OIL AND NATURAL GAS CORPORATION LIMITED

SECRETARIAT

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ONGC/CS/SE/2016 **October 28, 2016**

The Secretary **Bombay Stock Exchange Ltd,** Corporate Relationship Department Phiroze Jeejeebhoy Towers Dalal Street, Fort, MUMBAI – 400 001 **BSE Security Code No. 500312**	The Manager Listing Department **National Stock Exchange of India Ltd.** Exchange Plaza, C-1, Block-G Bandra-Kurla Complex, Bandra (E), **MUMBAI – 400 051** **Symbol – ONGC; Series - EQ**

Sub: Press Release pursuant to Regulation 30 of the Listing Regulations.

Dear Sirs,

Pursuant to Regulation 30 of the Listing Regulations, please find enclosed a copy of the Press Release issued by ONGC with regard to the following:

ONGC Videsh completes acquisition of 11% additional interest in Vankor Field located in East Siberia of the Russian Federation

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

Oil and Natural Gas Corporation Ltd.

Press Release

ONGC Videsh completes acquisition of 11% additional interest in Vankor Field located in East Siberia of the Russian Federation

ONGC Videsh Limited (**ONGC Videsh**), a wholly owned subsidiary of Oil and Natural Gas Corporation Ltd. completed on 28th October, 2016, the acquisition of additional 11% equity from Rosneft Oil Company, in JSC Vankorneft (**Vankorneft**), a company organized under the law of Russian Federation which is the owner of Vankor Field and North Vankor license for a consideration of US$ 930 million, thus increasing its equity to 26%. Rosneft, the national oil company of Russia continues to hold the majority (50.1%) shares of Vankorneft while the balance 23.9% equity is held by the Indian consortium of Indian oil PSUs comprising Oil India Limited, Indian Oil Corporation Limited and Bharat Petro Resources Limited.

Earlier on 31st May, 2016, ONGC Videsh had completed the acquisition of 15% equity in Vankorneft, for a consideration of US$ 1,268 million. The agreement for acquisition of 11% additional equity subject to satisfaction of several Conditions including approvals from the Russian and Indian government authorities was signed by Mr. Narendra K. Verma, CEO & Managing Director, on behalf of ONGC Videsh and Mr. Igor Sechin, CEO, Rosneft in Moscow on 14th September, 2016. The Completion within very short period of the binding agreement reflects the speed and cooperation with which both ONGC Videsh and Rosneft have moved and the support that the investments by Indian companies in Russia's Oil sector enjoy with the Russian and Indian governments. CEOs of ONGC Videsh and Rosneft signed an agreement to this effect in the sidelines of BRICS Goa summit.

Vankor is Rosneft's (and Russia's) second largest field by production and accounts for 4% of Russian production. The daily production from the field is around 410,000 barrels per day of crude oil (**bopd**) on an average and together with earlier

acquisition of 15%, ONGC Videsh's share of daily oil production from Vankor will be about 107,000 bopd. The acquisition of additional 11% would add about 30% to the existing ONGC Videsh's production at the current rate and approximately 2.2 MMt of oil and 1.0 BCM of gas annually.

The present transaction strengthens ONGC Videsh presence in Russia and is consistent with its stated strategic objective of adding high quality international assets to its existing E&P portfolio. This acquisition also has significant strategic importance to India, both in terms of augmentation of India's Energy Security as well as enhancing India's stature in the global political and economic arenas.

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. At present, ONGC Videsh has 37 projects in 17 countries including Azerbaijan, Bangladesh, Brazil, Colombia, Kazakhstan, Mozambique, Myanmar, Russia, South Sudan, Sudan, Venezuela, Vietnam and New Zealand. ONGC Videsh is currently producing about 215,000 barrels of oil and oil equivalent gas per day. For more information visit: http://www.ongcvidesh.com

About ONGC

ONGC's market capitalization as on 27th October 2016 was INR 2,488 billion (US$ 37.2 billion). During the financial year ended 31st March, 2016, ONGC Group had produced 57.38 MMT of oil and oil equivalent gas (MMTOE) (approx. 1.2 MMboe per day); the Consolidated Gross Turnover was INR 1,429 billion (US$ 21.83 billion) during FY'16. For more information visit: http://www.ongcindia.com