OIL AND NATURAL GAS CORPORATION LIMITED

SECRETARIAT

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ONGC/CS/SE/2016

27th October, 2016

The Bombay Stock Exchange Limited, Corporate Relationship Department Phiroze Jeejeebhoy Towers Dalal Street, Fort **MUMBAI – 400 001** **BSE Security Code No. 500312**	**National Stock Exchange of India Ltd.** **Listing Department** Exchange Plaza Bandra-Kurla Complex Bandra (E) **MUMBAI – 400 051** **Symbol-ONGC; Series - EQ**

Sub: Press Release

Dear Sirs,

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed a copy of Press Release issued by ONGC on the following subject:

➢ ONGC declares results for Q2 FY'17

- **Notifies 15 discoveries so far in FY'17**
- **Declares interim dividend of 90%**
- **Board recommends Bonus issue in the ratio of 1:2**

This is for your kind information and record please.

Thanking you

Yours faithfully,
for OIL AND NATURAL GAS CORPORATION LTD.

(V N Murthy)
Company Secretary

Encl : As above

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Oil and Natural Gas Corporation Ltd.

Press Release

ONGC declares results for Q2 FY'17

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New Delhi October 27, 2016

In its 286th Board Meeting held on October 27, 2016, ONGC presented the Quarterly results for the second quarter ended on September 30, 2016.

Dividend

ONGC Board has approved an interim dividend of 90%, i.e. ₹ 4.50 on each equity share of ₹ 5. The total payout on this account will be ₹ 3,850 Crore. Government of India will receive ₹ 2,654 Crore on its 68.93% shareholding. In addition, dividend distribution tax of ₹ 784 Crore would also be paid to the Government.

The Record date for distribution of dividend has been fixed for 5th November, 2016 which has been intimated to the stock exchanges. The payment of interim dividend to the shareholders shall start from 7th November, 2016.

Bonus Issue

ONGC Board has recommended Bonus issue in the ratio of 1:2 (i.e. one bonus share for every two existing shares held) subject to approval of shareholders.
Previous Bonus issue record of ONGC is as under:

Financial year	Bonus
1995-96	3.08:1
2006-07	1:2
2010-11	1:1

Further, ONGC had split its share of the face value of ₹10 each fully paid into two shares each of the face value of ₹5 each after which the bonus issue of 2010-11 was carried out. If approved by shareholders, each equity share of ₹10 held by shareholders prior to 1995-96, would now amount to 36.72 equity shares of ₹5 each.

1. ONGC Performance Highlights : Q2 FY'17

- **Q2 FY'17 Gross Revenue ₹ 18,395 Crore (against ₹ 20,512 Crore in Q2 FY'16), down by 10.3%**
- **Net Profit ₹ 4,975 Crore in Q2 FY'17 as against ₹ 4,681 Crore in Q2 FY'16, up by 6.3%**
- **15 oil and gas discoveries notified so far in FY'17; 7 since last press release on 07.09.2016**
- **Gas Production increased from 5.702 BCM in Q2 FY'16 to 5.807 BCM in Q2 FY'17, an increase of 1.84%.**
- **Production of Value Added Products increased from 696 KT in Q2 FY'16 to 798 KT in Q2 FY'17, an increase of 14.7%.**

2. Production Performance (ONGC + Share in JVs):

	Q2			H1			Actual
	FY'17	FY'16	% Var	FY'17	FY'16	% Var	FY'16
Crude Oil – ONGC (MMT)	5.199	5.359	(3.0)	10.359	10.585	(2.1)	21.081
Crude Oil – JVs (MMT)	0.855	0.912	(6.3)	1.708	1.821	(6.2)	3.560
Condensate (MMT)	0.338	0.307	10.1	0.670	0.653	2.6	1.279
Total Crude Oil (MMT)	**6.392**	**6.578**	**(2.8)**	**12.737**	**13.059**	**(2.5)**	**25.927**
Gas – ONGC (BCM)	5.511	5.356	2.9	10.683	10.837	(1.4)	21.177
Gas – JVs (BCM)	0.296	0.346	(14.5)	0.618	0.682	(9.4)	1.353
Total Gas (BCM)	**5.807**	**5.702**	**1.8**	**11.301**	**11.519**	**(1.9)**	**22.530**
Value Added Products (KT)	**798**	**696**	**14.7**	**1,552**	**1,320**	**17.6**	**2,770**

3. Financial Results

	Q2			H1			Actual
	FY'17	FY'16	% Var	FY'17	FY'16	% Var	FY'16
Gross Revenue (₹ Crore)	18,395	20,512	(10.3)	36,180	43,141	(16.1)	77,741
Net Profit (₹ Crore)	4,975	4,681	6.3	9,207	10,050	(8.4)	16,111
Under recovery Discount (₹ Crore)	-	-	-	-	1,096	-	1,096
Crude Oil Price-Nominated							
Gross Realization (US$/bbl)	47.92	51.33	(6.6)	47.00	57.37	(18.1)	48.26
Net Realization (US$/bbl)	47.92	51.33	(6.6)	47.00	55.08	(14.7)	47.14
Gross Realization (₹/bbl)	3,209	3,332	(3.7)	3,147	3,685	(14.6)	3,159
Net Realization (₹/bbl)	3,209	3,332	(3.7)	3,147	3,538	(11.0)	3,086
Crude Oil Price-JV							
Realization (US$/bbl)	41.71	45.24	(7.8)	40.34	51.08	(21.0)	42.39
Realization (₹/bbl)	2,793	2,936	(4.9)	2,701	3,281	(17.7)	2,775
Gas Price							
Price on GCV basis ($/mmbtu)	3.06	4.66	(34.3)	3.06	4.66	(34.3)	4.24

Note: The Company has adopted Ind AS and accordingly, these financial results have been prepared in accordance with the recognition and measurement principles of Ind AS prescribed under section 133 of the Companies Act, 2103 read with the relevant rules issued thereunder. The date of transition to Ind AS is 1st April, 2015.

4. Discoveries

ONGC has notified 7 more discoveries since last press release on 7th September, 2016.

Additional Discoveries notified in Q2 2016

New Prospect Discoveries:

1.Jabera-4(RJBF) in Nohta-Damoh-Jabera 7 year PML in the State of Madhya Pradesh

The Exploratory well Jabera-4 in Nohta-Damoh-Jabera 7 year PML,Vindhyan Basin in the State of Madhya Pradesh was drilled to a depth of 1350 m on the Jabera structure. A Limestone interval (Object:I 1350-1279 m) in Rohtas Limestone Formation(Lower Vindhyan) of Proterozoic age on testing(Bare-Foot) flowed gas @ 1536 m^3/day through 6 mm bean. This lead is likely to open up an area of approximately 110 Km^2 along the flank of Jabera Structure in NDJ PML block.

New Pool Discoveries:

1. **Thuruppu Vipparu-1(TVAA,TV-1) in Penugonda Field,Godavari Onland PML(7 year PML),KG Basin in the State of Andhra Pradesh**

The Exploratory well Thuruppu Vipparu-1(TVAA,TV-1) in Penugonda Field,Godavari Onland PML,KG Basin in the State of Andhra Pradesh was drilled on the Penugonda Prospect to a depth of 2646 m. A Sandstone interval (Object:I 2553-2550m, 2546-2540) in Raghavapuram Formation (Late Cretaceous) on conventional testing flowed gas @ 123500 m^3/day and condensate @ 8 m^3/day through 6 mm bean. The well is completed as Gas producer. It extends the hydrocarbon potential of Raghavapuram Formation towards the northern basin margin.

2. **B12C-2(B-12C-A) in Dahanu , "C" Series ML, Western Offshore Basin**

The Exploratory well **B12C-2(B-12C-A)** drilled in Shallow water on the B-12 (Dahanu Prospect) in Western offshore Basin to a depth of 2645 m. A Sand interval (Object:I 2465-2461.5 m) in Daman Formation (Upper Oligocene) on conventional testing flowed gas @ 229297 m^3/day of gas along with condensate @383 BPD through 20/64" choke. This lead has opened up scope for exploration of Daman sands in surrounding area.

Additional Discoveries notified so far in Q3 2016:

New Prospect Discoveries:

1. **SU-3(SUAB, renamed as Dayalpur-1(DP-1) in Kasomarigaon 7 year PML (Additional PML), A&AA Basin, Golaghat District, in the State of Assam**

The Exploratory well SU-3(SUAB,renamed as Dayalpur-1(DP-1) in Kasomarigaon 7 year PML(Additional PML), Golaghat District, A&AA Basin,Assam was drilled to a depth of 3115 m on the new prospect. A Sandstone interval (Object:IIA 2956-2952 m) in Sylhet Formation(Middle Eocene) on conventional testing flowed 91.7 M^3 of oil along with 6417 M^3 of gas through 6 mm bean.

The success in this well has helped in establishing the Sylhet Prospectivity in Suphayam sector and will facilitate conversion of 7 Year Kasomarigaon PML in to regular PML.

2. **B157N-1(B-157N-A) in Bombay Offshore 7 Years PML, Western Offshore Basin**

The Exploratory well **B157N-1(B-157N-A)** drilled in Shallow water in Bombay Offshore 7 Years PML to a depth of 3035 m in Western offshore basin. A clastic interval (Object:I 2787-2784 m) in Panna Formation (Late Paleocene-Early Eocene) on conventional testing flowed Oil @ 640 BPD and 31050 m^3/day of gas through 1/4" choke. This lead has opened up scope for future exploration in the area North of B157 and also facilitate in conversion of 7 Year PML to long-term regular PML.

3. **GS-71-1(GS-71-AA) in GS 15/23 PML Block of KG Shallow Water Offshore , KG-PG Basin.**

The Exploratory Well GS-71-1(GS-71-AA) in GS 15/23 PML Block of KG Shallow Water Offshore , KG-PG Basin in the state of Andhra Pradesh was drilled to a depth of 3700 m(MD). Object I (3406-3414m, 3425.5-3427m & 3444-3446m) in Vadaparu Formation produced oil @ 7.8 m3/d and gas @ 1981 m3/d through 12/64" choke. Object III(3249-3256 & 3273-3276m) in Vadaparu Formation produced oil @ 130.85 m3/d and gas @ 101447 m3/d through 16/64" choke.Further, Object VI(2335.5- 2336.5 m) in Ravva Formation gave condensate @ 17.49 m3/d and gas @ 88125 m3/d through 16/64 " choke. Potential commercial interest of the said discovery is yet to be established.

New Pool Discoveries:

1. **G-390(GKHX) in Namti PML block, A&AA Basin, Sivsagar District, in the State of Assam**

The Development cum Exploratory well G-390(GKHX) in Namti PML block, A&AA Basin, Sivsagar District, in the State of Assam was drilled to a depth of 3751 m on the Geleki prospect. A Sandstone interval (Object:I 3707-3701 m) in Tipam Sandstone Formation (New sand of TS-6 i.e. TS-6B Pay, Pliocene), on testing well came on Gas Lift and flowed 12 m3/day of oil and 6500 m3/day of gas. The New Pay TS-6B has reinforced the hydrocarbon Prospectivity of Tipam Formation in South-West Geleki Sector of North Assam Shelf.

With this, ONGC has notified 15 discoveries (7 new prospects and 8 new pool) so far in FY'17 (7 in Q1, 4 in Q2 and 4 so far in Q3)

5. Other Highlights

i. Minister launches National Seismic Program at Mahanadi Basin

Hon'ble Minister of State (Independent Charge) for Petroleum and Natural Gas Mr. Dharmendra Pradhan inaugurated the National Seismic Program (NSP) at Taranga in Balasore district of Odisha on 12 October 2016. The NSP aims to undertake a fresh appraisal in all sedimentary basins across India, especially where no/scanty data is available, to have better understanding of the hydrocarbon potential of India. Under this program, ONGC has been assigned to carry out 2D seismic API of approx. 40,835 Line Kilometer (LKM) in onland part of 26 sedimentary basins

ii. ONGC registers 14th Clean Development Mechanism Project with UNFCCC

ONGC once again demonstrated its commitment to environment with the registration of the Clean Development Mechanism (CDM) project "Replacement of Main Oil Line (MOL) Pumps at Neelam & Heera Asset" under Kyoto Protocol. Formal communication has been received from United Nations Framework Convention on Climate Change (UNFCCC) confirming successful registration of the project – vide reference number 10302. The project would save approximately 5694 MWh of power consumption and contributes to an estimated Green House Gas Emission Reduction to the tune of 10,539 tonne of CO2 per annum.

iii. ONGC ECPF Trust get ISO Certification for Quality Management Systems

Adding to an impressive list of "firsts", ONGC ECPF Trust has become arguably the first Provident Fund Trust in India to get ISO Certification ISO 9001:2008 for Quality Management Systems. The ISO Certificate was presented to the Board of Trustees by the Trust team during the 152nd meeting of the Trust.

For further information, please visit our website www.ongcindia.com

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