



OIL AND NATURAL GAS CORPORATION LIMITED

SECRETARIAT

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CIN: L74899DL1993GOI054155 Website: [www.ONGCINDIA.COM](http://www ONGCINDIA.COM) email: secretariat@ongc.co.in

ONGC/CS/SE/2014

29th May, 2014

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

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

Dear Sirs,

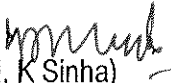
Pursuant to Clause 36 of the Listing Agreement, please find enclosed a copy of Press Release dated 29th May, 2014 issued by ONGC on the following subject:

"ONGC declares Impressive Results for FY' 14"

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



Oil and Natural Gas Corporation Ltd.

Press Release

ONGC declares impressive results for FY'14

Dated: 29th May, 2014

In its 256th Board Meeting held on 29th May, 2014, ONGC presented the annual results for FY'14 while declaring a final dividend of 5%. The Company had earlier declared interim dividend of 185% for the year.

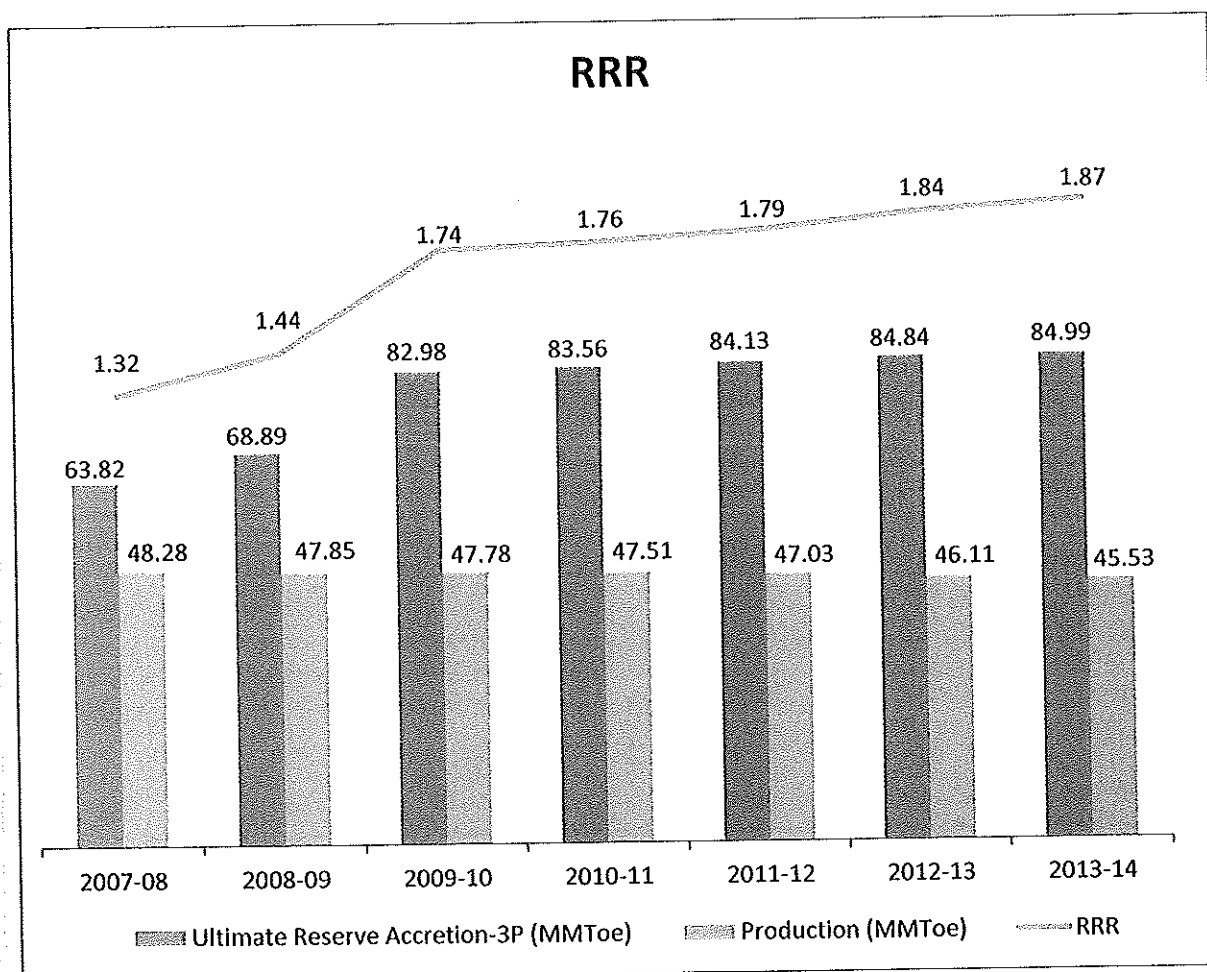
1. ONGC Performance Highlights : FY'14

- 14 hydrocarbon discoveries - 6 New Prospects (4 offshore, 2 onshore) and 8 New Pools (3 offshore, 5 onshore)
- Domestic oil and gas production (including share in JV) - 50.85 MMTon (Oil: 25.994 MMT, Gas: 24.851 BCM) against 51.46MMTon in FY'13 (Oil: 26.127 MMT, Gas: 25.335 BCM)
- Ultimate reserve accretion in domestic areas (operated by ONGC)- 84.99MMTon;(84.84 MMTon in FY'13)
- Reserve Replacement Ratio (RRR) with 3P reserves- 1.87(RRR - 1.24with 2P reserves); RRR with 3P reserves more than one since last nine years
- Gross Revenue ₹ 84,201Crore (against ₹ 83,290 Crore in FY'13)
- Net Profit ₹ 22,095 Crore; despite the highest-ever under-recovery discount of ₹ 56,384 Crore to OMCs (14.1% higher over ₹ 49,421Crore in FY'13)
- Board recommended final dividend of 5% in addition to interim dividend of 185% paid earlier.

2. Ultimate Reserve Accretion : FY'14

(in MMTon)	
ONGC operated domestic areas	84.99
Domestic JVs	4.77
Total Domestic	89.76

3. Reserve Replacement Ratio (RRR) of ONGC-operated domestic areas



4. Balance Recoverable Reserves as on 31st March, 2014

(in MMToe)				
	Domestic		Overseas (ONGC Videsh)	Total
	ONGC	JV		
1P	724.13	30.65	207.13	961.91
2P	1033.28	33.18	600.69	1667.15
3P	1331.29	35.51	637.34	2004.14

5. Production Performance (ONGC +Share in JVs)

	FY'14	FY'13
Crude Oil – ONGC (MMT)	22.25	22.56
Crude oil – JVs (MMT)	3.74	3.57
Total Crude Oil (MMT)	25.99	26.13
Gas – ONGC (BCM)	23.28	23.55
Gas – JVs (BCM)	1.57	1.79
Total Gas (BCM)	24.85	25.34
Value Added Products (MMT)	3.02	3.15

6. Financial Results

(₹ in Crore)						
Particulars	Q4FY'14	Q4FY'13	% Var	FY'14	FY'13	% Var
Gross Revenue	21,403	21,901	-2.3	84,201	83,290	1.1
Profit Before Tax (PBT)	6,977	4,851	43.8	32,433	30,544	6.2
Profit After Tax (PAT)	4,889	3,387	44.3	22,095	20,926	5.6

7. Impact of under-recovery discount to OMCs on Profits

(₹ in Crore)					
	2013-14	2012-13	2011-12	2010-11	2009-10
Discount (Contribution to under-recovery)	56,384	49,421	44,466	24,892	11,554
Impact on Statutory Levies	8,628	7,362	6,667	3,558	1,629
Impact on Profit before tax	47,756	42,059	37,799	21,334	9,925
Impact on Profit after tax	31,524	28,413	25,535	14,247	6,551

8. Impact of Discount on Retention Price of Crude Oil:

Particulars	FY'14		FY'13	
	Q4	Year	Q4	Year
A. In USD per Bbl				
Pre-Discount Price	106.65	106.72	113.97	110.74
Discount	73.87	65.75	63.12	62.89
Post-Discount Price	32.78	40.97	50.85	47.85
B. Average ₹/USD Exchange Rate	61.79	60.50	54.17	54.45
C. In ₹ per Bbl				
Pre-Discount Rate	6590	6456	6,174	6,030
Discount	4564	3978	3,419	3,424
Post-Discount Price	2026	2478	2,755	2,606

9. Dividend payout during the last five years(ONGC Standalone)

(₹ in Crore)						
Year	PAT	Dividend		Tax on Dividend	Payout %	
		%	₹ in Crore		Including Dividend Tax	Excluding Dividend tax
2009-10	16,768	330*	7,058	1,162	49.02	42.09
2010-11	18,924	175	7,486	1,215	45.98	39.56
2011-12	25,123	195	8,342	1,329	38.49	33.20
2012-13	20,926	190	8,128	1,301	45.06	38.84
2013-14	22,095	190	8,128	1,381	43.04	36.79

*Pre Bonus

10. Consolidated Results

1	Consolidated Turnover ₹ 178,205 Crore (7.5% from ₹ 165,849 Crore in FY'13)
2	Consolidated Net Profit (PAT) ₹ 26,507 Crore (9.4% up from ₹ 24,220 Crore in FY'13)

11. ONGC Group of companies

1.	Oil and Natural Gas Corporation Ltd
2.	Subsidiaries:
i.	ONGC Videsh Ltd (Consolidated)
ii.	Mangalore Refinery and Petrochemicals Ltd (Consolidated)
3.	Joint Venture Entities:
i	Petronet LNG Ltd
ii	Petronet MHB Ltd
iii	Mangalore SEZ Ltd (Consolidated - Unaudited)
iv	ONGC Mangalore Petrochemicals Ltd
v	ONGC Petro Additions Ltd
vi	ONGC Tripura Power Company Ltd (Consolidated – Unaudited)
vii	ONGC TERI Biotech Ltd
viii	Dahej SEZ Ltd (Unaudited)
4.	Associate:
i.	Pawan Hans Helicopters Ltd (Unaudited)

12. ONGC Videsh Ltd

<ul style="list-style-type: none"> Production of oil and gas -8.36 MMTon (7.26 MMTon in FY'13) (an increase of over 15% on account of new production stream from ACG, Azerbaijan; acquisition of additional 12% PI in Block BC-10, Brazil; higher production from Sudan and resumption of production from South Sudan)
<ul style="list-style-type: none"> Revenue from operations of ₹ 21,777 Crore (up 24% over ₹ 17,558 Crore in FY'13)
<ul style="list-style-type: none"> Highest-ever Profit after tax (PAT) at ₹ 4,445 Crore (up 13.1 % over ₹ 3,929 Crore in FY'13)
<ul style="list-style-type: none"> <u>Strategic Alliances</u> <ul style="list-style-type: none"> MOU with Rosneft to jointly explore hydrocarbons in the offshore Arctic
<ul style="list-style-type: none"> ONGC Videsh has 33 projects (13 producing, 4 discovered/ under-development, 14 exploration and 2 pipelines) spread over 16 countries including Azerbaijan, Bangladesh, Brazil, Colombia, Iraq, Kazakhstan, Libya, Mozambique, Myanmar, Russia, South Sudan, Sudan, Syria, Venezuela and Vietnam.

13. Mangalore Refinery and Petrochemicals Ltd (MRPL)

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|---|
| • Highest-ever Crude Throughput - 14.55 MMT (14.40 MMT in FY'13) |
| • Highest-ever Turnover - ₹ 75,226 Crore (up 9.29 % from ₹ 68,834 Crore in FY'13) |
| • Profit after tax (PAT) of ₹ 601 Crore (turn-around from a loss of ₹ 757 Crore in FY'13) |
| • Commissioned the Single Point Mooring (SPM) facility in FY'14. Delayed Coker Unit, Coker Hydro-Treater Unit and one Sulphur Recovery Unit (SRU) have been commissioned in April & May 2014. Petro-Fluidised Catalytic Cracking Unit (PFCC), two trains of SRU expected to be commissioned by June'14. |
| • The third phase of MRPL is expected to be complete in June, 2014. |

14. ONGC Mangalore Petrochemicals Ltd (OMPL)

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| • The Commercial Operation Date (COD) is expected in June, 2014 |
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15. Other highlights:

15.1 ONGC acquires 5% equity of Indian Oil Corporation Ltd (IOC)

Pursuant to the decision of the Government of India to divest 10% of the equity share capital of IOC, ONGC acquired 5% equity shares of IOC i.e. 121,397,624 equity shares of ₹ 10 each at a price of ₹ 220/- per share. The consideration amount of ₹ 2,670.75 Crore was paid to the Government on 14th March, 2014. The current market price of IOC's equity share is ₹ 358.35 (as on 28th May, 2014) in National Stock Exchange.

15.2 Commercial operation started at OTPC

Commercial Operation of the first unit (363.3 MW) of ONGC Tripura Power Corporation Ltd (OTPC) started on 4th January 2013. The second unit (363.3 MW) is expected to start by Q2 FY'15.

15.3 ONGC drills first Shale gas exploratory well in India

ONGC drills India's first Shale Gas exploratory well (JMSGa) at Jambusar, Ankleshwar. The well which was spudded on 27th October, 2013 is the first of its kind after the announcement of Shale Gas Policy by Government of India. During the year, ONGC also carried out assessment studies of Shale Gas in 6 more wells.

15.4 ONGC Videsh acquires 16% PI in the Rovuma Area 1 Offshore Block in Mozambique

ONGC Videsh and Oil India Limited completed the acquisition of 10% Participating Interest (PI) in the Rovuma Area 1 offshore Block, Mozambique by acquiring 100% shares of Videocon Mozambique Rovuma 1 Limited, the company holding the 10% PI in the Area 1 for US\$ 2,475 million. Subsequently, ONGC Videsh also completed a separate transaction to acquire further 10% participating interest in the Block for US\$ 2,640 million. With this, ONGC Videsh's stake in this Block increases to 16%.

15.5 ONGC Videsh acquires 12% Participating Interest in Block BC-10, Brazil

On 30th December, 2013 ONGC Videsh completed acquisition of an additional 12% Participating Interest in Block BC-10, a deep-water offshore block in Brazil's Campos Basin for US\$ 561 million, taking its total PI in the block to 27%. The Company had earlier acquired 15% PI in the block during 2006.

15.6 ONGC Videsh signs PSC for 2 exploratory blocks in Bangladesh

ONGC Videsh signed Production Sharing Contracts (PSCs) on 17th February, 2014 for two shallow water offshore exploratory Blocks (SS09 & SS04) awarded in Bangladesh Offshore Bidding Round 2012. ONGC Videsh has 45% PI in each of the blocks with operatorship, 45% PI is held by Oil India Ltd and the remaining 10% is held by Bangladesh Petroleum and Exploration Company Ltd.

15.7 ONGC Videsh awarded 2 onshore blocks in Myanmar

ONGC Videsh was awarded two onshore exploratory blocks B-2 (Zebyutaung-Nandaw) and EP-3 (Thegon-Shwegu) in the Myanmar Onshore Bidding Round 2013. Block B-2, having an area of 16,995 sq kms is located in Northern Myanmar, bordering the State of Manipur in India and Block EP-3 having an area of 1,650 sq kms is located in Central Myanmar.

15.8 ONGC Videsh signs MOU with Rosneft

ONGC Videsh has signed a Memorandum of Understanding (MOU) with Rosneft to jointly explore hydrocarbons in the offshore Arctic. The MOU paves the way for the companies' cooperation in subsurface surveys, exploration and appraisal activities and hydrocarbons production in Russia's offshore Arctic.

15.9 MRPL upgraded to Schedule-A CPSE by DPE

Mangalore Refinery & Petrochemicals Ltd (MRPL), a subsidiary of ONGC and a Mini Ratna category 1 CPSE, was upgraded from Schedule B to Schedule A with effect from 4th July, 2013 by the Department of Public Enterprises, Government of India.

15.10 ONGC's first deep water well G1-11 in Eastern Offshore commences production

ONGC's first deep water sub-sea well was completed and successfully put on production on November 17, 2013 through an Early Production System (EPS).

15.11 ONGC sets world water-depth record for drilling deepwater well

ONGC sets a world water-depth record by successfully drilling well KG-DWN-2005/1-D-1 at a water-depth of 3,174 mtrs. The well was drilled to target depth of 7,725 mtrs. in 67 days which happens to be the deepest well drilled in India.

15.12 ONGC again listed in FORTUNE World's Most Admired Company list

ONGC has again been listed among the Fortune's "World's Most Admired Companies" list 2014. ONGC is the only PSU in the list and at the same time is the **only Indian energy major** under the category '**Mining, Crude Oil Production**'.

15.13 ONGC ranked 3rd in Global E&P Companies list

ONGC maintained its Third position globally in the industry category "Oil and Gas Exploration and Production" and retained its overall ranking of 22nd position in the Platts Top 250 Global Energy Company Rankings 2013.

15.14 ONGC shines amongst Best Indian Brands 2013

Economic Times-Brand Equity, a premier publication on brands and advertising, listed ONGC as 14th most valued brand in its exclusive study. The study places ONGC as the most valued brand amongst non-banking PSUs and State Bank of India is the only Govt. owned entity finding its place above ONGC. ONGC is ranked above several popular brands like Maruti, ITC, Axis Bank etc.

15.15 National Accolades for ONGCians –Khel Ratna and Four 'Arjuna Awards'

ONGCian Ronjan Sodhi (Shooting) was conferred with the Rajiv Gandhi Khel Ratna Award, the highest honour given to sportspersons by the Government of India. In addition, four ONGCians were conferred with the 'Arjuna Award' for their

remarkable contribution to their respective sporting disciplines - Rupesh Shah (Billiards), Virat Kohli (Cricket), Amit Kumar Saroha (Athletics) and Rajkumari Rathore (Shooting).

Declaring the audited financial results and overall annual results of ONGC Group for FY'14 to the media on 29th May, 2014, soon after the ONGC Board meeting, CMD Mr. D K Sarraf said, 'Our focus on our Long Term Strategy Perspective Plan 2030 has gathered momentum. This fiscal's score card showcases our record performance in Reserve accretion, Sustainability and sound Financial management. We would renew our focus on the key performance indicators that will guide ONGC to reach greater heights in the coming years.' While he complimented employees for an all round impressive performance, he also thanked all stakeholders for reposing continued and sustained trust and confidence in the management of ONGC.

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

Conversion Rates:

₹ - USD: 60.50 (average for the Year FY'14)

₹ - USD: 54.45 (average for the Year FY'13)

Listing references (as on 29th May 2013):

ONGC: BSE – ₹ 374.65

NSE – ₹ 374.15

MRPL: BSE – ₹ 66.65

NSE – ₹ 66.95

Disclaimer

This Press Release is intended to apprise the public regarding the highlights of Audited Financial Results of ONGC on standalone and consolidated basis, for the year ended 31st March, 2014 drawn up in accordance with Clause 41 of the Listing Agreement with stock exchanges and approved by the Board of Directors in their meeting held on 29.05.2014, in addition to informing about other major and / or related highlights / developments which in view of the management may be considered as important. These are not to be taken as forward looking statements and may not be construed as guidance for future investment decisions by investors / stakeholders.

Issued by

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