



OIL AND NATURAL GAS CORPORATION LIMITED

SECRETARIAT

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

ONGC/CS/SE/2013

31st December 2013

FAX/COURIER

The Secretary
Bombay Stock Exchange Ltd
Corporate Relationship Department
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The Manager
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Fax: 022-2659-8237/38

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 Press Release issued by ONGC on the following subject:

"ONGC Videsh acquires additional 12% stake in Block BC-10 in Brazil through exercise of pre-emption rights."

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 acquires additional 12% stake in Block BC-10 in Brazil through exercise of pre-emption rights

ONGC Videsh, through its affiliates has acquired an additional 12% Participating Interest (PI) in Block BC-10, a deepwater offshore block in Campos Basin, Brazil taking its total PI in the block to 27%. The operator, Shell now holds the balance 73% PI in the block.

ONGC Videsh had acquired 15 % PI in Block BC-10 in 2006. The other partners in the block were Shell, Operator with 50% PI and Petrobras with 35% PI. In August 2013, Petrobras entered into an agreement with Sinochem for sale of its 35% PI in the block. This agreement was subject to pre-emption rights of the partners. Shell and ONGC Videsh exercised their pre-emption rights for acquisition of 23% PI and 12% PI respectively. On approval of the Brazilian regulatory authorities for acquisition, the transaction has been completed on 30th December, 2013. ONGC Videsh has paid a purchase consideration of USD 561 million for 12% stake in the block.

About BC-10 Block

The Block BC-10 also known as Parque das Conchas is in Campos Basin of Brazil and includes 4 offshore deep-water fields - Ostra, Abalone, Argonauta and Nautilus and a few identified exploration prospects. The block is in the deep-waters of Brazil in the water depths ranging from 1500 to 1950 meters. The Project is being developed in three phases. Production from Phase I started in year 2009. The Phase II of the Project has come on stream in October 2013 with an expected peak production of about 35,000 barrels of oil equivalent per day (boepd) in 2014. The current oil production from the block is about 50,000 boepd. The Phase III is to come on stream in 2016 with expected peak production of about 28000 boepd in 2017. The production from all the phases is expected to be about 75,000 boepd in 2017.

About ONGC Videsh

ONGC Videsh 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. Presently ONGC Videsh has participation in 32 projects in 16 countries including Azerbaijan, Brazil, Colombia, Iraq, Kazakhstan, Libya, Myanmar, Russia, South Sudan, Sudan, Syria, Venezuela and Vietnam. ONGC Videsh is currently producing 160 thousand barrels of oil and oil equivalent gas per day and has total oil and gas reserves of about 433 million tonne of oil and oil equivalent gas (mmtoe) as on 31 March 2013.

About ONGC

ONGC is the flagship National Oil Company of India and is the highest valued and the highest profit making Government of India enterprise. ONGC's market capitalisation as on 30th December, 2013, was about INR 248,000 Crore (about USD 40 billion). In the financial year ending on 31 March 2013, ONGC Group produced 58.7 million tonne of oil and oil equivalent gas (mmtoe) which is approximately 1.2 million barrels of oil and oil equivalent gas per day. ONGC Group had a turnover of INR 165,849 Crore (USD 30.45 billion), profit after tax of INR 24,220 Crore (USD 4.44 billion) and total oil and gas reserves of 1,759 mmtoe as on 31 March 2013.

***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 30th December, 2013 converted at INR 62.00 for USD1.*