OIL AND NATURAL GAS CORPORATION LIMITED

SECRETARIAT

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

ONGC/CS/SE/2013 **29th May, 2013**

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

Fax: 022-2272-2037/39/41

The Manager
National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block-G
Bandra-Kurla Complex
Bandra (E), **MUMBAI – 400 051**

Fax: 022-2659-8237/38

Sub: Annual Audited Financial Results for the Financial Year ended 31st March, 2013 and recommendation of Final Dividend.

Dear Sirs,

Further to our letter of even number dated 14th May, 2013, on the captioned subject, we are to inform that the Board of Directors of the Company have approved the Annual Audited Financial Results for the Financial Year ended 31st March, 2013 in its meeting held today i.e 29th May, 2013 at New Delhi, a copy of which is enclosed herewith.

Further, in terms of Clause 20 and 20A of the Listing Agreement, it is hereby informed that the Board of Directors of ONGC have recommended a Final Dividend @ ₹0.50 per equity share of ₹5/- each, for the Financial Year 2012-13, subject to approval of the shareholders at the ensuing Annual General Meeting.

Kindly take note of the same.

Thanking you,

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

(N.K. Sinha)
Company Secretary

Encl: as above

OIL AND NATURAL GAS CORPORATION LIMITED

Regd.Office : 'Jeevan Bharti', Tower II, 8th Floor, 124-Indira Chowk, New Delhi 110 001

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2013

(₹ in Crore)

PART I

	Particulars	Stand Alone					Consolidated	
		3 months ended 31.03.2013	Preceding 3 months ended 31.12.2012	Corresponding 3 months ended 31.03.2012 in the previous year	Year ended 31.03.2013	Year ended 31.03.2012	Year ended 31.03.2013	Year ended 31.03.2012
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)
1	**Income from operations**							
	(a) Net Sales/Income from Operations (Net of excise duty)	21,388.72	20,987.18	18,819.29	82,248.41	75,758.41	161,449.15	146,350.87
	(b) Other Operating Income	441.14	106.03	520.65	737.53	757.98	937.18	935.38
	Total income from operations (net)	21,829.86	21,093.21	19,339.94	82,985.94	76,516.39	162,386.33	147,286.25
2	**Expenses**							
	(a) Cost of materials consumed*	187.48	165.99	187.82	609.79	653.66	61,730.31	46,778.02
	(b) Purchase of stock-in-trade	0.78	0.73	0.76	3.10	2.48	0.04	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade [(Increase)/Decrease]	(51.54)	22.03	34.36	(23.02)	(91.34)	(1,120.50)	(464.12)
	(d) Employees benefits expenses**	735.98	346.07	334.72	1,957.35	1,309.14	2,458.51	1,695.82
	(e) Depreciation and amortisation expenses***	2,387.16	2,341.65	1,349.25	8,374.48	7,496.57	12,100.46	13,165.16
	(f) Statutory levies	5,487.44	5,710.78	4,364.14	22,051.43	16,618.47	25,688.64	23,125.06
	(g) Exploration Cost written off	4,739.21	2,069.65	3,557.18	10,088.68	9,342.46	11,091.24	10,520.33
	(h) Other expenditure	4,735.91	3,515.74	2,841.00	14,817.13	12,127.14	18,728.87	17,192.31
	Total Expenses	18,222.40	14,162.64	12,669.23	57,878.94	47,458.58	130,677.57	112,012.58
3	**Profit/(Loss) from Operations before other Income, finance costs and exceptional Items (1-2)**	3,607.46	6,930.57	6,670.71	25,107.00	29,057.81	31,708.76	35,273.67
4	Other income	1,245.45	1,281.17	992.96	5,466.21	4,479.03	5,518.45	4,824.18
5	**Profit/(Loss) from ordinary activities before finance cost and exceptional Items (3+4)**	4,852.91	8,211.74	7,663.67	30,573.21	33,536.84	37,227.21	40,097.85
6	Finance costs	0.05	1.21	22.43	28.88	34.83	485.04	434.91
7	**Profit/(Loss) from ordinary activities after finance cost but before exceptional Items (5-6)**	4,852.86	8,210.53	7,641.24	30,544.33	33,502.01	36742.17	39,662.94
8	Exceptional items	-	-	(1.53)	-	3,140.55	-	3,140.55
9	**Profit/(Loss) from ordinary activities before tax (7)+(8)**	4,852.86	8,210.53	7,639.71	30,544.33	36,642.56	36,742.17	42,803.49
10	**Tax expense**							
	a) For current tax	1,790.00	2,230.00	1,620.00	8,630.00	10,895.00	11,213.91	14,003.88
	b) For earlier years	(580.35)	-	(483.95)	(701.48)	(617.42)	(484.90)	(598.72)
	c) Deferred tax liability/(asset)	254.50	417.81	859.28	1,690.11	1,247.47	2,022.90	972.84
	d) Fringe benefit tax	-	-	-	-	(5.41)	-	(5.41)
	Total tax expense	1,464.15	2,647.81	1,995.33	9,618.63	11,519.64	12,751.91	14,374.59
11	**Net Profit/ (Loss) from Ordinary Activities after tax (9-10)**	3,388.71	5,562.72	5,644.38	20,925.70	25,122.92	23,990.26	28,428.90
12	Extraordinary items (net of tax)	-	-	-	-	-		-
13	**Net Profit/ (Loss) for the period (11+12)**	3,388.71	5,562.72	5,644.38	20,925.70	25,122.92	23,990.26	28,428.90
14	Share of profit/(loss) in associates			-	-	-	3.79	(1.07)
15	Minority interest			-	-	-	(225.59)	284.22
16	**Net Profit/ (Loss) after taxes, minority interest and share of profit/(loss) of associates (13+14-15)**	3,388.71	5,562.72	5,644.38	20,925.70	25,122.92	24,219.64	28,143.61
17	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	4,277.76
18	Reserves excluding revaluation reserves				118,689.60	107,506.37	146,764.38	130,988.76
19	Earnings Per Share (EPS) (in ₹)							
	(a) Basic and diluted EPS before extraordinary items	3.96	6.50	6.60	24.46	29.36	28.31	32.90
	(b) Basic and diluted EPS after extraordinary items	3.96	6.50	6.60	24.46	29.36	28.31	32.90

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

PART II

SELECT INFORMATION FOR THE YEAR ENDED 31ST MARCH, 2013

	Particulars	Stand Alone					Consolidated	
		3 months ended 31.03.2013	Preceding 3 months ended 31.12.2012	Corresponding 3 months ended 31.03.2012 in the previous year	Year ended 31.03.2013	Year ended 31.03.2012	Year ended 31.03.2013	Year ended 31.03.2012
A	PARTICULARS OF SHAREHOLDING							
1	Public shareholding							
	- Number of shares	2,632,943,598	2,632,943,598	2,632,943,598	2,632,943,598	2,632,943,598	2,632,943,598	2,632,943,598
	- Percentage of shareholding	30.77	30.77	30.77	30.77	30.77	30.77	30.77
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	5,922,546,522	5,922,546,522	5,922,546,522	5,922,546,522	5,922,546,522	5,922,546,522	5,922,546,522
	-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	100.00
	-Percentage of shares (as a % of the total share capital of the company)	69.23	69.23	69.23	69.23	69.23	69.23	69.23

	Particulars	3 months ended 31.03.2013
B	INVESTORS COMPLAINTS	
	Pending at the beginning of the quarter	0
	Received during the quarter	875
	Disposed of during the quarter	875
	Remaining unresolved at the end of the quarter	0

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

(₹ in Crore)

Sl. No.	Particulars	Stand Alone					Consolidated	
		3 months ended 31.03.2013	Preceding 3 months ended 31.12.2012	Corresponding 3 months ended 31.03.2012 in the previous year	Year ended 31.03.2013	Year ended 31.03.2012	Year ended 31.03.2013	Year ended 31.03.2012
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)
1	Segment Revenue							
	A. In India							
	(i) E&P							
	a) Offshore	15,285.22	14,550.02	12,152.64	57,664.32	52,936.21	57,664.32	52,936.21
	b) Onshore	6,617.99	6,644.49	7,344.56	25,625.24	27,092.70 *	25,470.91	23,735.10
	(ii) Refining	-	-	-	-	-	68,835.98	57,224.68
	B. Outside India	-	-	-	-	-	17,557.19	22,347.32
	C. Others	-	-	-	-	-	3,998.21	2,874.84
	Total	21,903.21	21,194.51	19,497.20	83,289.56	80,028.91	173,526.61	159,118.15
	Less: Inter Segment Revenue	-	-	-	-	-	7,694.60	8,016.52
	Net sales/income from operations	21,903.21	21,194.51	19,497.20	83,289.56	80,028.91	165,832.01	151,101.63
2	Segment Result Profit(+)/Loss(-) before tax and interest from each segment							
	A. In India							
	(i) E&P							
	a) Offshore	4,496.79	6,399.71	4,712.45	24,319.69	24,298.81	24,319.69	24,298.81
	b) Onshore	114.26	1,328.71	2,623.81	4,095.28	9,894.53 *	4,021.73	9,794.14
	(ii) Refining						(160.00)	1,309.61
	B. Outside India						6,813.62	5,322.42
	Total	4,611.05	7,728.42	7,336.26	28,414.97	34,193.34	34,995.04	40,724.98
	Less:							
	i. Interest Payment	0.05	1.21	22.43	28.88	34.83	485.04	434.91
	ii. Other unallocable expenditure net of unallocable income.	(241.86)	(483.32)	(325.88)	(2,158.24)	(2,484.05)	(2232.17)	(2,513.42)
	Profit before Tax and Extraordinary Items	4,852.86	8,210.53	7,639.71	30,544.33	36,642.56	36,742.17	42,803.49
	Extraordinary Items	-	-	-	-	-	-	-
	Profit before Tax	4,852.86	8,210.53	7,639.71	30,544.33	36,642.56	36,742.17	42,803.49
3	Capital Employed (Segment Assets - Segment Liabilities)							
	A. In India							
	(i) E&P							
	a) Offshore	55,187.34	53,582.60	43,415.18	55,187.34	43,415.18	55,187.34	43,415.18
	b) Onshore	31,003.93	29,898.30	28,395.58	31,003.93	28,395.58	30,988.49	28,378.22
	(ii) Refining	-	-	-	-	-	7,001.83	7,257.75
	B. Outside India	-	-	-	-	-	41,158.54	36,833.31
	Total	86,191.27	83,480.90	71,810.76	86,191.27	71,810.76	134,336.20	115,884.46
	Unallocated Corporate Assets less Liabilities	38,261.95	42,041.00	41,145.97	38,261.95	41,145.97	18,191.80	20,554.67
	Grand Total	124,453.22	125,521.90	112,956.73	124,453.22	112,956.73	152,528.00	136,439.13

Notes:

* Includes an exceptional item as disclosed in Part I above.

OIL AND NATURAL GAS CORPORATION LIMITED
STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH, 2013

(₹ in Crore)

Particulars	Stand Alone		Consolidated	
	As at 31st March, 2013	As at 31st March, 2012	As at 31st March, 2013	As at 31st March, 2012
A EQUITY AND LIABILITIES				
1 Shareholders' funds				
(a) Share capital	4,277.76	4,277.76	4,277.76	4,277.76
(b) Reserves and surplus	120,175.46	108,678.97	148,250.24	132,161.37
(c) Money received against share warrants	-	-	-	-
Sub-total -Shareholders' fund	**124,453.22**	**112,956.73**	**152,528.00**	**136,439.13**
2 Share application money pending allotment	-	-	1,946.65	2,224.01
3 Minority interest				
4 Non-current liabilities	-	-	8,842.75	5,208.58
(a) Long-term borrowings	12,887.98	11,197.87	14,849.01	12,725.85
(b) Deferred tax liabilities (Net)	1,124.17	561.99	1,622.44	1,075.82
(c) Other Long term liabilities	22,187.44	21,313.06	25,296.28	24,173.96
(d) Long-term provisions	**36,199.59**	**33,072.92**	**50,610.48**	**43,184.21**
Sub-total -Non-current Liabilities				
5 Current liabilities	-	4,500.00	11,608.08	10,053.82
(a) Short-term borrowings	5,341.01	4,759.93	18,618.90	17,603.59
(b) Trade payables	11,222.66	14,195.43	17,097.01	20,291.69
(c) Other current liabilities	910.19	2,242.59	1,048.22	2,392.42
(d) Short-term provisions	**17,473.86**	**25,697.95**	**48,372.21**	**50,341.52**
Sub-total -Current Liabilities	**178,126.67**	**171,727.60**	**253,457.34**	**232,188.87**
TOTAL-EQUITY AND LIABILTIES				
B ASSETS				
1 Non-current assets				
(a) Fixed assets	27,403.68	21,567.81	40,674.46	30,607.99
(i) Tangible assets	52,440.71	46,376.83	70,545.00	60,800.44
(ii) Producing Properties	79.80	112.33	104.12	136.41
(iii) Intangible assets	14,415.37	18,298.06	39,739.67	38,042.86
(iv) Capital work-in-progress	10,475.88	8,581.23	13,641.69	11,655.26
(v) Exploratory/Development Wells in Progress	-	-	8,325.49	7,797.58
(b) Goodwill on consolidation	9,173.05	4,364.34	2,045.28	2,041.18
(c) Non-current investments	-	-	623.89	541.20
(d) Deferred tax Asset	21,998.42	25,449.81	8,833.31	7,045.54
(e) Long-term loans and advances	10,133.12	9,182.57	10,634.92	9,475.29
(f) Deposit with Schedule Banks under Site Restoration Fund Scheme	1,405.35	1,210.21	2,470.26	2,942.13
(g) Other non-current assets	**147,525.38**	**135,143.19**	**197,638.09**	**171,085.88**
Sub-total -Non-current assets				
2 Current assets	-	851.91	82.90	879.54
(a) Current investments	5,704.39	5,165.43	12,780.39	13,168.01
(b) Inventories	6,863.72	6,194.82	15,395.61	11,718.08
(c) Trade receivables	13,218.59	20,124.56	19,619.05	27,891.43
(d) Cash and Cash Equivalents	3,876.55	3,123.71	5,332.30	5,220.95
(e) Short-term loans and advances	938.04	1,123.98	2,609.00	2,224.98
(f) Other current assets	**30,601.29**	**36,584.41**	**55,819.25**	**61,102.99**
Sub-total -Current assets	**178,126.67**	**171,727.60**	**253,457.34**	**232,188.87**
TOTAL				

Notes:

1. The above results have been reviewed and recommended by the Audit & Ethics Committee and approved by the Board of Directors in its meeting held on 29.05.2013.

2. The audited accounts are subject to review by the Comptroller and Auditor General of India under section 619(4) of the Companies Act, 1956.

3. The Board of Directors has recommended a final dividend of ₹ 0.50 per share which works out to ₹ 428 Crore over and above the interim dividend of ₹ 9.00 (₹ 5.00 and ₹ 4.00) per share in two phases amounting to ₹ 7,700 Crore paid during the year under consideration. The total dividend for the year 2012-13 works out to ₹ 8,128 Crore as against ₹ 8,342 Crore during 2011-12.

4. In terms of the decision of the Government of India (GoI), the Company has shared under-recoveries of Oil Marketing Companies for the year 2012-13 by allowing discount in the prices of Crude Oil, PDS Kerosene and Domestic LPG based on the rates of discount communicated by Petroleum Planning and Analysis Cell (PPAC). The impact of discount on profitability is as under:-

(₹ in Crore)

Decrease in	For the Quarter ended			For the year ended	For the Year ended
	31.03.2013	31.12.2012	31.03.2012	**31.03.2013**	31.03.2012
Gross Revenue	**12,312**	12,433	14,170	**49,421**	44,466
Less: Value Added Tax (VAT)	**425**	314	394	**1,412**	1,353
Net Sales Revenue	**11,887**	12,119	13,776	**48,009**	43,113
Less: Statutory levies	**1,673**	1,372	1,626	**5,950**	5,314
Profit before tax (PBT)	**10,214**	10,747	12,150	**42,059**	37,799
Profit after tax (PAT)	**6,900**	7,260	8,208	**28,413**	25,535

5. An amount of ₹ 1,850 Crore has been provided in the quarter ended 31st March, 2013 in addition to ₹ 170 Crore earlier provided aggregating to ₹ 2,020 Crore provided on account of difference of employer's contribution towards Superannuation Benefits up to 30% as per guidelines issued by Department of Public Enterprises (DPE) for the period from 1st January, 2007 to 31st March, 2013. The same has been allocated to different activities as per the policy of the Company.

6. Based on the directives issued by Ministry of Petroleum & Natural Gas (MoP&NG) and Petroleum Planning & Analysis Cell (PPAC), refineries started making deductions from payment due to ONGC towards Octroi/ VAT/ CST on discount allowed by ONGC on supplies of crude oil. Total deduction made by refineries on this account for the period from 1st April, 2012 to 31st March, 2013 works out to ₹ 1,585 Crore. The issue has already been taken up with MoP&NG, pending decision in this regard, provision for the same has been made in the books of account.

7. During financial year 2011-12, an amount of ₹ 3,141 Crore received from M/s Cairn India Ltd. towards Royalty paid for the period August 2009 to September 2011 was accounted for as an exceptional item pursuant to the finalization of the agreement between ONGC, Cairns Energy Plc, Vedanta Resources Plc and their associates. No such amount under exceptional item has been received during the current year.

8. The Consolidated Financial Results have been prepared in line with requirements of Accounting Standard (AS)–21 'Consolidated Financial Statements', Accounting Standard (AS)-23 'Accounting for Investments in Associates in Consolidated Financial Statements' and Accounting Standard (AS)-27 'Financial Reporting on Interests in Joint Ventures' as notified under Companies (Accounting Standard) Rules, 2006.

9. The figures for the quarter ended 31st March'2013 are the balancing figures between the audited figures in respect of the full financial year ended 31st March'2013 and the published year to date figures upto the 3rd quarter ended 31st December'2012.

10. Previous year's figures have been regrouped/ reclassified, wherever necessary, to confirm to current year's classification.

By order of the Board

A.K. Banerjee 29/5/13

(A K Banerjee)
Director (Finance)

Place: New Delhi
Date: 29th May, 2013