



OIL AND NATURAL GAS CORPORATION LIMITED

SECRETARIAT

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

ONGC/CS/SE/2014

February 12, 2014

FAX/COURIER

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Sub: Press Release pursuant to Clause 36 of the Listing Agreement.

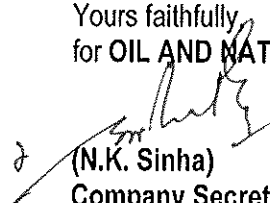
Dear Sirs,

Pursuant to Clause 36 of the Listing Agreement, please find enclosed a copy of the Press Release issued by ONGC with regard to agreement entered into by ONGC Videsh Limited (OVL), the overseas arm of Oil and Natural Gas Corporation Limited (ONGC), with two consortiums of international banks to raise USD 2.5 billion by way of offshore borrowings to finance its acquisition of 10% participating interest in Rovuma Area I Block in Mozambique offshore.

This is for your kind information and record please.

Thanking you,

Yours faithfully,
for OIL AND NATURAL GAS CORPORATION LTD.


(N.K. Sinha)
Company Secretary

Encl : As above



PRESS RELEASE

ONGC Videsh Limited (OVL), the overseas arm of Oil and Natural Gas Corporation Limited (ONGC), has entered into separate agreements with two consortiums of international banks to raise USD 2.5 billion by way of offshore borrowings to finance its acquisition of 10% participating interest in Rovuma Area I Block in Mozambique offshore.

The first facility for a five year term amounting to USD 1.775 billion was signed with consortium of reputed international banks, including ANZ, Bank of Nova Scotia, BTMU, DBS, Mizuho, RBS, Societe Generale, SBI and SMBC. The Company had initially planned to raise USD 1.0 billion through this long-term facility; however, decided later to upsize the same in view of overwhelming response from the banks. SMBC took the leadership role in this facility with commitment of USD700 million and acting as Facility and Escrow Agent. This is the single largest offshore 5-year loan facility arranged by an Indian company during the last three years.

The second facility is in the nature of a bridge finance of USD 725 million for a one year term with consortium of reputed international banks including ANZ, BNP Paribas, BTMU, Citi, DBS, RBS and SBI. In this Facility Citi took the leadership with Facility and Escrow Agency roles.

In April, 2013, the Company had made its inaugural offshore USD bond offering of dual-tranche Reg-S notes in international markets aggregating USD 800 million to finance its acquisition of participating interest in ACG field in Azerbaijan and the associated cross-country BTC pipeline. The 5-year tranche of USD 300 million was priced at T+190 bps and the 10-year tranche of USD 500 million was priced at T+210 bps. The yields of these tranches were 2.574% and 3.756% respectively. The notes were issued at the lowest-ever coupon achieved by an Indian issuer in the 5-year and 10-year tenor in the USD bond market. This was also the largest-ever Reg-S only transaction by an Indian issuer in the USD bond market.

In January 2014, the company had raised USD1.5 billion 1-year bridge loan facility from a consortium of 9 banks to finance the acquisition of participating interest of 6% in the Rovuma Area I Block in Mozambique offshore from Videocon.

With these three offshore loan facilities and the bond transaction, OVL has raised USD 4.8 billion from the international market in the current financial year.

"We are extremely pleased with the strong enthusiasm shown by top global banks at extremely fine pricing leading to market defining transactions. In the backdrop of a volatile global economic environment, such interest is reflective of ONGC's robust credit profile and underlines the strong India story" said Mr. Sudhir Vasudeva, CMD, ONGC and Chairman, OVL.

About OVL

OVL is a wholly owned subsidiary of Oil and Natural Gas Corporation Limited (ONGC), the national oil company of India, and is India's largest international oil and gas E&P company. At present, OVL participates in 33 projects in 17 countries, including Azerbaijan, Brazil, Colombia, Cuba, Iraq, Kazakhstan, Libya, Myanmar, Russia, South Sudan, Sudan, Syria, Venezuela and Vietnam. OVL is currently producing about 160 thousand barrels of oil and oil equivalent gas per day and has total oil and gas reserves of about 433 MMT as on 31 March 2013. For more information visit: www.ongcvidesh.com

About ONGC

ONGC's market capitalisation as on 10th February 2014, was INR 2,32,923 Crore (USD37.45 billion). It is the highest valued and highest profit making Government of India enterprise. In the financial year ended 31st March 2013, ONGC Group had produced 58.7 million tonne of oil and oil equivalent gas (mmtoe) (approx. 1.2 mmboe per day), Turnover of INR 165,849 Crore (USD 30.45 billion) and profit after tax of INR 24,220 Crore (USD4.44 billion). ONGC Group had total oil and gas reserves of 1,759 mmtoe as on 31st March 2013. For more information visit: www.ongcindia.com

Note: Turnover and profit data for ONGC presented in USD for illustrative purposes only and converted from Indian Rupee at the exchange rate of INR 54.45 for USD1 (average RBI reference rate for 2012-13). Market capitalisation of ONGC as on 10th February 2014 converted at [INR 62.193 for USD1 (RBI reference rate of 10th February 2014)].