



AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2010

(Rs. in Crore)

Sl. No.	Particulars	Unaudited			Audited		Audited	
		For Nine Months ended	For the Quarter ended		For the Year Ended		Consolidated For the Year ended	
		31.12.2009	31.03.2010	31.03.2009	31.03.2010	31.03.2009	31.03.2010	31.03.2009
1	Operating Income:							
	Gross Sales/Income from Operations	45,428.44	14,777.71	13,814.52	60,206.15	63,949.24	1,06,174.73	1,09,393.99
	Less: Excise Duty recovered	154.09	64.45	110.72	218.54	349.41	4,414.28	4,824.56
	(a) Net Sales/Income from Operations	45,274.35	14,713.26	13,703.80	59,987.61	63,599.83	1,01,760.45	1,04,569.43
	(b) Other Operating Income	705.83	1,289.08	429.63	1,994.91	948.00	1,678.40	369.91
	Total Operating Income (1)	45,980.18	16,002.34	14,133.43	61,982.52	64,547.83	1,03,438.85	1,04,939.34
2	Expenditure							
	a) (Increase)/Decrease in stock-in-trade	(171.51)	53.47	(0.12)	(118.04)	(81.10)	(372.88)	344.40
	b) Consumption of raw materials*	374.64	195.67	150.34	570.31	768.15	25,708.09	28,630.20
	c) Purchase of Traded Goods	9.26	4.67	1,671.21	13.93	8,516.60	3.79	0.03
	d) Employees cost**	840.63	266.05	(69.91)	1,106.68	886.79	1,407.07	1,161.93
	e) Statutory levies	9,124.54	2,862.75	2,753.44	11,987.29	11,477.59	17,015.44	18,419.26
	f) Depreciation***	10,210.76	4,448.03	4,244.44	14,658.79	12,084.92	18,739.13	15,570.48
	g) Other expenditure	7,729.29	3,201.70	3,419.07	10,930.99	11,082.42	13,559.63	14,147.02
	Total Expenditure (2)	28,117.61	11,032.34	12,168.47	39,149.95	44,735.37	76,060.27	78,273.32
3	Profit from Operations before Other Income, Interest & Exceptional Items (1)-(2)	17,862.57	4,970.00	1,964.96	22,832.57	19,812.46	27,378.58	26,666.02
4	Other Income	1,750.79	469.13	979.70	2,219.92	4,221.46	3,619.19	4,676.26
5	Profit before Interest & Exceptional Items (3)+(4)	19,613.36	5,439.13	2,944.66	25,052.49	24,033.92	30,997.77	31,342.28
6	Interest	12.57	56.08	13.60	68.65	118.96	556.41	238.55
7	Profit after Interest but before Exceptional Items (5)-(6)	19,600.79	5,383.05	2,931.06	24,983.84	23,914.96	30,441.36	31,103.73
8	Exceptional Items	-	-	-	-	-	-	-
9	Profit from Ordinary Activities before Tax (7)+(8)	19,600.79	5,383.05	2,931.06	24,983.84	23,914.96	30,441.36	31,103.73
10	Tax Expense							
	a) For Current Tax	6,091.50	1,028.75	955.50	7,120.25	7,884.64	9,575.67	11,011.17
	b) For Earlier Years	(0.53)	(19.41)	(269.19)	(19.94)	(554.02)	(17.65)	(446.39)
	c) Deferred Tax Liability/(Asset)	518.68	597.30	16.99	1,115.98	431.44	1,155.77	350.10
	d) Fringe Benefit Tax	-	-	21.00	-	70.00	-	72.11
	Total Tax Expense (10)	6,609.65	1,606.64	724.30	8,216.29	7,832.06	10,713.79	10,986.99
11	Net Profit from Ordinary Activities after Tax before adjustment for Associates & Minority Interest (9)-(10)	12,991.14	3,776.41	2,206.76	16,767.55	16,082.90	19,727.57	20,116.74
12	Add: Share of Profit/(Loss) in Associates	-	-	-	-	-	7.81	9.88
13	Less: Minority Interest	-	-	-	-	-	331.85	374.69
14	Net Profit from Ordinary Activities after Tax (11)+(12)-(13)	12,991.14	3,776.41	2,206.76	16,767.55	16,082.90	19,403.53	19,751.93
15	Extraordinary Items (Net of Tax expense)	-	-	-	-	43.41	-	43.41
16	Net Profit for the period (14)+(15)	12,991.14	3,776.41	2,206.76	16,767.55	16,126.31	19,403.53	19,795.34
17	Paid-up equity share capital (Face value of share Rs. 10 each)	2,138.89	2,138.89	2,138.89	2,138.89	2,138.89	2,138.89	2,138.89
18	Reserves excluding revaluation reserves				84,302.40	75,945.92	98,426.43	89,433.99
19	Earnings Per Share (EPS)							
	(a) Basic and diluted EPS before Extraordinary items	60.74	17.66	10.32	78.39	75.19	90.72	92.35
	(b) Basic and diluted EPS after Extraordinary items	60.74	17.66	10.32	78.39	75.40	90.72	92.55
20	Public shareholding							
	- Number of shares	553131857	553131857	553131857	553131857	553131857	553131857	553131857
	- Percentage of shareholding	25.86	25.86	25.86	25.86	25.86	25.86	25.86
21	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	1585740673	1585740673	1585740673	1585740673	1585740673	1585740673	1585740673
	-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)	74.14	74.14	74.14	74.14	74.14	74.14	74.14

*Represents consumption of raw materials, stores & spares. ** Employees cost shown above is net of allocation to different activities. *** Also includes depletion, amortisation and impairment loss

Segment wise Revenue, Results and Capital Employed under Clause 41 of the Listing Agreement

(Rs. in Crore)

Sl. No.	Particulars	Unaudited			Audited		Audited	
		For the nine months ended	For the Quarter ended		For the Year ended		Consolidated for the Year ended	
			31.12.2009	31.03.2010	31.03.2009	31.03.2010	31.03.2009	31.03.2010
1	Segment Revenue							
	A. In India							
	(i) E&P							
	a) Offshore	34,527.12	12,337.71	9,328.20	46,864.83	45,456.57	46,864.83	45,697.45
	b) Onshore	11,453.06	3,883.18	4,805.23	15,336.24	19,091.26	15,240.75	18,932.93
	(ii) Refining	-	-	-	-	-	36,604.74	42,948.34
	B. Outside India	-	-	-	-	-	15,512.14	18,300.11
	Total	45,980.18	16,220.89	14,133.43	62,201.07	64,547.83	1,14,222.46	1,25,878.83
	Less: Inter Segment Revenue	-	-	-	-	-	6,369.34	16,114.93
	Net sales/income from operations	45,980.18	16,220.89	14,133.43	62,201.07	64,547.83	1,07,853.12	1,09,763.90
2	Segment Result Profit(+)/Loss(-) before tax and							
	A. In India							
	(i) E&P							
	a) Offshore	14,970.13	4,593.39	587.51	19,563.52	18,809.78	19,563.51	18,809.78
	b) Onshore	3,642.66	615.54	1,528.76	4,258.20	1,804.80	4,238.21	1,749.52
	(ii) Refining	-	-	-	-	-	1,566.26	1,866.30
	B. Outside India	-	-	-	-	-	4,411.02	5,928.06
	Total	18,612.79	5,208.93	2,116.27	23,821.72	20,614.58	29,779.00	28,353.66
	Less:							
	i. Interest Payment	12.57	56.08	13.60	68.65	118.96	556.41	238.55
	ii. Other unallocable expenditure net of unallocable income.	-1,000.57	-230.20	-828.39	-1,230.77	-3,419.34	-1,218.77	-2,988.62
	Profit before Tax and Extraordinary Items	19,600.79	5,383.05	2,931.06	24,983.84	23,914.96	30,441.36	31,103.73
	Extraordinary Items-Excess of Insurance Claims over book value	0.00	-	-	-	65.77	0.00	65.77
	Profit before Tax	19,600.79	5,383.05	2,931.06	24,983.84	23,980.73	30,441.36	31,169.50
3	Capital Employed (Segment Assets - Segment Liabilities)							
	A. In India							
	(i) E&P							
	a) Offshore	32,904.13	30,873.58	26,751.13	30,873.58	26,751.13	30,873.58	26,751.13
	b) Onshore	18,454.21	22,242.32	16,497.62	22,242.32	16,497.62	22,213.68	16,468.41
	(ii) Refining	-	-	-	-	-	5,624.97	4,758.62
	B. Outside India	-	-	-	-	-	11,622.92	11,511.05
	Total	51,358.34	53,115.90	43,248.75	53,115.90	43,248.75	70,335.15	59,489.21
	Unallocated Corporate Assets less Liabilities	35,889.14	34,166.69	35,486.66	34,166.69	35,486.66	31,071.50	32,734.29
	Grand Total	87,247.48	87,282.59	78,735.41	87,282.59	78,735.41	1,01,406.65	92,223.50

- Notes:
- Segments have been identified and reported taking into account the differing risks and returns, the organisation structure and the internal reporting systems. These have been organised into the following main segments:
 - In India-E&P - Offshore & Onshore
 - Refining
 - Outside India
 - Segment wise Revenue, Result, Assets and Liabilities include the respective amounts identifiable to each of the segments.
 - The consolidated figures include results in respect of the subsidiaries - ONGC Videsh Limited and Mangalore Refinery and Petrochemicals Limited and Joint Venture Entities - Petronet LNG Limited, Petronet MHB Limited, ONGC Mangalore Petrochemicals Limited, Mangalore SEZ Limited, ONGC Petro addition Limited, ONGC Tripura Power Company Limited, ONGC TERI Biotech Limited and Pawan Hans Helicopters Ltd. (Associate) .
 - Previous year figures have been regrouped/reclassified, wherever necessary.

OIL AND NATURAL GAS CORPORATION LIMITED

Regd. Office : 'Jeevan Bharati', Tower II, 8th Floor, 124-Indira Chowk, New Delhi 110 001

SUMMARY OF ASSETS AND LIABILITIES AS AT 31ST MARCH, 2010

(Rs. in Crore)

Particulars	Stand Alone		Consolidated	
	Year Ended		Year Ended	
	31.03.2010	31.03.2009	31.03.2010	31.03.2009
SHAREHOLDERS' FUNDS:				
(a) Capital	2,138.89	2,138.89	2,138.89	2,138.89
(b) Reserves and Surplus	85,143.72	76,596.53	99,267.75	90,084.61
MINORITY INTEREST			1,643.16	1,411.35
LOAN FUNDS	4.98	26.73	6,266.93	6,559.13
DEFERRED TAX LIABILITY (NET)	8,918.21	7,802.24	10,291.22	9,223.08
LIABILITY FOR ABANDONMENT COST	16,400.67	16,008.96	17,459.04	17,145.13
TOTAL	1,12,606.47	1,02,573.35	1,37,066.99	1,26,562.19
GOODWILL ON CONSOLIDATION			9,538.55	11,403.89
FIXED ASSETS	25,889.86	22,110.83	41,980.11	35,017.77
PRODUCING PROPERTIES	40,282.21	36,157.99	51,166.50	45,298.04
EXPLORATORY/DEVELOPMENT WELLS-IN-PROGRESS (NET)	5,549.68	5,068.74	8,012.49	8,235.85
INVESTMENTS	5,772.03	5,090.32	5,159.31	3,480.35
CURRENT ASSETS, LOANS AND ADVANCES				
(a) Inventories	4,678.57	4,060.67	8,240.01	6,542.39
(b) Sundry Debtors	3,058.64	4,083.81	7,142.35	7,181.35
(c) Cash and Bank balances	18,231.04	19,096.21	22,384.23	22,595.55
(d) Other current assets	633.31	1,354.89	743.09	1,130.91
(e) Loans and Advances	27,169.77	26,004.38	12,056.69	13,264.43
Less: Current Liabilities and Provisions				
(a) Liabilities	12,087.56	14,025.28	22,681.89	21,052.70
(b) Provisions	7,412.40	7,079.82	7,515.77	7,186.26
Sub Total	34,271.37	33,494.86	20,368.71	22,475.67
MISCELLANEOUS EXPENDITURE (NOT WRITTEN OFF OR ADJUSTED)	841.32	650.61	841.32	650.62
TOTAL	1,12,606.47	1,02,573.35	1,37,066.99	1,26,562.19

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 28.05.2010.
2. The audited accounts are subject to review by the Comptroller and Auditor General of India under section 619(4) of the Companies Act, 1956.
3. The Board of Directors has recommended a final dividend of Rs. 15 per share which works out to Rs. 3,208 Crore over and above the interim dividend of Rs. 18 per share amounting to Rs. 3,850 Crore paid in January, 2010. The total dividend for the year 2009-10 works out to Rs. 33 per share amounting to Rs. 7,058 Crore as against Rs.6,884 Crore during 2008-09.
4. In terms of the decision of the Government of India (GoI), the Company has shared under- recoveries of Oil Marketing Companies for the year 2009-10 by allowing discount in the prices of Crude Oil, PDS Kerosene and Domestic LPG based on the provisional rates of discount communicated by Petroleum Planning and Analysis Cell (PPAC). The impact of discount on profitability is as under:-

Decrease in	(Rs in Crore)				
	For the Nine Months Ended	For the Quarter Ended		For the Year Ended	
	31.12.2009	31.03.2010	31.03.2009	31.03.2010	31.03.2009
Sales Revenue	6,555	4,999	852	11,554	28,225
Profit before Tax	5,658	4,267	739	9,925	23,933
Profit after Tax	3,734	2,817	488	6,551	15,798

5. MoP&NG vide letters dated 15.03.10 and 09.04.10 has directed GAIL (India) Limited that difference between consumer price and producer price revised by MoP&NG for APM Gas being supplied to City Gas Distribution Projects and small consumers should be transferred from surplus in Gas Pool Account to the producers. Accordingly, an amount of Rs. 442 Crore on account of above for the period from 06.06.06 to 31.03.10 has been recognized during the current quarter.
6. The MOU for trading in products of Mangalore Refinery and Petrochemicals Limited (MRPL), a subsidiary of the Company, expired on 31st March, 2009, and accordingly no trading activity of their products was carried out during the year. Sales revenue and Purchases on account of trading of such products in the previous year was Rs. 8,510 Crore and Rs 8,508 Crore respectively.
7. In Ravva Joint Venture, the demand towards additional profit petroleum raised by GoI, based on the decision of the Malaysian High Court, was disputed by the Operator M/s Cairn Energy India Limited, due to difference in interpretation of provision of Production Sharing Contract (PSC) in respect of computation of Post Tax Rate of Return (PTRR). The Company is not a party to the dispute but agreed to abide by the decision applicable to the Operator. As the dispute between the Operator and GoI was not resolved, the Company made a provision in Financial Year 2008-09 amounting to Rs. 577 Crore on account of additional profit petroleum and Rs. 283 Crore towards interest thereon totaling to Rs 860 Crore as an abundant precaution. GoI has recovered such amount subsequently. The appellate authority of Malaysian High Court of Kuala Lumpur, Malaysia has set aside the decision of the Malaysian High Court and the decision of arbitral tribunal in favour of Operator was restored on 15th September 2009. GoI has filed an appeal in the Federal Court of Malaysia against such restoration. An additional interest of Rs. 7 Crore has been provided during the year. Pending final outcome of this appeal, the provision is retained at Rs 768 Crore net of reversal of Rs 99 Crore towards exchange gain during the year.
8. Pending finalization, the Company provided liability for pay revision in respect of unionized category of employees amounting to Rs. 46 Crore during the quarter ended 31st March,2010 and Rs. 191 Crore for the

year ended 31st March,2010 (till 31.03.2010 Rs. 410 Crore) and is allocated to activities as per the policy of the company.

9. During the year, the Company changed its accounting policy of amortizing intangible assets from Written Down Value Method @ 40% to Straight Line Method over the useful life not exceeding a period of 5 years in order to systematically amortize its intangible assets. This has resulted in decrease in Depreciation, Depletion, Amortization and Impairment by Rs. 42 Crore, consequently activity cost decreased by Rs. 0.32 Crore and Profit before tax increased by Rs. 42 Crore.
10. During the year, the Company has changed its accounting policy on abandonment cost and started providing the full eventual estimated liability towards costs relating to dismantling, abandoning and restoring of onshore well sites. Such cost of onshore well site has been capitalized to Producing Property/Development Wells in Progress /Exploratory Wells in Progress when completed and in case of dry wells it is charged to Profit & Loss account. This has resulted in increase in Producing Property by Rs. 835 Crore, Exploratory Wells in Progress by Rs.16 Crore and Development Wells in Progress by Rs. 10 Crore with corresponding increase in abandonment liability by Rs. 862 Crore. This has also resulted in increase in Depletion cost by Rs. 40 Crore and cost of dry wells by Rs. 9 Crore with corresponding decrease in profit before tax by Rs. 49 Crore. Further, in case of offshore wells, upto the previous year the Company was providing full eventual estimated liability towards costs relating to dismantling, abandoning and restoring of offshore wells/facilities that were forming part of producing properties. However, during the current year, the Company started providing such liability in respect of wells completed and facilities capitalized also whether they are transferred to Producing Property or not. This has resulted in increase in 'Development Wells in Progress' by Rs.31 Crore and corresponding increase in abandonment liability by a similar amount. This has no impact on profit before tax
11. Information on investors' complaints pursuant to clause 41 of Listing Agreement for the quarter ended 31st March, 2010:

	Opening Balance	Additions	Disposals	Closing Balance
No. of complaints	9	908	914	3

These exclude investors' complaints regarding the offer for sale of upto 10% of equity shares of the Company made by the GoI in March, 2004, which are being attended to by the Registrar to the issue appointed by the GoI.

12. The Consolidated Financial Results have been prepared in line with requirements of Accounting Standard (AS) – 21 'Consolidated Financial Statements', AS-23 'Accounting for Investments in Associates in Consolidated Financial Statements' and AS-27 'Financial Reporting on Interests in Joint Ventures'.
13. Previous year's figures have been regrouped/reclassified wherever necessary.

By order of the Board

Sd/-
(D K Sarraf)
Director (Finance)

Place: New Delhi
Date : 28th May, 2010