



OIL AND NATURAL GAS CORPORATION LIMITED

SECRETARIAT

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

CIN No. L74899DL1993GOI054155

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

ONGC/CS/SE/2015

28th May, 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
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Sub: Annual Audited Financial Results for the Financial Year ended 31st March, 2015 and recommendation of Final Dividend.

Dear Sirs,

Further to our letter of even number dated 1st May, 2015, 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, 2015 in its meeting held today i.e 28th May, 2015 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 (fifty paise only) per equity share of ₹5/- each, for the Financial Year 2014-15, 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

CIN No. L74899DL1993GOI054155

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

Tel: 011-23310156, Fax: 011-23316413, E-mail: secretariat@ongc.co.in

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2015

PART I								
(₹ in Crore)								
	Particulars	Stand Alone					Consolidated	
		3 months ended 31.03.2015	Preceding 3 months ended 31.12.2014	Corresponding 3 months ended 31.03.2014 in the previous year	Year ended 31.03.2015	Year ended 31.03.2014	Year ended 31.03.2015	Year ended 31.03.2014
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)
1	Income from operations							
	(a) Gross Sales/Income from Operations	21,339.45	18,770.49	20,968.66	82,348.79	83,468.39	1,64,251.93	1,76,930.17
	Less: Excise Duty recovered	36.01	55.79	87.73	222.51	312.51	5,177.12	3,728.13
	(b) Net Sales/Income from Operations (Net of excise duty)	21,303.44	18,714.70	20,880.93	82,126.28	83,155.88	1,59,074.81	1,73,202.04
	(c) Other Operating Income	344.05	209.75	432.16	744.68	733.05	1,820.06	1,264.53
	Total income from operations (net) (b+c)	21,647.49	18,924.45	21,313.09	82,870.96	83,888.93	1,60,894.87	1,74,466.57
2	Expenses							
	(a) Cost of materials consumed*	227.32	188.44	233.04	678.32	664.08	57,637.72	68,085.54
	(b) Purchase of stock-in-trade	1.35	1.27	0.67	4.41	3.18	-	0.03
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade [(Increase)/Decrease]	(257.45)	65.08	205.09	(167.43)	104.28	1,722.92	(528.54)
	(d) Employees benefits expenses**	432.68	400.05	454.46	1,695.35	1,935.69	2,404.29	2,530.88
	(e) Depreciation and amortisation expenses***	3,095.54	3,339.54	3,580.35	11,451.14	10,927.71	18,027.72	16,613.62
	(f) Statutory levies	6,285.12	5,312.59	5,516.43	22,874.55	22,652.78	25,502.39	26,189.34
	(g) Exploration Cost written off	2,651.68	2,475.43	2,393.82	10,867.11	7,843.30	11,175.80	8,495.76
	(h) Other expenses	4,687.41	3,351.93	3,323.71	14,276.71	14,038.85	20,119.25	19,946.20
	Total Expenses	17,123.65	15,134.33	15,707.57	61,680.16	58,169.87	1,36,590.09	1,41,332.83
3	Profit/(Loss) from Operations before other Income, finance costs and exceptional Items (1-2)	4,523.84	3,790.12	5,605.52	21,190.80	25,719.06	24,304.78	33,133.74
4	Other income	1,733.58	1,377.57	1,371.83	5,367.22	6,713.23	5,988.79	6,938.39
5	Profit/(Loss) from ordinary activities before finance cost and exceptional Items (3+4)	6,257.42	5,167.69	6,977.35	26,558.02	32,432.29	30,293.57	40,072.13
6	Finance costs	1.27	1.25	0.04	2.79	0.36	2,923.21	658.72
7	Profit/(Loss) from ordinary activities after finance cost but before exceptional items (5-6)	6,256.15	5,166.44	6,977.31	26,555.23	32,431.93	27,370.36	39,413.41
8	Exceptional items	-	-	-	-	-	-	-
9	Profit/(Loss) from ordinary activities before tax (7+8)	6,256.15	5,166.44	6,977.31	26,555.23	32,431.93	27,370.36	39,413.41
10	Tax expense							
	a) For current tax	1,700.00	1,850.00	470.00	8,200.00	6,550.00	10,064.93	9,044.91
	b) MAT Credit Entitlement	-	-	(280.00)	-	(280.00)	(42.28)	(287.20)
	c) For earlier years	15.17	(600.00)	0.23	(584.83)	214.59	(589.52)	244.99
	d) Deferred tax liability/(asset)	605.91	345.24	1,898.08	1,207.11	3,852.53	264.28	3,757.69
	Total tax expense	2,321.08	1,595.24	2,088.31	8,822.28	10,337.12	9,697.41	12,760.39
11	Net Profit/ (Loss) from Ordinary Activities after tax (9-10)	3,935.07	3,571.20	4,889.00	17,732.95	22,094.81	17,672.95	26,653.02
12	Extraordinary items (net of tax)	-	-	-	-	-	-	-
13	Net Profit/ (Loss) for the period (11+12)	3,935.07	3,571.20	4,889.00	17,732.95	22,094.81	17,672.95	26,653.02
14	Share of profit/(loss) in associates						30.31	11.81
15	Minority interest						(630.26)	158.30
16	Net Profit/ (Loss) after taxes, minority interest and share of profit/(loss) of associates (13+14-15)	3,935.07	3,571.20	4,889.00	17,732.95	22,094.81	18,333.52	26,506.53
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				1,39,345.09	1,31,353.37	1,74,637.81	1,66,154.97
19	Earnings Per Share (EPS) (in ₹)							
	(a) Basic and diluted EPS before extraordinary items	4.60	4.17	5.71	20.73	25.83	21.43	30.98
	(b) Basic and diluted EPS after extraordinary items	4.60	4.17	5.71	20.73	25.83	21.43	30.98

*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 YEAR ENDED 31ST MARCH, 2015								
		Stand Alone					Consolidated	
		3 months ended 31.03.2015	Preceding 3 months ended 31.12.2014	Corresponding 3 months ended 31.03.2014 in the previous year	Year ended 31.03.2015	Year ended 31.03.2014	Year ended 31.03.2015	Year ended 31.03.2014
A	PARTICULARS OF SHAREHOLDING							
1	Public shareholding							
	- Number of shares	2,65,77,29,787	2,65,77,29,787	2,65,77,29,787	2,65,77,29,787	2,65,77,29,787	2,65,77,29,787	2,65,77,29,787
	- Percentage of shareholding	31.06	31.06	31.06	31.06	31.06	31.06	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	5,89,77,60,333	5,89,77,60,333	5,89,77,60,333	5,89,77,60,333	5,89,77,60,333	5,89,77,60,333	5,89,77,60,333
	-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	100.00
	-Percentage of shares (as a % of the total share capital of the company)	68.94	68.94	68.94	68.94	68.94	68.94	68.94

Particulars		3 months ended 31.03.2015		
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	4	96	100
	Received during the quarter	452	1	453
	Disposed of during the quarter	452	NIL	452
	Remaining unresolved at the end of the quarter	4	97*	101

*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.

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 31.03.2015	Preceding 3 months ended 31.12.2014	Corresponding 3 months ended 31.03.2014 in the previous year	Year ended 31.03.2015	Year ended 31.03.2014	Year ended 31.03.2015	Year ended 31.03.2014
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)
1	Segment Revenue							
	A. In India							
	(i) E&P							
	a) Offshore							
	Gross Revenue	15,802.27	13,721.15	15,252.41	59,673.05	59,940.28	59,673.05	59,940.28
	Less: Excise Duty	31.42	52.46	76.02	203.19	277.17	203.19	277.17
	Revenue Net of Excise Duty	15,770.85	13,668.69	15,176.39	59,469.86	59,663.11	59,469.86	59,663.11
	b) Onshore							
	Gross Revenue	5,881.23	5,259.09	6,148.41	23,420.42	24,261.16	23,274.90	23,978.85
	Less: Excise Duty	4.59	3.33	11.71	19.32	35.34	4.69	2.98
	Revenue Net of Excise Duty	5,876.64	5,255.76	6,136.70	23,401.10	24,225.82	23,270.21	23,975.87
	(ii) Refining							
	Gross Revenue						62,208.98	75,250.33
	Less: Excise Duty						4,969.24	3,447.98
	Revenue Net of Excise Duty						57,239.74	71,802.35
	B. Outside India						18,881.70	21,777.15
	C. Others						5,887.40	4,688.63
	Total	21,647.49	18,924.45	21,313.09	82,870.96	83,888.93	1,64,748.91	1,81,907.11
	Less: Inter Segment Revenue	-	-	-	-	-	3,854.04	7,440.54
	Net sales/income from operations	21,647.49	18,924.45	21,313.09	82,870.96	83,888.93	1,60,894.87	1,74,466.57
2	Segment Result Profit(+)/Loss(-) before tax and interest from each segment							
	A. In India							
	(i) E&P							
	a) Offshore	6,369.11	4,286.68	5,914.52	22,627.22	26,686.21	22,627.22	26,686.21
	b) Onshore	(481.14)	533.21	600.63	1,994.60	3,584.72	1,924.69	3,395.74
	(ii) Refining						(2,510.62)	660.31
	B. Outside India						5,494.20	7,299.17
	Total	5,887.97	4,819.89	6,515.15	24,621.82	30,270.93	27,535.49	38,041.43
	Less:							
	i. Interest Payment	1.27	1.25	0.04	2.79	0.36	2,923.21	658.72
	ii. Other unallocable expenditure net of unallocable income.	(369.45)	(347.80)	(462.20)	(1,936.20)	(2,161.36)	(2,758.08)	(2,030.70)
	Profit before Tax and Extraordinary Items	6,256.15	5,166.44	6,977.31	26,555.23	32,431.93	27,370.36	39,413.41
	Extraordinary Items	-	-	-	-	-	-	-
	Profit before Tax	6,256.15	5,166.44	6,977.31	26,555.23	32,431.93	27,370.36	39,413.41
3	Capital Employed (Segment Assets - Segment Liabilities)							
	A. In India							
	(i) E&P							
	a) Offshore	71,509.87	65,887.71	61,535.63	71,509.87	61,535.63	71,509.87	61,535.64
	b) Onshore	43,357.04	41,054.23	36,778.34	43,357.04	36,778.34	43,347.99	36,778.10
	(ii) Refining						7,588.11	7,818.24
	B. Outside India						49,941.12	46,881.58
	Total	1,14,866.91	1,06,941.94	98,313.97	1,14,866.91	98,313.97	1,72,387.09	1,53,013.56
	Unallocated Corporate Assets less Liabilities	29,734.06	38,344.94	38,411.03	29,734.06	38,411.03	8,067.32	19,137.97
	Grand Total	1,44,600.97	1,45,286.88	1,36,725.00	1,44,600.97	1,36,725.00	1,80,454.41	1,72,151.53

Notes

- Excise Duty shown as deduction wherever applicable.
- Segments have been identified and reported taking into account the differing risks and returns, the organization structure and the internal reporting systems. These have been organized into the following main Geographical and Business segments:

Geographical Segments: a) In India - Offshore and Onshore b) Outside India.
Business Segments: a) Exploration & Production b) Refining.

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OIL AND NATURAL GAS CORPORATION LIMITED
STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH, 2015

(₹ in Crore)

Particulars	Audited Stand Alone		Audited Consolidated	
	As at 31st March, 2015	As at 31st March, 2014	As at 31st March, 2015	As at 31st March, 2014
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	1,40,323.21	1,32,447.24	1,76,176.65	1,67,873.77
(c) Money received against share warrants	-	-	-	-
Sub-total -Shareholders' fund	1,44,600.97	1,36,725.00	1,80,454.41	1,72,151.53
2 Share application money pending allotment			2,473.13	2,912.00
3 Minority interest				
4 Non-current liabilities				
(a) Long-term borrowings	-	-	47,582.75	31,680.86
(b) Deferred tax liabilities (Net)	17,733.15	16,578.68	18,761.31	17,875.74
(c) Other Long term liabilities	1,128.89	1,185.02	1,829.44	1,846.72
(d) Long-term provisions	25,443.38	25,719.96	32,779.61	30,529.95
Sub-total -Non-current Liabilities	44,305.42	43,483.66	1,00,953.11	81,933.27
5 Current liabilities				
(a) Short-term borrowings	1,393.00	-	4,288.57	13,907.27
(b) Trade payables	5,489.10	6,372.48	30,387.31	30,680.34
(c) Other current liabilities	10,293.81	11,926.17	16,866.93	21,703.88
(d) Short-term provisions	1,997.58	781.12	2,259.21	950.03
Sub-total -Current Liabilities	19,173.49	19,079.77	53,802.02	67,241.52
TOTAL-EQUITY AND LIABILITIES	2,08,079.88	1,99,288.43	3,37,682.67	3,24,238.32
B ASSETS				
1 Non-current assets				
(a) Fixed assets				
(i) Tangible assets	31,421.12	30,229.19	68,671.21	46,225.35
(ii) Producing Properties	66,711.03	65,783.26	91,004.93	91,268.15
(iii) Intangible assets	69.60	50.06	116.92	75.44
(iv) Capital work-in-progress	12,690.66	11,645.03	42,211.47	53,826.99
(v) Exploratory/Development Wells in Progress	15,888.53	13,912.76	21,196.72	18,206.70
(b) Goodwill on consolidation			20,139.89	18,354.49
(c) Non-current investments	18,124.28	17,204.31	4,746.99	4,720.46
(d) Deferred tax Asset	-	-	585.41	12.23
(e) Long-term loans and advances	19,470.82	18,178.36	10,719.20	10,240.97
(f) Deposit with Schedule Banks under Site Restoration Fund Scheme	12,544.38	11,310.16	13,642.40	12,082.95
(g) Other non-current assets	996.20	1,132.00	7,724.83	6,085.91
Sub-total -Non-current assets	1,77,916.62	1,69,445.13	2,80,759.97	2,61,099.64
2 Current assets				
(a) Current investments	-	-	2.15	25.44
(b) Inventories	5,963.53	5,882.54	10,606.22	14,801.46
(c) Trade receivables	13,578.27	8,165.67	18,797.01	16,029.00
(d) Cash and Cash Equivalents	2,760.07	10,798.88	16,096.92	24,480.12
(e) Short-term loans and advances	6,947.68	4,366.96	10,033.04	6,631.72
(f) Other current assets	913.71	629.25	1,387.36	1,170.94
Sub-total -Current assets	30,163.26	29,843.30	56,922.70	63,138.68
TOTAL-ASSETS	2,08,079.88	1,99,288.43	3,37,682.67	3,24,238.32

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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 28.05.2015.
2. The audited accounts are subject to review by the Comptroller and Auditor General of India under section 143(6) of the Companies Act, 2013.
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 per share in two phases (₹ 5.00 and ₹ 4.00 per share) amounting to ₹ 7,700 Crore paid during the year under consideration. The total dividend for the year 2014-15 works out to ₹ 8,128 Crore as against ₹ 8,128 Crore during 2013-14.
4. In terms of the decision of the Government of India (GoI), the Company has shared under-recoveries of Oil Marketing Companies (OMC's) for the year 2014-15 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:-

Decrease in	For the Quarter ended			(₹ in Crore)	
	31.03.2015*	31.12.2014	31.03.2014	For the year ended 31.03.2015	For the Year ended 31.03.2014
Gross Revenue	-	9,458	16,202	36,300	56,384
Less: Value Added Tax (VAT)	-	233	501	1,003	1,784
Net Sales Revenue	-	9,225	15,701	35,297	54,600
Less: Statutory levies	-	1,066	1,882	4,337	6,844
Profit before tax (PBT)	-	8,159	13,819	30,960	47,756
Profit after tax (PAT)	-	5,386	9,122	20,437	31,524

*As per decision of the Government of India (GoI) no discount has been extended by ONGC to OMC's during 4th quarter of 2014-15.

5. During the year, Government directed the company to make payments of ₹1644 Crore, ₹126 Crore and ₹ 22 Crore towards differential royalty for the period 2008-09 to 2013-14 to Government of Gujarat, Andhra Pradesh and Tamil Nadu respectively. An amount of ₹ 763 Crore has been borne by the company and accounted for as expenditure on royalty on crude oil after adjustment of ₹ 98 Crore and ₹ 931 Crore recoverable from Government of Assam and Government of India respectively during next six months.
6. 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 ₹ 11,724 Crore (reduced to the extent ₹1,644 Crore which is paid to Gujarat Govt. as stated in Note No. 5 above) on this account for the

period from April, 2008 to March, 2015 (₹ 11,633 Crore as on 31.03.2014) 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 ₹ 2,107 Crore deposited w.e.f. February, 2014 (₹ 209 Crore as on 31.03.2014) in terms of Hon'ble Supreme Court order has been shown as deposit.

7. 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 been accounted for as other income during the year.
8. The long term service award scheme on retirement depending upon their level and years of service, has been discontinued w.e.f. 27.02.2015. Accordingly, an amount of ₹ 585 Crore provided in earlier years has been written back as "Other income" during quarter and year ended 31.03.2015.
9. Pursuant to the enactment of the Companies Act, 2013 the Group 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 ₹ 258 Crore (net of deferred tax of ₹ 119 Crore) has been adjusted 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 current year resulted in lower depreciation of ₹ 414 Crore except in case of parent company ONGC, wherein the impact of on the statement of profit and loss is not ascertainable
10. During the year ended 31st March 2015, ONGC Mangalore Petrochemicals Limited (OMPL), hitherto a Jointly Controlled Company, has become Subsidiary of the Company w.e.f. 28.02.2015.
11. 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', which are deemed to be applicable as per section 133 of Companies Act 2013.
12. The figures for the quarter ended 31st March'2015 are the balancing figures between the audited figures in respect of the full financial year ended 31st March'2015 and the published year to date figures upto the 3rd quarter ended 31st December'2014.
13. Previous periods figures have been regrouped/ reclassified, wherever necessary, to confirm to current year's classification.

By order of the Board



(D K Sarraf)

Chairman & Managing Director

Place: New Delhi

Date: 28th May, 2015

