange of India Ltd.

Listing Department
Exchange Plaza
Bandra-Kurla Complex
Bandra (E), Mumbai – 400 051

Symbol - **ONGC**; Series – **EQ**

BSE Limited

Corporate Relationship Department
Phiroze Jeejeebhoy Towers, Dalal Street,
Fort Mumbai- 400001

BSE Security Code Equity: **500312**

NCDs: **959881**

Sub: Intimation of Credit Rating

Madam/Sir,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby informed that “India Ratings and Research Private Limited” has affirmed the Ratings assigned to bank facilities and instruments of the Company for the following Facilities/ instruments: -

Facilities/Instruments	Name of the Regulator	Amount (₹ in million)	Rating	Rating Action
Bank loan Facilities	RBI	350,000	IND AAA/Stable/IND A1+	Affirmed
Proposed commercial papers	RBI	100,000	IND A1+	Affirmed
Non-convertible debentures	SEBI	10,000	IND AAA/Stable	Affirmed

Copy of Press Release is enclosed.

This is for your information and records, please.

Thanking You,

Yours Sincerely,

For Oil and Natural Gas Corporation Limited

Shashi

Bhushan Singh

(Shashi Bhushan Singh)

Company Secretary & Compliance Officer

Digitally signed by Shashi
Bhushan Singh
Date: 2026.10.30 19:07:41
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India Ratings Affirms Oil and Natural Gas Corporation’s Debt Instruments at ‘IND AAA’/Stable/‘IND A1+’

Oct 29, 2026 | Oil and Natural Gas Corporation Limited | Oil Exploration & Production

India Ratings and Research (Ind-Ra) has affirmed Oil and Natural Gas Corporation Limited’s (ONGC) debt instruments’ ratings as follows:

Details of Instruments

Instrument Description	Regulator of Instrument	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (INR million)	Rating Assigned along with Watch/Outlook	Rating Action
Bank loan facilities	RBI	-	-	-	350,000	IND AAA/Stable/IND A1+	Affirmed
Proposed commercial papers	RBI	-	-	Up to 365 days	100,000	IND A1+	Affirmed
Non-convertible debentures*	Refer ISIN annexure	-	-	-	10,000	IND AAA/Stable	Affirmed

*details in annexure

Analytical Approach

Ind-Ra continues to consider ONGC’s strong legal, operational, and strategic linkages with the government of India (Gol), which held a 58.89% stake in the company as of FYE26 (FYE25: 58.89%), while arriving at the ratings. Furthermore, the agency, as per its Parent Subsidiary Rating Linkage Criteria, continues to fully consolidate the financials of ONGC’s direct subsidiaries, ONGC Videsh Limited (OVL; debt rated at ‘IND AAA’/Stable; 100% shareholding), Mangalore Refining and Petrochemicals Limited (MRPL (consolidated); debt rated at ‘IND AAA’/Stable); 71.63%), and ONGC Petro additions Limited (OPaL; ‘IND AAA’/Stable; 95.96%), to which ONGC has extended support in the form of corporate guarantees apart from equity infusions. Furthermore, Ind-Ra continues to factor in the dividend income received from Hindustan Petroleum Corporation Limited (HPCL; debt rated at ‘IND AAA’/Stable and other subsidiaries, joint ventures (JVs), and associates while assessing ONGC.

Detailed Rationale of the Rating Action

The ratings reflect ONGC’s majority ownership and strategic importance to the Gol, as it plays a key role in the country’s energy security. The ratings are also supported by the dominant market position of ONGC in the domestic crude oil and natural gas production business, with large proven reserves, a globally competitive cost structure, stable performance of its subsidiaries, and its healthy financial position. The credit profile of the ONGC Group, at the consolidated level, is robust. Furthermore, the company’s strong financial flexibility arising from its moderate gearing, large liquid investments, and high cash balance provides additional comfort.

However, the ratings are susceptible to the inherent risk related to the exploration and production (E&P) business, regulatory risks, geopolitical risk for overseas operations, large capex requirements to replace reserves, and high contingent liabilities.

List of Key Rating Drivers

Strengths

- Strong linkages with Gol
- Strong operating metrics

- Healthy credit metrics

Weaknesses

- High capex likely to continue
- Profitability dependent on crude and natural gas prices
- High contingent liabilities

Detailed Description of Key Rating Drivers

Strong Linkages with Gol: ONGC is India's largest domestic crude oil and natural gas producer, with proven reserves of 793.3 million metric tonnes of oil equivalent (mmtoe) as of March 2026 (ONGC: 517.88mmtoe; OVL: 265.27mmtoe; JVs: 10.16mmtoe). ONGC and OVL aid the Gol's objective of ensuring energy security. OVL acts as India's upstream producer in international markets and helps in maintaining diplomatic and strategic ties with different countries. Moreover, OVL's capex and investment decisions benefit from its diplomatic ties with the Gol and are guided and approved by the latter.

ONGC operates blocks allocated to it on a nomination basis by the Gol along with the blocks awarded through the New Exploration Licensing Policy and Hydrocarbon Exploration and Licensing Policy; the latter two were introduced in FY98 and FY16, respectively, to attract private participation in upstream production. Ind-Ra believes that ONGC, by the virtue of it being the largest domestic oil producer, will continue to be strategically important for the Gol. ONGC's importance to the Gol is further supported considering the significant taxes and dividends paid by it to the exchequer. Ind-Ra does not expect the Gol's shareholding in ONGC to reduce below 51%, given the overseas bonds raised by ONGC stipulate the Gol's minimum holding at 51%. ONGC also has one Gol-nominated director and six independent directors on its board.

Strong Operating Metrics: ONGC's consolidated oil and gas production declined to 49.15mmtoe in FY26 (oil – 26.41mmtoe; gas – 22.73mmtoe) (FY25: 50.321mmtoe (oil – 27.118mmtoe; gas – 23.2mmtoe)), largely led by a production decline in JVs. At the standalone level, the oil and gas production was stable at 18.34mmtoe and 19.54mmtoe, respectively (FY25: 18.56mmtoe and 19.65mmtoe). OVL's production slightly decreased to 9.67mmtoe in FY26 (FY25: 10.279mmtoe), largely due to a natural decline in matured fields.

At the standalone level, ONGC's reserve replacement ratio (2P) was 1.17x in FY26, with a reserve accretion of 44.01mmtoe from operated domestic areas, reflecting a healthy replenishment of its hydrocarbon reserves and supporting the long-term sustainability of its exploration and production operations. ONGC's total domestic 2P reserves was 709.32mmtoe as of 1 April 2026, including its share in non-operated JVs.

ONGC's standalone oil and gas production declined 3.4% yoy to 9.444mmtoe in 1QFY27 (1QFY26: 9.779mmtoe). Moreover, the crude oil production declined 4.9% yoy to 4.452mmt, while the natural gas production moderated 1.9% yoy to 4.756 billion cubic metres. The decline was primarily attributable to reservoir complexities in the KG-DWN-98/2 block, delays in pipeline replacement activities in the Western Offshore, and temporary well closures during the commissioning of major projects. While the production has broadly stabilised sequentially, the continued yoy decline highlights the challenges in arresting natural depletion across mature fields. Going forward, the stabilisation and recovery of production will likely depend on the timely commissioning and ramp-up of key projects, including the Daman Upside Development Project (DUDP), along with the expanded technical service provider programme across Western Offshore and the development of discovered small fields. ONGC's ongoing Western Offshore investment programme exceeding INR400 billion is likely to support production recovery, with benefits progressively materialising from FY28.

Healthy Credit Metrics: Ind-Ra expects ONGC's credit metrics to remain strong over the medium term despite a moderation in profitability in FY26. The decline in FY26 earnings was primarily driven by lower crude oil realisations, lower production from OVL, higher operating expenditure, and elevated foreign exchange losses. In contrast, MRPL reported a substantial improvement in its profitability, led by higher gross refining margins (GRMs) in FY26. OPAL also turned EBITDA positive in FY26, largely driven by structural changes, including the de-notification of the Dahej SEZ in March 2025, which eliminated customs duty on domestic sales, and the allocation of competitively priced domestic gas from ONGC's new wells, resulting in 100% domestic feedstock tie-up.

ONGC's standalone EBITDA decreased to INR617.2 billion in FY26 (FY25: INR652.36 billion), given the low realisation of crude prices, but it was offset by a higher gas price realisation. However, Ind-Ra expects the consolidated profitability to

increase in FY27, given the elevated crude prices and gross refining margins on petroleum products amid the West Asia conflict. Moreover, the company is likely to realise higher gas prices due to the new gas pricing policy, wherein any gas from a new well or a well where well intervention has been done will be priced at 12% of the crude basket, higher than the current administered pricing mechanism gas rate of USD6.75/million British thermal units. Currently, the revenue contribution from new wells is around 38%.

The gross debt consolidated by Ind-Ra increased to INR1,174 billion at FYE26 (FYE25: INR1,160 billion), while the unencumbered cash and liquid balances were INR312 billion (INR260 billion); the debt comprised INR445 billion (INR402 billion) in OVL, INR143 billion (INR128 billion) in MRPL, and INR249 billion (INR250 billion) in OPaL, apart from the standalone debt at ONGC. The net leverage (net debt/EBITDA) was 1.2x in FY26 (FY25: 1.4x).

ONGC's standalone gross debt (incl. lease liabilities) decreased to INR336.5 billion in FY26 (FYE25: INR379 billion), comprising INR28.1 billion (INR25.7 billion) in long-term foreign currency bonds, INR10 billion (INR15 billion) in non-convertible debentures, INR40.2 billion (INR43.5 billion) in short-term debt, and INR258 billion (INR294 billion) in lease liabilities. However, the company remained net debt (excluding lease) negative on a standalone level at FYE26.

High Capex Likely to Continue: ONGC's average standalone capex per annum was INR350 billion-400 billion over the past two years. The company incurred a capex of about INR358 billion in FY26, with about INR94 billion on development drilling, about INR72 billion on exploration drilling, about INR162 billion on capital projects, and the balance on surveys, research and development, integration, and JVs. Ind-Ra expects this trend to continue in the medium term as the company looks to increase its petchem capacity and expand its refinery and renewable energy portfolio, along with the domestic upstream capex. Any significant spend on expansion activities is a key rating monitorable.

Profitability Dependent on Crude and Natural Gas Prices: ONGC derives around 63% of its gross revenues from the sale of crude oil (FY26: INR838 billion; FY25: INR895 billion) and natural gas (INR363 billion; INR338 billion) on a standalone basis, which are dependent on the movement of international crude prices and domestic gas prices (as fixed by the Petroleum Planning & Analysis Cell, Ministry of Petroleum and Natural Gas), respectively. Due to continued oversupply concerns and softer global demand growth, the crude oil prices moderated in FY26, with the Brent crude averaging around USD69/barrel of oil (bbl) (FY25: USD76.9/bbl; FY24: USD80.8/bbl; FY23: USD91.9/bbl). However, the trend reversed in 1QFY27, when the company realised a crude price of USD99.45/bbl due to the West Asia conflict. For the rest of FY27, Ind-Ra expects the crude price to remain at elevated levels. Furthermore, ONGC's profitability also depend on policy-level changes by the Gol, such as the Special Additional Excise Duty.

High Contingent Liabilities: ONGC's standalone total contingent liabilities were INR715.7 billion at FYE26 (FYE25: INR652.2 billion), of which INR402.4 billion (INR376.6 billion) was for the company and the balance INR313.3 billion (INR275.8 billion) for the joint operations. The bulk of the contingent liabilities in the joint operations is attributed to the unresolved issues related to the cost recovery and profit sharing for the RJ-ON-90/1 block (FY26: INR20 billion; FY25: INR20 billion). The demand raised by the Directorate General of Hydrocarbon for Panna Mukta Tapti fields was INR152 billion in FY26 (FY25: INR139 billion). Any crystallisation of any of these major contingent liabilities could result in lower-than-Ind-Ra-expected cash flows and higher-than-Ind-Ra-expected leverage.

Liquidity

Superior: ONGC's standalone liquidity is supported by the sanctioned fund-based working capital limits of INR135 billion; the average quarterly utilisation of the same was low at around 18.2% for the four quarters ended June 2026 and is likely to have remained at similar levels thereafter. The company, at the standalone level, also had investments as its shareholding in other public sector undertakings (Indian Oil Corporation Limited ('IND AAA'/Stable) and GAIL (India) Limited ('IND AAA'/Stable)) of INR316 billion at FYE26 (FYE25: INR315 billion), while the cash balances (including other bank balances) were INR286 billion (INR154 billion). Additionally, the company has a commercial paper limit of INR100 billion and a strong capability to raise funds at attractive interest rates from the domestic market.

The company's operating cash flow generation was healthy at INR716 billion at FYE26 (FYE25: INR746 billion), resulting from the healthy revenue generation of INR1,325 billion (INR1,378 billion) and the EBITDA of INR617 billion (INR652 billion). Moreover, ONGC received a dividend income of INR48 billion in FY26 (FY25: INR34.6 billion), while its

dividend outgo was INR166.7 billion (INR169.8 billion).

ONGC plans a capex of around INR300 billion for FY27 for the exploration, development, and purchase of capital assets. Ind-Ra believes the debt requirements and the overall consolidated leverage would increase if OVL pursues any sizeable investment opportunity. ONGC, on the standalone basis, has a long-term repayment obligation of INR48.4 billion in FY27 and NIL in FY28. Ind-Ra believes the debt maturities, on the consolidated basis, can be managed by the company, given its strong cash flows and ability to raise funds easily from domestic and international capital and banking markets.

Rating Sensitivities

Positive: Not applicable

Negative: A weakening of the linkages with the GoI could result in a negative rating action.

Any Other Information

Not applicable

ESG Issues

Unless otherwise disclosed in this section, the ESG issues are credit neutral or have only a minimal credit impact on ONGC, due to either their nature or the way in which they are being managed by the entity. For more information on Ind-Ra’s ESG Relevance Disclosures, please click [here](#). For answers to frequently asked questions regarding ESG Relevance Disclosures and their impact on ratings, please click [here](#).

About the Company

ONGC is India’s largest domestic oil and gas producer. It was set up in the form of oil and gas division, under the Geological Survey of India, in 1955, which was later converted into an Oil and Natural Gas Directorate. The directorate was converted into a commission and later to a corporation in 1994. ONGC had a proven reserve of 806.9mmtoe as of March 2023.

Key Financial Indicators

Particulars (INR billion) – Standalone	FY26	FY25
Revenue	1,325.08	1,378.46
EBITDA	617.22	652.3
EBITDA margin (%)	46.58	47.3
Gross interest coverage (x)	13.63	14.2
Net adjusted leverage (x)	0.08	0.34
Source: ONGC Standalone, Ind-Ra		

Particulars (INR billion) – Consolidated	FY26	FY25
Revenue *	2,438	2,565
EBITDA*	730	719
Debt*	1,176	1,160
Gross interest coverage (x)	7.4	6.6

Particulars (INR billion) – Consolidated	FY26	FY25
Net adjusted leverage (x)	1.2	1.4
Source: ONGC, OVL, MRPL, OPaL, Ind-Ra Note: Consolidation as per Ind-Ra’s calculations as below: *Consolidation of ONGC, OVL, MRPL, and OPaL		

Status of Non-Cooperation with Previous Rating Agency

Not applicable

Rating History

Instrument Type	Current Rating/Outlook			Historical Rating/Outlook			
	Rating Type	Rated Limits (INR million)	Current Rating	30 October 2025	8 November 2024	9 November 2023	22 September 2023
Non-convertible debentures	Long-term	10,000	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	-
Proposed commercial papers	Short-term	100,000	IND A1+	IND A1+	IND A1+	IND A1+	-
Bank loan facilities	Long-term/Short-term	350,000	IND AAA/Stable/IND A1+	IND AAA/Stable/IND A1+	IND AAA/Stable/IND A1+	IND AAA/Stable/IND A1+	-
Issuer rating	Long-term	-	-	-	-	-	WD

Disclosure on instruments / activities and names of regulators:

A list of products/activities or ratings of instruments falling under the purview of various financial sector regulators (FSRs) along with the names of respective FSRs has been duly disclosed by Ind-Ra on its website. A link to the same has been provided below for ready reference:

Rating Activities

Note: Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Bank wise Facilities Details

The details are as reported by the issuer as on (29 Oct 2026)

#	Bank Name	Instrument Description	Rated Amount (INR million)	Rating
1	HDFC Bank Limited	Bank Guarantee	50000	IND AAA/Stable / IND A1+
2	ICICI Bank	Bank Guarantee	35000	IND AAA/Stable / IND A1+

3	IDBI Bank	Bank Guarantee	10000	IND AAA/Stable / IND A1+
4	HDFC Bank Limited	Cash Credit	5000	IND AAA/Stable / IND A1+
5	State Bank of India	Cash Credit	70000	IND AAA/Stable / IND A1+
6	State Bank of India	Forward Contract	600	IND AAA/Stable / IND A1+
7	State Bank of India	Letter of credit/Bank Guarantee	45000	IND AAA/Stable / IND A1+
8	ICICI Bank	short term loans	10000	IND AAA/Stable / IND A1+
9	Indian Bank	Short Term Loans	10000	IND AAA/Stable / IND A1+
10	IndusInd Bank Limited	Short Term Loans	5000	IND AAA/Stable / IND A1+
11	RBL Bank	Short Term Loans	5000	IND AAA/Stable / IND A1+
12	NA	Proposed Fund/Non-Fund Based Working Capital Limit	34400	IND AAA/Stable / IND A1+
13	NA	Short Term Loans	70000	IND AAA/Stable / IND A1+

Complexity Level of the Instruments

Instrument Type	Complexity Indicator
Bank loan facilities	Low
commercial paper	Low
Non-convertible debenture	Low

For details on the complexity level of the instruments, please visit <https://www.indiaratings.co.in/complexity-indicators>.

Annexure

Instrument Type	Regulator of Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (INR million)	Rating/Outlook
Non-convertible debentures	SEBI	INE213A08024	11 August 2020	6.40	11 April 2031	10,000	IND AAA/Stable

Instrument Type	Regulator of Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (INR million)	Rating/Outlook
Source: NSDL							

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About India Ratings

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Ind-Ra currently maintains coverage of corporate issuers, financial institutions (including banks and insurance companies), finance companies, urban local bodies, and structured finance and project finance companies.

Headquartered in Mumbai, Ind-Ra has seven branch offices located in Ahmedabad, Bengaluru, Chennai, Gurugram, Hyderabad, Kolkata and Pune. Ind-Ra is recognised by the Securities and Exchange Board of India and the Reserve Bank of India.

Ind-Ra is a 100% owned subsidiary of the Fitch Group.

Solicitation Disclosures

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APPLICABLE CRITERIA AND POLICIES

Corporate Rating Methodology

Parent and Subsidiary Rating Linkage

Short-Term Ratings Criteria for Non-Financial Corporates

The Rating Process

Evaluating Corporate Governance

DISCLAIMER

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