

सुभाष कुमार
Subhash Kumar

निदेशक (वित्त)
Director (Finance)



ऑयल एण्ड नेचुरल गैस कॉर्पोरेशन लि.
Oil and Natural Gas Corporation Ltd.

CS/ONGC/SE/2020-21

13.11.2020

National Stock Exchange of India Ltd.

Listing Department
Exchange Plaza
Bandra-Kurla Complex, Bandra (E)
Mumbai – 400 051

BSE Limited

Corporate Relationship Department
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai – 400 001

Symbol-**ONGC**; Series - **EQ**

BSE Security Code No.- **500312**

*Sub: Disclosure of **Financial Results** for Q2 and H1 of FY 2020-21*

Ref: Intimation vide ref. CS/ONGC/SE/2020-21 dated 05.11.2020

Sir/ Madam,

We hereby disclose the un-audited Financial Results (Standalone and Consolidated) for the Quarter and Half year ended 30th September 2020, pursuant to regulation 30(4), read with Schedule III Part A Para A(4)(h), of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, along with necessary Limited Review Report as issued by the statutory auditors of the Company for your reference and records.

It is also informed that the said financial results as, prepared in compliance with the provisions under regulations 33 and 54 of the said Regulations, were duly approved by the Board of Directors of the Company at the meeting held on even date.

The aforesaid meeting of the Board commenced at 11:30 hrs and concluded at 18:00 hrs.

Thanking you,

Yours faithfully,
for Oil and Natural Gas Corporation Ltd

Subhash Kumar
Director (Finance)

End.: As Above (27 Pages)



OIL AND NATURAL GAS CORPORATION LIMITED

CIN No. L74899DL1993GOI054155

Regd. Office : Plot No. 5A- 5B, Nelson Mandela Road, Vasant Kunj, New Delhi, South West Delhi – 110070

Tel: 011-26754002, Fax: 011-26129091, E-mail: secretariat@ongc.co.in

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2020

(₹ in Crore unless otherwise stated)

Sl. No.	Particulars	Financial results for					
		Quarter ended 30.09.2020	Quarter ended 30.06.2020	Quarter ended ^A 30.09.2019	Half Year ended 30.09.2020	Half Year ended ^A 30.09.2019	Year ended 31.03.2020
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations	16,917.09	13,011.29	24,492.62	29,928.38	51,047.36	96,213.61
II	Other income	2,235.50	436.82	2,660.18	2,672.32	3,376.89	6,105.03
III	Total income (I+II)	19,152.59	13,448.11	27,152.80	32,600.70	54,424.25	1,02,318.64
IV	EXPENSES						
	Cost of materials consumed*	538.60	396.68	693.18	935.28	1,331.83	2,588.12
	Purchase of stock-in-trade	-	-	-	-	-	-
	Changes in inventories of finished goods, stock-in-trade and work in progress	(132.03)	(111.53)	(4.05)	(243.56)	(17.22)	246.99
	Employee benefits expense**	616.05	498.50	633.18	1,114.55	1,241.42	2,520.34
	Statutory levies	3,934.85	2,980.85	5,860.64	6,915.70	12,096.75	22,570.80
	Exploration costs written off						
	a. Survey Costs	187.78	558.99	182.00	746.77	1,059.84	1,687.92
	b. Exploratory well Costs	1,258.16	567.91	1,415.86	1,826.07	2,867.79	6,995.76
	Finance costs	317.21	491.84	681.76	809.05	1,327.84	2,823.68
	Depreciation, depletion, amortisation and impairment	3,679.49	3,822.30	4,578.30	7,501.79	8,316.32	18,616.86
	Other expenses	3,524.28	3,339.06	4,019.42	6,863.34	7,992.68	19,000.43
	Total expenses (IV)	13,924.39	12,544.60	18,060.29	26,468.99	36,217.25	77,050.90
V	Profit before exceptional items and tax (III-IV)	5,228.20	903.51	9,092.51	6,131.71	18,207.00	25,267.74
VI	Exceptional items	(1,238.18)	-	-	(1,238.18)	-	(4,899.05)
VII	Profit before tax (V+VI)	3,990.02	903.51	9,092.51	4,893.53	18,207.00	20,368.69
VIII	Tax expense:						
	(a) Current tax relating to:						
	- current year	1,540.00	336.00	2,665.01	1,876.00	5,003.76	7,410.00
	- earlier years	4.15	-	-	4.15	(13.72)	(361.27)
	(b) Deferred tax	(431.97)	71.54	91.30	(360.43)	900.61	(124.58)
	Total tax expense (VIII)	1,112.18	407.54	2,756.31	1,519.72	5,890.65	6,924.15
IX	Profit for the period (VII-VIII)	2,877.84	495.97	6,336.20	3,373.81	12,316.35	13,444.54
X	Other comprehensive income (OCI)						
	(a) Items that will not be reclassified to profit or loss						
	(i) Re-measurement of the defined benefit obligations	(30.42)	(126.86)	(221.12)	(157.28)	(332.74)	(441.40)
	- Deferred Tax	10.63	44.33	77.27	54.96	116.27	154.24
	(ii) Equity instruments through other comprehensive income	(1,865.46)	1,052.37	(1,604.38)	(813.09)	(2,922.54)	(12,976.93)
	- Deferred Tax	139.17	(77.70)	(29.10)	61.47	51.92	803.19
	Total other comprehensive income (X)	(1,746.08)	892.14	(1,777.33)	(853.94)	(3,087.09)	(12,460.90)
XI	Total comprehensive income for the period (IX+X)	1,131.76	1,388.11	4,558.87	2,519.87	9,229.26	983.64
XII	Paid-up Equity Share Capital (Face value of ₹ 5/- each)	6,290.15	6,290.15	6,290.15	6,290.15	6,290.15	6,290.15
XIII	Net worth ^{##}				1,96,857.96	2,10,075.30	1,94,338.09
XIV	Paid up Debt Capital / Outstanding Debt ^{\$}				12,111.03	10,396.93	13,949.11
XV	Other equity						1,88,047.94
XVI	Debenture Redemption Reserve [#]				Not applicable	Not applicable	Not applicable
XVII	Earnings Per Share (Face value of ₹ 5/- each) - not annualised						
	(a) Basic (₹)	2.29	0.39	5.04	2.68	9.79	10.69
	(b) Diluted (₹)	2.29	0.39	5.04	2.68	9.79	10.69
XVIII	Debt Equity Ratio ^{##}				0.06	0.05	0.07
XIX	Debt Service Coverage Ratio ^{##}				47.48	53.71	53.89
XX	Interest Service Coverage Ratio ^{##}				47.48	53.71	53.89

* Represents consumption of raw materials and stores & spares. ** Employee benefits expense shown above is net of allocation to different activities.

\$ comprises non-current and current borrowings. # Debenture Redemption Reserve is not required to be created by company as per Companies (Share Capital and Debentures) Rules, 2014, as amended. ## Refer note no.10. ^ Restated, refer note no. 9.

OIL AND NATURAL GAS CORPORATION LIMITED

CIN No. L74899DL1993GOI054155

Regd. Office : Plot No. 5A- 5B, Nelson Mandela Road, Vasant Kunj,
New Delhi, South West Delhi – 110070

Tel: 011-26754002, Fax: 011-26129091, E-mail: secretariat@ongc.co.in

STATEMENT OF STANDALONE ASSETS & LIABILITIES AS AT 30TH SEPTEMBER, 2020

(₹ in Crore)

		₹ in Crores	
	Particulars	As at September 30, 2020	As at March 31, 2020
		Unaudited	Audited
I.	ASSETS		
(1)	Non-current assets		
	(a) Property, Plant and Equipment		
	(i) Oil and Gas Assets	1,05,424.55	1,08,476.68
	(ii) Other Property, Plant and Equipment	8,791.35	9,221.62
	(iii) Right-of-use assets	11,292.26	9,819.79
	(b) Capital work in progress		
	(i) Oil and Gas Assets		
	1) Development wells in progress	5,302.75	4,922.04
	2) Oil and gas facilities in progress	15,558.27	13,404.67
	(ii) Others	1,421.27	1,689.87
	(c) Intangible assets	160.20	180.96
	(d) Intangible assets under development		
	(i) Exploratory wells in progress	16,898.71	16,208.97
	(e) Financial assets		
	(i) Investments	71,178.83	72,429.99
	(ii) Loans	1,147.01	1,182.48
	(iii) Deposits under site restoration fund	22,120.94	22,152.22
	(iv) Others	97.83	150.46
	(f) Non-current tax assets (net)	7,850.58	9,043.07
	(g) Other non-current assets	409.37	811.94
	Total non-current assets	2,67,653.92	2,69,694.76
(2)	Current assets		
	(a) Inventories	9,029.06	8,566.62
	(b) Financial assets		
	(i) Trade receivables	5,017.95	4,777.39
	(ii) Cash and cash equivalents	19.81	96.02
	(iii) Other bank balances	174.85	872.20
	(iv) Loans	606.68	511.73
	(v) Others	3,034.30	2,773.93
	(c) Other current assets	11,356.71	9,388.10
	Sub-total current assets	29,239.36	26,985.99
	Assets classified as held for sale	1,216.73	-
	Total current assets	30,456.09	26,985.99
	Total assets	2,98,110.01	2,96,680.75
II.	EQUITY AND LIABILITIES		
	EQUITY		
	(a) Equity share capital	6,290.15	6,290.15
	(b) Other equity	1,90,567.81	1,88,047.94
	Total equity	1,96,857.96	1,94,338.09
	LIABILITIES		
(1)	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	3,696.85	2,245.10
	(ii) Lease Liability	6,888.00	5,052.19
	(iii) Others	140.90	156.27
	(b) Provisions	28,308.87	27,939.21
	(c) Deferred tax liabilities (net)	25,867.23	26,344.09
	(d) Other non-current liabilities	42.28	38.79
	Total non-current liabilities	64,944.13	61,775.65
(2)	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	8,414.18	11,704.01
	(ii) Trade payables		
	- to micro and small enterprises	7.24	13.21
	- to other than micro and small enterprises	6,053.87	7,100.42
	(iii) Lease Liability	4,170.89	4,774.39
	(iv) Others	12,944.13	13,961.21
	(b) Other current liabilities	3,532.99	1,866.30
	(c) Provisions	1,134.68	1,097.53
	(d) Current tax liabilities (net)	49.94	49.94
	Total current liabilities	36,307.92	40,567.01
	Total liabilities	1,01,252.05	1,02,342.66
	Total equity and liabilities	2,98,110.01	2,96,680.75

^ Restated, refer note no. 9

OIL AND NATURAL GAS CORPORATION LIMITED

CIN No. L74899DL1993GOI054155

Regd.Office : Plot No. 5A- 5B, Nelson Mandela Road, Vasant Kunj, New Delhi, South West Delhi – 110070

Tel: 011-26754002, Fax: 011-26129091, E-mail: secretariat@ongc.co.in

STANDALONE SEGMENT WISE REVENUE, RESULTS, ASSETS & LIABILITIES

(₹ in Crore)

Sl. No.	Particulars	Quarter ended 30.09.2020	Quarter ended 30.06.2020	Quarter ended^ 30.09.2019	Half Year ended 30.09.2020	Half Year ended^ 30.09.2019	Year ended 31.03.2020
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenue						
	Revenue from Operations						
	a) Offshore	11,188.37	8,591.11	16,013.85	19,779.48	33,318.79	63,521.82
	b) Onshore	5,728.72	4,420.18	8,478.77	10,148.90	17,728.57	32,691.79
	Total	16,917.09	13,011.29	24,492.62	29,928.38	51,047.36	96,213.61
	Less: Inter Segment Operating Revenue	-	-	-	-	-	-
	Revenue from operations	16,917.09	13,011.29	24,492.62	29,928.38	51,047.36	96,213.61
2	Segment Result Profit(+)/Loss(-) before tax and interest from each segment						
	a) Offshore	3,727.54	1,947.98	6,548.39	5,675.52	14,122.22	21,773.30
	b) Onshore	(517.77)	(193.50)	1,788.60	(711.27)	3,919.23	(196.61)
	Total	3,209.77	1,754.48	8,336.99	4,964.25	18,041.45	21,576.69
	Less:						
	i. Finance Cost	317.21	491.84	681.76	809.05	1,327.84	2,823.68
	ii. Other unallocable expenditure net of unallocable income.	(1,097.46)	359.13	(1,437.28)	(738.33)	(1,493.39)	(1,615.68)
	Profit before Tax	3,990.02	903.51	9,092.51	4,893.53	18,207.00	20,368.69
3	Segment Assets						
	a) Offshore	1,35,073.22	1,33,462.93	1,34,206.72	1,35,073.22	1,34,206.72	1,32,642.49
	b) Onshore	63,753.18	63,891.35	68,201.69	63,753.18	68,201.69	63,190.25
	c) Other Unallocated	99,283.61	1,02,118.05	1,08,699.80	99,283.61	1,08,699.80	1,00,848.01
	Total	2,98,110.01	2,99,472.33	3,11,108.21	2,98,110.01	3,11,108.21	2,96,680.75
4	Segment Liabilities						
	a) Offshore	43,812.77	42,158.95	41,311.82	43,812.77	41,311.82	42,187.24
	b) Onshore	15,898.45	15,676.36	15,793.45	15,898.45	15,793.45	15,926.85
	c) Other Unallocated	41,540.83	45,910.82	43,927.64	41,540.83	43,927.64	44,228.57
	Total	1,01,252.05	1,03,746.13	1,01,032.91	1,01,252.05	1,01,032.91	1,02,342.66

^ Restated, refer note no. 9

Note:- Above segment information has been classified based on Geographical Segment.

OIL AND NATURAL GAS CORPORATION LIMITED

CIN No. L74899DL1993GOI054155

Regd.Office : Plot No. 5A- 5B, Nelson Mandela Road, Vasant Kunj, New Delhi, South West Delhi – 110070

Tel: 011-26754002, Fax: 011-26129091, E-mail: secretariat@ongc.co.in

STANDALONE STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 30TH SEPTEMBER, 2020

(₹ in Crore)

Particulars	Half Year ended 30.09.2020	Half Year ended 30.09.2019^
	Unaudited	Unaudited
i) CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Profit after tax	3,373.81	12,316.35
Adjustments For:		
- Income tax expense	1,519.72	5,890.65
- Exceptional Items	1,238.18	-
- Depreciation, Depletion, Amortisation and Impairment	7,501.79	8,316.32
- Exploratory Well Costs Written off	1,826.07	2,867.79
- Finance Cost	809.05	1,327.84
- Unrealized Foreign Exchange Loss/(Gain)	(250.65)	289.82
- Other impairment and write offs	226.28	521.73
- Excess provision written back	(158.40)	(15.57)
- Interest income	(517.12)	(692.45)
- Fair value loss / gain	133.54	44.16
- Amortization of Financial Guarantee	(20.77)	(20.89)
- Re-measurement of Defined benefit plans	(157.28)	(332.74)
- Liabilities no longer required written Back	(68.84)	(59.65)
- Amortization of Government Grant	(1.33)	(0.58)
- Dividend Income	(1,201.82)	(1,638.77)
Operating Profit before Working Capital Changes	14,252.23	28,814.01
Adjustments for		
- Receivables	(237.82)	726.49
- Loans and advances	487.39	481.44
- Other assets	(1,742.93)	(862.79)
- Inventories	(567.27)	(800.19)
- Trade payable and other liabilities	4,153.79	239.93
Cash generated from Operations	16,345.39	28,598.89
Income Taxes Paid (Net of tax refund)	(687.67)	(3,853.78)
Net cash generated by operating activities "A"	15,657.72	24,745.11
ii) CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for Property, Plant and Equipment	(7,877.36)	(5,703.20)
Proceeds from disposal of Property, Plant and Equipment	42.69	253.88
Exploratory and Development Drilling	(4,068.74)	(5,028.99)
Investment in term deposits with maturity 3 to 12 months	693.00	-
Advance/Investment in Joint Controlled Entities	(873.91)	(3.01)
Investment - Associates	-	(0.01)
Investment - Subsidiaries	-	(244.99)
Investment-Others	-	(9.50)
Deposit in Site Restoration fund	31.28	(391.91)
Dividends received from Subsidiaries, Associates and Joint Ventures	1,201.82	1,485.63
Dividends received from other investments	-	153.15
Interest received	(76.84)	103.54
Net cash (used in)/generated by Investing Activities "B"	(10,928.06)	(9,385.41)
iii) CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from non-current borrowing	1,499.85	-
Proceeds/repayment of current borrowings (net)	(3,162.46)	(11,354.69)
Payment of lease liabilities (net of interest)	(2,825.41)	(2,212.43)
Interest expense on lease liabilities	(185.95)	(188.68)
Dividends paid on equity shares	(4.35)	(1,263.02)
Interest paid	(145.84)	(349.37)
Net Cash Used in Financing Activities "C"	(4,824.16)	(15,368.19)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(94.50)	(8.49)
Cash and cash equivalents at the beginning of the year	96.02	16.14
Cash and cash equivalents at the end of the year	1.52	7.65
	(94.50)	(8.49)

^ Restated, refer note no. 9

Notes:

1. The Company could not constitute an Audit Committee since the constitution of the Committee requires at least two Independent Directors for valid quorum under Section 177 of the Companies Act, 2013 and Regulation 18 of the (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the absence of Audit Committee, the above financial results have been reviewed and approved by the Board of Directors in its meeting held on November 13, 2020.
2. The financial results for the quarter and half year ended September 30, 2020 have been reviewed by the Statutory Auditors as required under Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. The Company, with 40% Participating Interest (PI), was a Joint Operator in Panna-Mukta and Mid and South Tapti Fields along with Reliance Industries Limited (RIL) and BG Exploration and Production India Limited (BGEPI) each having 30% PI, (all three together referred to as "Contractors") signed two Production sharing Contracts (PSCs) with Government of India (Union of India) on December 22, 1994 for a period of 25 years. The PSCs for Panna Mukta and Mid & South Tapti have expired on December 21, 2019. In terms of the Panna Mukta Field Asset Handover Agreement, the Contractors of PMT JV are liable for the pre-existing liability.

In December 2010, RIL & BGEPI (JV Partners) invoked an international arbitration proceeding against the Union of India in respect of certain disputes, differences and claims arising out of and in connection with both the PSCs pursuant to the provisions of Article 33 of the PSCs and UNCITRAL Rules, 1976. The Ministry of Petroleum and Natural Gas (MoP&NG), vide their letter dated July 4, 2011, had directed the Company not to participate in the arbitration initiated by the JV Partners. MoP&NG has also stated that the arbitral award would be applicable to the Company also as a constituent of the Contractor for both the PSCs.

Directorate General of Hydrocarbons (DGH), vide letters dated May 25, 2017 had informed the Company that on October 12, 2016, a Final Partial Award (FPA) was pronounced by the Tribunal in the said arbitrations. However, the details of proceedings of the FPA are not available with the Company. DGH, vide their letter dated May 25, 2017 and June 4, 2018, marked to the Contractors, had directed the payment of differential Government of India share of Profit Petroleum and Royalty alleged to be payable by Contractors pursuant to Governments interpretation of the FPA (40% share of the Company amounting to US\$ 1,624.05 million, including interest upto November 30, 2016) equivalent to ₹ 11,990 Crore (March 31, 2020: ₹ 12,258 Crore). In response to the letters of DGH, the JV partners (with a copy marked to all Joint Venture Partners) had stated that demand of DGH was premature as the FPA did not make any money award in favour of Government of India, since quantification of liabilities were to be determined during the final proceedings of the arbitration. Further the award had also been challenged before the English Commercial Court (London High Court). Based on the above facts, the Company had also responded to the letters of DGH stating that pending finality of the order, the amount due and payable by the Company was not quantifiable. In view of the Company, if any changes are approved for increase in the Cost Recovery Limit (CRL) by the Arbitral Tribunal as per the terms of the PSCs the liability to DGH would potentially reduce.

The English Court has delivered its final verdict on May 2, 2018 following which the Arbitral Tribunal re-considered some of its earlier findings from the 2016 FPA (Revised Award). The Government of India and JV Partners have challenged parts of the Revised Award.

In January 2018, the Company along with the JV partners has filed an application with MC for increase in CRL in terms of the PSCs. The application has been rejected by MC. Pursuant to the rejection, the JV partners have filed a claim with Arbitral Tribunal.

DGH vide letter dated January 14, 2019 has advised to the contractors to re-cast the accounts for Panna-Mukta and Mid and South Tapti Fields for the year 2017-18. Pending finalization of the decision of the Arbitral Tribunal, the JV partners and the Company had indicated in their letters to DGH that the final recasting of the accounts was premature and thus the issues raised by DGH may be kept in abeyance.

Pending finality by Arbitration Tribunal on various issues raised above, re-casting of the financial statements and final quantification of liabilities, no provision has been accounted in the financial statements. The demand raised by DGH, amounting to US\$ 1,624.05 million equivalent to ₹ 11,990 Crore (March 31, 2020: ₹ 12,258 Crore) has been considered as contingent liability.

4. The Company had received demand orders from Service Tax Department at various work centers on account of Service Tax on Royalty in respect of Crude Oil and Natural Gas, appeals against such orders have been filed before the Tribunals. The Ahmedabad Tribunal adjourned the matter sine-die vide order dated June 25, 2019, against which the company has filed writ petition before Gujarat High Court. The Company had also obtained legal opinion as per which the Service Tax/GST on Royalty in respect of Crude Oil and Natural Gas is not applicable. Meanwhile, the Company also received demand order dated January 1, 2019 on account of GST on Royalty in the State of Rajasthan against which the Company filed writ (4919/2019) before Hon'ble High Court of Rajasthan. The Hon'ble High Court of Rajasthan heard the matter on April 3, 2019 and issued notice to Department with a direction that no coercive action shall be taken against the Company. The matter has been listed for hearing on November 18, 2020 before Hon'ble High Court of Rajasthan.

The Company also filed writ of mandamus (9961/2019) before Hon'ble High Court of Madras seeking stay on the levy of GST on royalty. The Hon'ble High Court of Madras heard the matter on April 3, 2019 and issued notice to Central Govt. and State Govt. The Central Govt. has filed their counter affidavit on August 26, 2019. The company has filed additional grounds to the writ petition and filed rejoinder to the counter of the Central Govt. before Hon. Madras High Court on January 24, 2020. The date of next hearing is not scheduled as yet.

The total estimated amount (including penalty and interest up to September 30, 2020) towards Service Tax is ₹ 3,924 Crore (March 31, 2020: ₹ 3,900 Crore) and GST is ₹ 6,838 Crore (March 31, 2020: ₹ 6,104 Crore). Since the Company is contesting the demand, it has been considered as contingent liability. Further, as an abundant caution, the Company has deposited Service Tax and GST along-with interest under-protest amounting to ₹ 1,352 Crore (March 31, 2020: ₹ 1,351 Crore) and ₹ 5,080 Crore (March 31, 2020: ₹ 4,553 Crore) respectively.

5. The financial results for the quarter and half year ended September 30, 2020 are impacted by low realised crude oil and natural gas prices due to the COVID-19 pandemic and volatile global crude oil and natural gas markets. Accordingly, the results for the quarter / half year are not comparable with those for the previous quarter and corresponding quarter / half year of the previous year.

The management has assessed the possible impact of COVID-19 on the basis of internal and external sources of information and expects no significant impact on the continuity of operations, useful life of Property Plant and Equipment, recoverability of assets, trade receivables etc., and the financial position of the Company on a long term basis.

6. The Company has considered possible effects of low crude oil and natural gas prices on the recoverability of its Cash Generating Units in accordance with Ind AS. The Company has considered the business conditions to make an assessment of the implications of the Pandemic, estimate of future crude oil and natural gas prices, production, reserves volumes on the basis of internal and external information / indicators of future economic conditions. Based on the assessment, the Company has recorded an impairment to the extent the carrying amount exceeds the value in use and has disclosed the same as an exceptional item. As a result, an amount of ₹ 1,238 Crore has been provided as impairment loss and shown as exceptional item for the quarter and half year ended September 30, 2020. Consequentially, profit before tax for the quarter and half year ended September 30, 2020 is lower by ₹ 1,238 Crore.
7. The Board of directors in its meeting held on 06.11.2020 considered and approved sale of 1,24,66,53,746 equity shares of Rs.10/- each representing 48.998% equity stake in its step subsidiary company ONGC Mangalore Petrochemicals Ltd (OMPL) at a value per share of ₹ 9.76 each, to Mangalore Refinery & Petrochemicals Limited (MRPL), a subsidiary of the Company. As the conditions existed at the end of the reporting period, a fair value loss of ₹ 95 Crore has been provided for in the quarter and half year ended September 30, 2020 and the said investment has been classified as Assets held for sale at fair value.
8. Government of India through “The Taxation Laws (Amendment) Act, 2019” has inserted Section 115BAA of the Income Tax Act, 1961, whereby a domestic company has an irrevocable option of exercising for a lower corporate tax rate along with consequent forego of certain tax deductions and incentives, including accumulated MAT credit eligible for set-off in subsequent years. The company has still not exercised this option and continues to evaluate the benefit of exercising the option for a lower corporate tax rate vis-à-vis the existing provisions. Pending exercising of the option, the company continues to recognize the taxes on income for the quarter and half year ended September 30, 2020 as per the earlier provisions.
9. The figures for the quarter and half year ended September 30, 2019 have been restated consequent to following changes in accounting policies during FY 2019-20:
 - a. In respect of recognizing the non-monetary government grant from fair value to nominal value, in accordance with the Ind AS 20 ‘Accounting for Government Grants and Disclosure of Government Assistance’.

- b. In respect of accounting of excess decommissioning provision written back based on the opinion of Expert Advisory Committee of Institute of Chartered Accountants of India.

10. Formula used for computation of:

- Net worth (Total equity) = Equity share capital + Other equity
- Debt Equity Ratio = Total borrowings / Total equity.
- Interest Service Coverage Ratio = Earnings before interest, tax and exceptional item / Interest on borrowings (net of transfer to expenditure during construction).
- Debt Service Coverage Ratio = Earnings before interest, tax and exceptional item / [Interest on borrowings (net of transfer to expenditure during construction) + Principal repayments of Long Term borrowings].

There are no scheduled principal repayments of Long Term borrowings during respective reported period therefore Interest Service Coverage Ratio and Debt Service Coverage Ratio are same in corresponding period.

11. Half yearly compliance in pursuant to Regulation 52(4) of the SEBI (LODR) Regulation, 2015.

- a. 52(4)(a) Credit Rating and change in Credit Rating (if any):

Non-convertible Debentures	ICRA Limited	[ICRA] AAA (Stable)
	India Rating and Research Private Limited	IND AAA/ Stable
Commercial Paper	ICRA Limited	[ICRA] A1+
	CARE Ratings Limited	CARE A1 +

- b. 52(4)(d) & (e) Payment Status:

(₹ in crore)

S. No.	Debentures	Previous actual payment date (01.04.2020 to 30.09.2020)			Next due date (01.10.2020 to 31.03.2021)		
		Date	Interest	Principal	Date	Interest	Principal
1.	6.40% Non-convertible redeemable Debenture 2031 Series II	-	-	-	-	-	-
2.	5.25% Non-convertible redeemable Debenture 2025 Series I	-	-	-	-	-	-
3.	Commercial Paper:						
a.	INE213A14154	02.06.2020	Not applicable	1,000.00	-	-	-
b.	INE213A14162	24.07.2020	Not applicable	1,000.00	-	-	-
c.	INE213A14170	11.08.2020	Not applicable	500.00	-	-	-
d.	INE213A14188	14.08.2020	Not applicable	500.00	-	-	-
e.	INE213A14196	25.08.2020	Not applicable	500.00	-	-	-
f.	INE213A14204	25.06.2020	Not applicable	200.00	-	-	-
g.	INE213A14212	18.06.2020	Not applicable	500.00	-	-	-
h.	INE213A14220	17.07.2020	Not applicable	500.00	-	-	-
i.	INE213A14238	29.09.2020	Not applicable	500.00	-	-	-
j.	INE213A14246	22.09.2020	Not applicable	500.00	-	-	-

12. The Company has maintained 100% Assets cover for all the debt securities issued.
13. Previous period's figures have been regrouped by the Company, wherever necessary, to conform to current quarter's classification.

By order of the Board

SUBHASH KUMAR

Digitally signed by SUBHASH KUMAR
DN: c=IN, o=Personal, postalCode=110096, st=Delhi,
2.5.4.20=a56b6c6a6d1990e467518e71d61e7e93306e74a3359408c64320d734b4c5,
serialNumber=7c9d9d6bd9d136d7ac94eb996b5e1a84dbc2d55de59006090506b459
132b, cn=SUBHASH KUMAR
Date: 2020.11.13 17:58:34 +05'30'

(Subhash Kumar)

Director (Finance)

Place: New Delhi

Date: November 13, 2020

In terms of our report of even date attached

For G.M. Kapadia & Co.

Chartered Accountants

Firm Reg. No. 104767W

**Rajen
Ratansi
Ashar**

Digitally signed by
Rajen Ratansi Ashar
Date: 2020.11.13
18:41:08 +05'30'

(Rajen Ashar)

Partner (M. No. 048243)

Place: Mumbai

For R. Gopal & Associates

Chartered Accountants

Firm Reg. No. 000846C

**SANDEEP
KUMAR
SAWARIA**

Digitally signed by
SANDEEP KUMAR
SAWARIA
Date: 2020.11.13
18:48:59 +05'30'

(Sandeep Kumar Sawaria)

Partner (M. No. 061771)

Place: Kolkata

For SARC & Associates

Chartered Accountants

Firm Reg. No. 006085N

**PANKAJ
SHARMA**

Digitally signed by
PANKAJ SHARMA
Date: 2020.11.13
18:31:38 +05'30'

(Pankaj Sharma)

Partner (M. No. 086433)

Place: New Delhi

For Kalani & Co.

Chartered Accountants

Firm Reg. No: 000722C

**VIKAS
GUPTA**

Digitally signed by VIKAS GUPTA
DN: c=IN, o=Personal,
2.5.4.20=a56b6c6a6d1990e467518e71d61e7e93306e74a3359408c64320d734b4c5,
serialNumber=7c9d9d6bd9d136d7ac94eb996b5e1a84dbc2d55de59006090506b459
132b, cn=VIKAS GUPTA
Date: 2020.11.13 18:18:28 +05'30'

(Vikas Gupta)

Partner (M. No. 077076)

Place: Jaipur

For R.G.N. Price & Co.

Chartered Accountants

Firm Reg. No.002785S

**RANGARAJAN
RAGHAVAN
IYENGAR**

Digitally signed by
RANGARAJAN RAGHAVAN
IYENGAR
Date: 2020.11.13 19:26:45
+05'30'

(Rangarajan Raghavan Iyengar)

Partner (M. No. 041883)

Place: Chennai

For S Bhandari & Co.

Chartered Accountants

Firm Reg. No.000560C

**Prabhu
Dayal Baid**

Digitally signed by
Prabhu Dayal Baid
Date: 2020.11.13
19:38:20 +05'30'

(P.D. Baid)

Partner (M. No.072625)

Place: Jaipur

November 13, 2020

G.M. Kapadia & Co.
Chartered Accountants
1007, Raheja Chambers,
213, Nariman Point,
Mumbai – 400002

R. Gopal & Associates
Chartered Accountants
1/1-A Vansittart Row,
Kolkata- 700001

SARC & Associates
Chartered Accountants
SARC Towers, D-191,
Okhla Industrial Estate,
Phase I, New Delhi – 110020

Kalani & Co.
Chartered Accountants
703, VII Floor,
Milestone Building,
Gandhi Nagar Crossing,
Tonk Road, Jaipur-302015

R.G.N. Price & Co.
Chartered Accountants
Simpsons Building,
861, Anna Salai,
Chennai - 600 002

S Bhandari & Co.
Chartered Accountants
201, Neo Corporate Plaza,
Ramchandra Lane,
Malad West,
Mumbai – 400064

INDEPENDENT AUDITORS' LIMITED REVIEW REPORT ON THE UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED ON SEPTEMBER 30, 2020

**TO THE BOARD OF DIRECTORS
OIL AND NATURAL GAS CORPORATION LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **Oil and Natural Gas Corporation Limited** ("the Company") for the quarter and half year ended September 30, 2020 (hereinafter referred to as "the Statement" and digitally signed by us for the purpose of identification), being submitted by the Company pursuant to the requirements of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("the Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, *"Review of Interim Financial information performed by the Independent Auditor of the Entity"* issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement read with Notes thereon, prepared in accordance with applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of the Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. **Emphasis of Matter**
We draw attention to the following matters in the Notes to the Statement: -
 - (i) Note No. 1, regarding non constitution of the Audit Committee by the company in the absence of at least two independent directors, although such constitution is required by the Regulations, and

accordingly review and approval of the Statement (standalone financial results) directly by the Board of Directors. Though, as per regulatory requirement applicable to the Company, the Audit Committee shall review such standalone financial results before submission to the Board of Directors for approval.

- (ii) Note No. 3, wherein it is stated that Directorate General of Hydrocarbons (DGH) had raised a demand on all the JV partners under the Production Sharing Contract with respect to Panna-Mukta and Mid and South Tapti contract areas (PMT JV), being BG Exploration and Production India Limited (BGEPIIL) and Reliance Industries Limited (RIL) (together “the Claimants”) and the Company (all three together referred to as “Contractors”), towards differential GOI share of Profit Petroleum and Royalty alleged to be payable by contractors pursuant to Government’s interpretation of the Final Partial Award of Arbitral Tribunal (40% share of the Company amounting to USD 1624.05 million equivalent to Rs. 11,990 Crores, including interest upto 30th November, 2016). Subsequent to Tribunal Orders dated October 12, 2016, DGH vide letter dated May 25, 2017, June 4, 2018 and January 14, 2019 had asked contractor for re-casting of accounts of the PMT JV and for remitting the respective PI share of balance dues including interest till the date of remittance. As the company is not a party to the arbitration, the details of the proceedings of arbitration and copy of the order of London High Court are not available with the company. The Company has responded that The English high Court has delivered its final verdict on May 2, 2018 following which the Arbitral Tribunal re-considered some of its earlier findings from the 2016 FPA (Revised Award); Pending finalization of the decision of the Arbitral Tribunal, the Company has indicated in their letters to DGH that the final recasting of the accounts is premature and the issues raised by DGH may be kept in abeyance and therefore no provision for the same has been considered necessary and the same has been considered as contingent liability.
- (iii) Note No. 4, with respect to demand orders served on various work centres of the company by tax authorities under Service Tax (ST) and Goods & Service Tax (GST) demanding ST and GST on Royalty in respect of Crude Oil and Natural Gas. Based on the legal opinion, the company is contesting such demands at various forums and estimated amounts worked out towards ST and GST (including interest and penalty upto September 30, 2020) at Rs. 3,924 Crores and Rs. 6,838 Crores respectively (Total Rs 10,762 Crores), which has been considered as contingent liability. As a measure of abundant caution, the company has deposited ST and GST along with interest under protest amounting to Rs 1,352 Crores and Rs 5,080 Crores respectively (Total Rs 6,432 Crores).
- (iv) Note No. 5, which describes the management’s assessment of the impact of COVID-19 pandemic on the basis of internal and external sources of information, on its business, operations and other related components. As stated in the said Note, the management expects no significant impact of COVID-19 on the affairs of the company on a long term basis.

Our conclusion on the Statement is not modified in respect of the above matters.

6. Other Matters

- (i) We have placed reliance on technical/commercial evaluation by the management in respect of categorization by the Company of wells as exploratory, development, producing and dry wells, allocation of costs incurred on them, proved (developed and undeveloped) / probable hydrocarbon reserves and depletion thereof on Oil and Gas Assets, impairment, liability for decommissioning costs, liability for NELP/ HELP and other nominated blocks for under performance against agreed Minimum Work Programme.
- (ii) The Statement includes the Company's proportionate share in the total value of assets, liabilities, expenditure and Income of 160 blocks under New Exploration Licensing Policy (NELPs)/ Hydrocarbon Exploration and Licensing Policy (HELPS)/ Discovered Small Fields (DSFs)/ Open Acreage Licencing Policy (OALPs) and Joint Operations (JOs) accounts for exploration and production, out of which: -

- a. 1 block accounts have been certified by other Chartered Accountant. In respect of this block, the Statement includes proportionate share in assets and liabilities for the quarter and half year ended September 30, 2020 amounting to Rs. 6,553.65 Crore and Rs. 4,063.49 Crore respectively, revenue for the quarter and half year ended September 30, 2020 amounting to Rs. 1,150.13 Crore and Rs. 2002.43 Crore respectively and profit before tax including other comprehensive income for the quarter and half year ended September 30, 2020 amounting to Rs. 216.70 Crore and Rs. 297.33 Crore respectively. Our conclusion is solely based on the certificate of the other Chartered Accountant.
 - b. 17 blocks have been certified by the management. In respect of these blocks, the Statement includes proportionate share in assets and liabilities for the quarter and half year ended September 30, 2020 amounting to Rs. 1,688.35 Crore and Rs. 1,327.80 Crore respectively, revenue for the quarter and half year ended September 30, 2020 amounting to Rs. 198.78 Crore and Rs. 391.53 Crore respectively and profit before tax including other comprehensive income for the quarter and half year ended September 30, 2020 amounting to Rs. 75.69 Crore and 103.63 Crore respectively. Our conclusion is solely based on management certified accounts in respect of these blocks.
- (iii) The Statement includes comparative figures of for the quarter ended June 30, 2020, corresponding quarter and half year ended September 30, 2019, reviewed by the joint auditors of the Company, five of whom were the predecessor audit firms, where they had expressed an unmodified conclusion vide their report dated September 1, 2020 and November 14, 2019 respectively on such Standalone Financial Results.

The Statement also include figure for the year ended March 31, 2020, audited by the joint auditors of the Company, five of whom were the predecessor audit firms, where they have expressed an unmodified opinion on such standalone financial statements vide their report dated June 30, 2020.

Our conclusion on the Statement is not modified in respect of the above matters.

For G.M. Kapadia & Co.

Chartered Accountants
Firm Reg. No.: 104767W

Rajen
Ratansi
Ashar
Digitally signed by
Rajen Ratansi
Ashar
Date: 2020.11.13
18:42:23 +05'30'

(Rajen Ashar)
Partner (M. No. 048243)
UDIN:20048243AAAAKJ4812
Place: Mumbai

For R. Gopal & Associates

Chartered Accountants
Firm Reg. No.: 000846C

SANDEEP
KUMAR
SAWARIA
Digitally signed by
SANDEEP KUMAR
SAWARIA
Date: 2020.11.13
18:49:56 +05'30'

(Sandeep Kumar Sawaria)
Partner (M. No. 061771)
UDIN:20061771AAAADY5606
Place: Kolkata

For SARC & ASSOCIATES

Chartered Accountants
Firm Reg. No.: 006085N

PANKAJ
SHARMA
Digitally signed by
PANKAJ SHARMA
Date: 2020.11.13
18:32:38 +05'30'

(Pankaj Sharma)
Partner (M. No. 086433)
UDIN:20086433AAAAAW7496
Place: New Delhi

For Kalani & Co.

Chartered Accountants
Firm Reg. No.: 000722C

VIKAS
GUPTA
Digitally signed by
VIKAS GUPTA
Date: 2020.11.13 19:28:55
+05'30'

(Vikas Gupta)
Partner (M. No. 077076)
UDIN:20077076AAAAAM3985
Place: Jaipur

For R.G.N. Price & Co.

Chartered Accountants
Firm Reg. No.: 002785S

RANGARAJAN
RAGHAVAN
IYENGAR
Digitally signed by
RANGARAJAN RAGHAVAN
IYENGAR
Date: 2020.11.13 19:28:55
+05'30'

(Rangarajan Raghavan Iyengar)
Partner (M. No. 041883)
UDIN:20041883AAAAAK2352
Place: Chennai

For S. Bhandari & Co.

Chartered Accountants
Firm Reg. No.: 000560C

Prabhu
Dayal Baid
Digitally signed by
Prabhu Dayal Baid
Date: 2020.11.13
19:36:40 +05'30'

(P.D. Baid)
Partner (M. No. 072625)
UDIN:20072625AAAAABT4459
Place: Jaipur

Dated: November 13, 2020

OIL AND NATURAL GAS CORPORATION LIMITED

CIN No. L74899DL1993GOI054155

Regd. Office : Plot No. 5A- 5B, Nelson Mandela Road, Vasant Kunj, New Delhi, South West Delhi – 110070

Tel: 011-26754002, Fax: 011-26129091, E-mail: secretariat@ongc.co.in

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2020

(₹ in Crore unless otherwise stated)

	Particulars	Quarter ended 30.09.2020	Quarter ended 30.06.2020	Quarter ended 30.09.2019^	Half Year ended 30.09.2020	Half Year ended 30.09.2019^	Year ended 31.03.2020
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations	83,619.16	62,496.06	101,575.40	146,115.22	211,121.19	425,001.42
II	Other income	1,958.69	1,079.41	1,639.73	3,038.10	3,182.48	8,531.55
III	Total income (I+II)	85,577.85	63,575.47	103,215.13	149,153.32	214,303.67	433,532.97
IV	Expenses						
	(a) Cost of materials consumed*	12,971.69	7,657.71	22,810.68	20,629.40	42,571.25	88,902.15
	(b) Purchase of Stock-in-Trade	32,390.85	21,565.46	38,541.29	53,956.31	87,319.48	176,006.43
	(c) Changes in inventories of finished goods, stock-in-trade and work-in progress	(3,364.16)	772.36	(1,545.13)	(2,591.80)	(1,460.64)	1,145.56
	(d) Employee benefits expense **	1,807.64	1,559.61	1,612.28	3,367.25	3,248.34	6,539.17
	(e) Statutory levies	17,312.12	14,083.06	14,083.93	31,395.18	26,292.56	52,415.00
	(f) Exploration costs written off			-			
	(i) Survey costs	210.17	594.61	264.45	804.78	1,216.52	1,901.53
	(ii) Exploration well costs	1,351.17	568.67	1,438.42	1,919.84	2,906.97	7,121.88
	(g) Finance costs	1,046.92	1,497.66	1,750.87	2,544.58	3,270.23	6,999.77
	(h) Depreciation, depletion, amortisation and impairment	5,623.70	5,847.94	6,644.68	11,471.64	12,402.61	26,634.88
	(i) Other expenses	7,070.20	6,855.29	8,354.55	13,925.49	16,096.51	38,824.39
	Total expenses (IV)	76,420.30	61,002.37	93,956.02	137,422.67	193,863.83	406,490.76
V	Profit before share of profit/(loss) of associates and joint ventures, exceptional items and tax (III - IV)	9,157.55	2,573.10	9,259.11	11,730.65	20,439.84	27,042.21
VI	Share of profit of associates & joint ventures	650.17	(560.88)	0.58	89.29	270.69	1,054.42
VII	Profit before exceptional items (V+VI)	9,807.72	2,012.22	9,259.69	11,819.94	20,710.53	28,096.63
VIII	Exceptional items - Income/(expenses)	(1,238.19)	-	-	(1,238.19)	-	(9,028.48)
IX	Profit before tax (VII+VIII)	8,569.53	2,012.22	9,259.69	10,581.75	20,710.53	19,068.15
X	Tax expense						
	(a) Current tax relating to:						
	- current year	2,758.75	1,397.83	3,596.30	4,156.58	6,897.08	9,647.58
	- earlier years	4.16	-	(0.07)	4.16	(13.79)	(1,805.42)
	(b) Deferred tax	5.80	(475.64)	103.22	(469.84)	1,146.92	(334.16)
	Total tax expense (X)	2,768.71	922.19	3,699.45	3,690.90	8,030.21	7,508.00
XI	Profit for the period (IX-X)	5,800.82	1,090.03	5,560.24	6,890.85	12,680.32	11,560.15
XII	Other comprehensive income (OCI)						
	A Items that will not be reclassified to profit or loss						
	(a) Remeasurement of the defined benefit plans	(44.57)	(132.70)	(222.14)	(177.27)	(335.32)	(659.54)
	- Deferred tax	11.76	46.58	77.72	58.34	117.29	212.18
	(b) Equity instruments through other comprehensive income	(1,876.01)	1,081.80	(1,690.79)	(794.21)	(3,029.28)	(13,251.55)
	- Deferred tax	139.17	(77.70)	(29.10)	61.47	51.92	803.19
	(c) Share of other comprehensive income in associates and joint ventures, to the extent not to be reclassified to profit or loss	0.07	0.14	(0.88)	0.21	(1.38)	(2.49)
	- Deferred tax	-	-	-	-	-	-
	B Items that will be reclassified to profit or loss						
	(a) Exchange differences in translating the financial statement of foreign operation	(390.26)	(470.21)	1,029.14	(860.47)	1,175.25	1,759.53
	- Deferred tax	167.12	324.76	(301.81)	491.88	(341.45)	(576.34)
	(b) Effective portion of gains (losses) on hedging instruments in cash flow hedges	(15.54)	(40.85)	(0.03)	(56.39)	-	(24.16)
	- Deferred tax	3.91	10.28	0.01	14.19	-	6.08
	(c) Share of other comprehensive income in associates and joint ventures, to the extent to be reclassified to profit or loss	70.30	(4.70)	-	65.60	-	(169.07)
	Total Other Comprehensive Income (XII)	(1,934.05)	737.40	(1,137.88)	(1,196.65)	(2,362.97)	(11,902.17)
XIII	Total Comprehensive Income for the period (XI+XII)	3,866.77	1,827.43	4,422.36	5,694.20	10,317.35	(342.02)
XIV	Profit for the period attributable to:						
	- Owners of the Company	4,335.31	119.75	5,349.20	4,455.06	12,120.20	10,907.15
	- Non-controlling interests	1,465.51	970.28	211.04	2,435.79	560.12	653.00
		5,800.82	1,090.03	5,560.24	6,890.85	12,680.32	11,560.15
XV	Other comprehensive income attributable to:						
	- Owners of the Company	(1,961.70)	741.96	(1,090.16)	(1,219.74)	(2,305.00)	(11,578.82)
	- Non-controlling interests	27.65	(4.56)	(47.72)	23.09	(57.97)	(323.35)
		(1,934.05)	737.40	(1,137.88)	(1,196.65)	(2,362.97)	(11,902.17)
XVI	Total comprehensive income attributable to:						
	- Owners of the Company	2,373.61	861.71	4,259.04	3,235.32	9,815.20	(671.67)
	- Non-controlling interests	1,493.16	965.72	163.32	2,458.88	502.15	329.65
		3,866.77	1,827.43	4,422.36	5,694.20	10,317.35	(342.02)
XVII	Paid up equity share capital (Face value of ₹5/- each)	6,290.15	6,290.15	6,290.15	6,290.15	6,290.15	6,290.15
XVIII	Other Equity						200,677.54
	Earnings per equity share: (Face value of ₹5/- each) - not annualised						
	(a) Basic (₹)	3.45	0.10	4.25	3.54	9.63	8.67
	(b) Diluted (₹)	3.45	0.10	4.25	3.54	9.63	8.67

* Represents consumption of raw materials and stores & spares. ** Employee benefits expense shown above is net of allocation to different activities. ^ Restated, refer note no. 10

OIL AND NATURAL GAS CORPORATION LIMITED

CIN No. L74899DL1993GOI054155

Regd. Office : Plot No. 5A- 5B, Nelson Mandela Road, Vasant Kunj, New Delhi, South West Delhi – 110070

Tel: 011-26754002, Fax: 011-26129091, E-mail: secretariat@ongc.co.in

STATEMENT OF CONSOLIDATED ASSETS & LIABILITIES AS AT SEPTEMBER 30, 2020

(₹ in Crore)

	Particulars	As at September 30, 2020	As at March 31, 2020
		Unaudited	Audited
I. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment			
(i) Oil and gas assets	135,430.87	140,044.14	
(ii) Other property, plant and equipment	72,839.59	74,127.40	
(iii) Right of Use Assets	16,146.01	14,711.76	
(b) Capital work-in-progress			
(i) Oil and gas assets			
a) Development wells in progress	5,890.37	5,589.94	
b) Oil and gas facilities in progress	23,476.27	19,750.11	
(ii) Others	23,325.04	20,592.33	
(c) Goodwill (including Goodwill on Consolidation)	13,945.60	14,236.65	
(d) Investment Property	7.87	7.87	
(e) Other intangible assets	756.57	764.14	
(f) Intangible assets under development			
(i) Exploratory wells in progress	20,071.61	19,402.15	
(ii) Acquisition cost	18,307.82	18,497.86	
(g) Financial assets			
(i) Investments in:			
(a) Joint Ventures and Associates	27,912.03	29,237.28	
(b) Other Investments	15,290.51	16,058.14	
(ii) Trade receivables	2,322.20	2,374.10	
(iii) Loans	2,978.61	3,215.47	
(iv) Deposit under site restoration fund	22,261.91	22,283.61	
(v) Others	3,899.71	4,122.14	
(h) Deferred tax assets (net)	2,853.95	2,665.68	
(i) Non-current tax assets (net)	9,625.72	10,760.00	
(j) Other non-current assets	4,275.88	4,735.21	
Total non-current assets	421,618.14	423,175.98	
(2) Current assets			
(a) Inventories	35,894.88	33,051.20	
(b) Financial assets			
(i) Investments	5,449.79	5,344.86	
(ii) Trade receivables	10,851.02	9,173.41	
(iii) Cash and cash equivalents	3,535.04	4,780.56	
(iv) Other bank balances	233.93	923.53	
(v) Loans	1,293.13	1,182.12	
(vi) Others	15,814.94	15,518.68	
(c) Current Tax Assets (net)	182.54	198.31	
(d) Other current assets	12,662.60	10,535.29	
	85,917.87	80,707.96	
Assets classified as held for sale	13.94	14.13	
Total current assets	85,931.81	80,722.09	
Total assets	507,549.95	503,898.07	
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	6,290.15	6,290.15	
(b) Other equity	203,704.31	200,677.54	
Equity attributable to owners of the Company	209,994.46	206,967.69	
Non-controlling interests	19,794.81	17,812.81	
Total Equity	229,789.27	224,780.50	

	Particulars	As at September 30, 2020	As at March 31, 2020
		Unaudited	Audited
(2)	Liabilities		
	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	68,615.84	72,083.40
	(ii) Lease Liability	9,922.35	8,014.87
	(iii) Others	1,379.02	1,475.98
	(b) Provisions	33,481.23	33,100.61
	(c) Deferred Tax liabilities (net)	45,047.82	46,138.19
	(d) Other non-current liabilities	684.58	643.72
	Total non-current liabilities	159,130.84	161,456.77
	Current Liabilities		
	(a) Financial liabilities		
	(i) Borrowings	20,844.10	31,574.52
	(ii) Trade payables		
	- to micro and small enterprises	120.48	164.00
	- to other than micro and small enterprises	22,603.78	22,803.85
	(iii) Lease Liability	4,566.83	5,155.22
	(iv) Others	49,813.69	46,950.51
	(b) Other current liabilities	13,998.64	6,200.27
	(c) Provisions	4,862.60	4,187.20
	(d) Current Tax Liabilities (net)	1,819.72	625.23
	Total current liabilities	118,629.84	117,660.80
	Total liabilities	277,760.68	279,117.57
	Total equity and liabilities	507,549.95	503,898.07

OIL AND NATURAL GAS CORPORATION LIMITED

CIN No. L74899DL1993GOI054155

Regd. Office : Plot No. 5A- 5B, Nelson Mandela Road, Vasant Kunj, New Delhi, South West Delhi – 110070

Tel: 011-26754002, Fax: 011-26129091, E-mail: secretariat@ongc.co.in

CONSOLIDATED SEGMENT WISE REVENUE, RESULTS, ASSETS & LIABILITIES

(₹ in Crore)

Sl. No.	Particulars	Quarter ended 30.09.2020	Quarter ended 30.06.2020	Quarter ended 30.09.2019^	Half Year ended 30.09.2020	Half Year ended 30.09.2019^	Year ended 31.03.2020
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenue						
	A. In India						
	(i) E&P						
	a) Offshore	11,188.37	8,591.11	16,013.85	19,779.48	33,318.79	63,521.82
	b) Onshore	5,682.82	4,399.52	8,403.92	10,082.34	17,598.33	32,465.85
	(ii) Refining & Marketing	71,378.44	52,507.97	81,669.17	123,886.41	167,805.31	347,947.99
	B. Outside India	3,175.48	2,241.07	3,668.04	5,416.55	7,953.24	15,547.12
	c) Others Unallocated	15.29	9.89	24.98	25.18	54.79	110.59
	Total	91,440.40	67,749.56	109,779.96	159,189.96	226,730.46	459,593.37
	Less: Inter Segment Revenue	7,821.24	5,253.50	8,204.56	13,074.74	15,609.27	34,591.95
	Revenue from operations	83,619.16	62,496.06	101,575.40	146,115.22	211,121.19	425,001.42
2	Segment Result Profit(+)/Loss(-) before tax and interest from each segment						
	A. In India						
	(i) E&P						
	a) Offshore	3,904.81	1,557.20	6,922.08	5,462.01	14,258.70	22,047.93
	b) Onshore	(545.60)	(185.32)	1,748.76	(730.92)	3,904.49	(88.57)
	(ii) Refining & Marketing	3,735.29	2,498.33	665.08	6,233.62	1,259.38	(2,183.41)
	B. Outside India	1,561.56	226.37	1,333.62	1,787.93	3,465.12	3,641.01
	Total	8,656.06	4,096.58	10,669.54	12,752.64	22,887.69	23,416.96
	Less:						
	i. Finance Cost	1,046.92	1,497.66	1,750.87	2,544.58	3,270.23	6,999.77
	ii. Other unallocable expenditure net of unallocable income.	(310.22)	25.82	(340.44)	(284.40)	(822.38)	(1,596.54)
	Add: Share of profit/(loss) of joint ventures and associates:						
	A. In India						
	(i) Refining & Marketing	517.50	(375.32)	(38.20)	142.18	131.41	78.59
	(ii) Unallocated	68.71	(238.13)	(29.09)	(169.42)	(407.42)	(442.40)
	B. Outside India-E&P	63.96	52.57	67.87	116.53	546.70	1,418.23
	Profit before Tax	8,569.53	2,012.22	9,259.69	10,581.75	20,710.53	19,068.15
3	Segment Assets						
	A. In India						
	(i) E&P						
	a) Offshore	134,005.34	132,336.86	131,802.14	134,005.34	131,802.14	131,270.73
	b) Onshore	63,714.33	63,876.99	68,192.35	63,714.33	68,192.35	63,181.29
	c) Other Unallocated	41,352.81	44,266.92	51,271.03	41,352.81	51,271.03	43,226.56
	(ii) Refining & Marketing	151,310.39	150,480.72	144,006.36	151,310.39	144,006.36	147,176.13
	B. Outside India	117,167.08	119,131.95	116,913.05	117,167.08	116,913.05	119,043.36
	Total	507,549.95	510,093.44	512,184.93	507,549.95	512,184.93	503,898.07
4	Segment Liabilities						
	A. In India						
	(i) E&P						
	a) Offshore	43,726.13	42,070.11	41,311.82	43,726.13	41,311.82	42,187.24
	b) Onshore	15,884.90	15,663.08	15,782.13	15,884.90	15,782.13	15,920.36
	c) Other Unallocated	41,738.06	46,114.44	44,084.36	41,738.06	44,084.36	44,401.43
	(ii) Refining & Marketing	110,518.53	111,583.81	103,266.52	110,518.53	103,266.52	108,999.10
	B. Outside India	65,893.06	68,162.49	64,834.86	65,893.06	64,834.86	67,609.44
	Total	277,760.68	283,593.93	269,279.69	277,760.68	269,279.69	279,117.57

^ Restated, refer Note no. 10

Note: Segments have been identified and reported taking into account the differing risks and returns, the groups structure and the internal reporting systems. These have been organized into the following Geographical and Business segments:

Geographical Segments: a) In India - Offshore and Onshore b) Outside India.

Business Segments : a) Exploration & Production b) Refining & Marketing of Petroleum products

OIL AND NATURAL GAS CORPORATION LIMITED

CIN No. L74899DL1993GOI054155

Regd. Office : Plot No. 5A- 5B, Nelson Mandela Road, Vasant Kunj, New Delhi, South West Delhi – 110070

Tel: 011-26754002, Fax: 011-26129091, E-mail: secretariat@ongc.co.in

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED SEPTEMBER 30, 2020

(₹ in Crore)

	Particulars	Half Year Ended September 30, 2020	Half Year Ended September 30, 2019^
		Unaudited	Unaudited
A.	CASH FLOW FROM OPERATING ACTIVITIES:		
	Profit for the period	6,890.85	12,680.32
	Adjustments For:		
	- Income Tax Expense	3,690.90	8,030.21
	- Share of profit of joint ventures and associates	(89.29)	(270.69)
	- Exceptional Items	1,238.19	-
	- Depreciation, Depletion, Amortisation & Impairment	11,471.64	12,402.61
	- Exploratory Well Costs Written off	1,919.84	2,906.97
	- Finance cost	2,544.58	3,270.23
	- Unrealized Foreign Exchange Loss/(Gain)	(819.61)	543.41
	- Effective Portion of Gains/(loss) in a Cash Flow Hedge	(42.19)	-
	- Other impairment and Write offs	403.95	733.93
	- Excess Provision written back	(161.61)	(58.79)
	- Other non cash expenditure/income	(3.62)	2.72
	- Interest Income	(850.71)	(1,158.66)
	- Fair value loss (net)	(67.77)	(125.95)
	- Amortization of Financial Guarantee	14.42	15.02
	- Liabilities no longer required written back	(85.38)	(69.40)
	- Amortization of Government Grant	(11.61)	(10.08)
	- Loss/(Profit) on sale of property, plant & equipment	28.99	(4.07)
	- Dividend Income	(13.76)	(168.53)
	- Remeasurement of Defined benefit plans	(170.35)	(335.51)
	Operating Profit before Working Capital Changes	25,887.46	38,383.74
	Adjustments for:-		
	- Receivables	(1,688.86)	1,211.39
	- Loans and Advances	2,015.76	4,915.67
	- Other Assets	(3,086.50)	(1,384.30)
	- Inventories	(2,970.14)	(3,186.22)
	- Trade Payable and Other Liabilities	11,991.83	2,325.20
		6,262.09	3,881.74
	Cash generated from Operations	32,149.55	42,265.48
	Direct Taxes Paid (Net of tax refund)	(1,805.25)	(4,907.53)
	Net Cash generated from Operating Activities 'A'	30,344.30	37,357.95
B.	CASH FLOW FROM INVESTING ACTIVITIES:		
	Payments for Property, plant and equipment	(14,374.35)	(14,253.45)
	Proceeds from disposal of Property, plant and equipment	62.73	272.78
	Exploratory and Development Drilling	(4,811.44)	(6,299.50)
	Proceeds/(Investments) in Term deposits with maturity 3 to 12 months	693.09	(0.05)
	Investment in Mutual funds	(83.97)	(136.09)
	Investment in Joint Controlled Entities and Associates	(1,436.81)	(349.75)
	Loan to Joint Ventures/Associates	54.66	50.92
	Investments- Others	(1.95)	(9.50)
	Deposit in Site Restoration Fund	18.60	(401.14)
	Dividend Received from Associates and Joint Ventures	1,666.92	2,824.82
	Dividend Received from Other Investments	0.43	158.62
	Interest Received	231.40	431.91
	Net Cash used in Investing Activities 'B'	(17,980.69)	(17,710.43)

	Particulars	Half Year Ended September 30, 2020	Half Year Ended September 30, 2019^
		Unaudited	Unaudited
C.	CASH FLOW FROM FINANCING ACTIVITIES:		
	Change in Equity	7.99	191.86
	Change in NCI	286.19	(6.14)
	Proceeds from Non Current Borrowings	3,920.51	12,250.52
	Repayment of Non Current Borrowings	(2,133.46)	(8,183.34)
	Proceeds/(Repayment) of Current Borrowings (net)	(7,435.19)	(11,696.45)
	Dividend Paid on Equity Share	(609.73)	(1,998.67)
	Tax paid on Dividend	-	(430.60)
	Interest Paid	(1,442.14)	(2,021.71)
	Payment of Lease Liabilities (net of interest)	(2,914.40)	(2,266.17)
	Interest expense on lease liabilities	(394.14)	(271.14)
	Net Cash used in Financing Activities 'C'	(10,714.37)	(14,431.84)
	Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)	1,649.24	5,215.68
	Cash and Cash Equivalents as at the beginning of the period	1,663.67	1,239.86
	Add: Effect of exchange rate changes on the balance of cash and cash equivalents held in foreign currency	91.51	(52.80)
	Cash and Cash Equivalents as at the end of period	3,404.42	6,402.74

^ Restated, refer note no. 10

Notes:

1. The Company could not constitute an Audit Committee since the constitution of the Committee requires at least two Independent Directors for valid quorum under Section 177 of the Companies Act, 2013 and Regulation 18 of the (Listing Obligations and Disclosure Requirements) Regulations, 2015. In absence of Audit Committee, the above consolidated financial results have been reviewed and approved by the Board of Directors in its meeting held on November 13, 2020.
2. The Consolidated financial results for the quarter and half year ended September 30, 2020 have been reviewed by the Statutory Auditors as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. The Company, with 40% Participating Interest (PI), was a Joint Operator in Panna-Mukta and Mid and South Tapti Fields along with Reliance Industries Limited (RIL) and BG Exploration and Production India Limited (BGEPIIL) each having 30% PI, (all three together referred to as “Contractors”) signed two Production sharing Contracts (PSCs) with Government of India (Union of India) on December 22, 1994 for a period of 25 years. The PSCs for Panna Mukta and Mid & South Tapti have expired on December 21, 2019. In terms of the Panna Mukta Field Asset Handover Agreement, the Contractors of PMT JV are liable for the pre-existing liability.

In December 2010, RIL & BGEPIIL (JV Partners) invoked an international arbitration proceeding against the Union of India in respect of certain disputes, differences and claims arising out of and in connection with both the PSCs pursuant to the provisions of Article 33 of the PSCs and UNCITRAL Rules, 1976. The Ministry of Petroleum and Natural Gas (MoP&NG), vide their letter dated July 4, 2011, had directed the Company not to participate in the arbitration initiated by the JV Partners. MoP&NG has also stated that the arbitral award would be applicable to the Company also as a constituent of the Contractor for both the PSCs.

Directorate General of Hydrocarbons (DGH), vide letters dated May 25, 2017 had informed the Company that on October 12, 2016, a Final Partial Award (FPA) was pronounced by the Tribunal in the said arbitrations. However, the details of proceedings of the FPA are not available with the Company. DGH, vide their letter dated May 25, 2017 and June 4, 2018, marked to the Contractors, had directed the payment of differential Government of India share of Profit Petroleum and Royalty alleged to be payable by Contractors pursuant to Governments interpretation of the FPA (40% share of the Company amounting to US\$ 1,624.05 million, including interest upto November 30, 2016) equivalent to ₹ 11,990 Crore (March 31, 2020: ₹ 12,258 Crore). In response to the letters of DGH, the JV partners (with a copy marked to all Joint Venture Partners) had stated that demand of DGH was premature as the FPA did not make any money award in favour of Government of India, since quantification of liabilities were to be determined during the final proceedings of the arbitration. Further the award had also been challenged before the English Commercial Court (London High Court). Based on the above facts, the Company had also responded to the letters of DGH stating that pending finality of the order, the amount due and payable by the Company was not quantifiable. In view of the Company, changes approved, if any, for increase in the Cost Recovery Limit (CRL) by the Arbitral Tribunal as per the terms of the PSCs the liability to DGH would potentially reduce.

The English Court has delivered its final verdict on May 2, 2018 following which the Arbitral Tribunal re-considered some of its earlier findings from the 2016 FPA (Revised Award). The Government of India and JV Partners have challenged parts of the Revised Award.

In January 2018, the Company along with the JV partners has filed an application with MC for increase in CRL in terms of the PSCs. The application has been rejected by MC. Pursuant to the rejection, the JV partners have filed a claim with Arbitral Tribunal.

DGH vide letter dated January 14, 2019 has advised to the contractors to re-cast the accounts for Panna-Mukta and Mid and South Tapti Fields for the year 2017-18. Pending finalization of the decision of the Arbitral Tribunal, the JV partners and the Company had indicated in their letters to DGH that the final recasting of the accounts was premature and thus the issues raised by DGH may be kept in abeyance.

Pending finality by Arbitration Tribunal on various issues raised above, re-casting of the financial statements and final quantification of liabilities, no provision has been accounted in the financial statements. The demand raised by DGH, amounting to US\$ 1,624.05 million equivalent to ₹ 11,990 Crore (March 31, 2020: ₹ 12,258 Crore) has been considered as contingent liability.

4. The Company had received demand orders from Service Tax Department at various work centers' on account of Service Tax on Royalty in respect of Crude Oil and Natural Gas, appeals against such orders have been filed before the Tribunals. The Ahmedabad Tribunal adjourned the matter sine-die vide order dated June 25, 2019, against which the company has filed writ petition before Gujarat High Court. The Company had also obtained legal opinion as per which the Service Tax/GST on Royalty in respect of Crude Oil and Natural Gas is not applicable. Meanwhile, the Company also received demand order dated January 1, 2019 on account of GST on Royalty in the State of Rajasthan against which the Company filed writ (4919/2019) before Hon'ble High Court of Rajasthan. The Hon'ble High Court of Rajasthan heard the matter on April 3, 2019 and issued notice to Department with a direction that no coercive action shall be taken against the Company. The matter has been listed for hearing on November 18, 2020 before Hon'ble High Court of Rajasthan.

The Company also filed writ of mandamus (9961/2019) before Hon'ble High Court of Madras seeking stay on the levy of GST on royalty. The Hon'ble High Court of Madras heard the matter on April 3, 2019 and issued notice to Central Govt. and State Govt. The Central Govt. has filed their counter affidavit on August 26, 2019. The company has filed additional grounds to the writ petition and filed rejoinder to the counter of the Central Govt. before Hon. Madras High Court on January 24, 2020. The date of next hearing is not scheduled as yet.

The total estimated amount (including penalty and interest up to September 30, 2020) towards Service Tax is ₹ 3,924 Crore (March 31, 2020: ₹ 3,900 Crore) and GST is ₹ 6,838 Crore (March 31, 2020: ₹ 6,104 Crore). Since the Company is contesting the demand, it has been considered as contingent liability. Further, as an abundant caution, the Company has deposited Service Tax and GST along-with interest under-protest amounting to ₹ 1,352 Crore (March 31, 2020: ₹ 1,351 Crore) and ₹ 5,080 Crore (March 31, 2020: ₹ 4,553 Crore) respectively.

5. The financial results for the quarter and half year ended September 30, 2020 are impacted by low realised crude oil and natural gas prices due to the COVID-19 pandemic and volatile global crude oil and natural gas markets. Accordingly, the results for the quarter / half year are not comparable with those for the previous quarter and corresponding quarter / half year of the previous year.

The management has assessed the possible impact of COVID-19 on the basis of internal and external sources of information and expects no significant impact on the continuity of operations, useful life of Property Plant and Equipment, recoverability of assets, trade receivables etc., and the financial position of the Company on a long term basis.

6. The Company has considered possible effects of low crude oil and natural gas prices on the recoverability of its Cash Generating Units in accordance with Ind AS. The Company has considered the business conditions to make an assessment of the implications of the Pandemic, estimate of future crude oil and natural gas prices, production, reserves volumes on the basis of internal and external information / indicators of future economic conditions. Based on the assessment, the Company has recorded an impairment to the extent the carrying amount exceeds the value in use and has disclosed the same as an exceptional item. As a result, an amount of ₹ 1,238 Crore has been provided as impairment loss and shown as exceptional item for the quarter and half year ended September 30, 2020. Consequentially, profit before tax for the quarter and half year ended September 30, 2020 is lower by ₹ 1,238 Crore.

As regards Subsidiaries, Hindustan Petroleum Corporation Limited (HPCL) and Mangalore Refinery and Petrochemicals Limited (MRPL), although the quarter witnessed recovery from impact of COVID-19, the demand of petroleum petroducts during half year ended September 30, 2020 were substantially lower. However, group expects no significant impact on the continuity of operations of the business on long term basis and expects to recover carrying amount of assets and discharge its debts & obligations.

7. The Board of directors in its meeting held on 06.11.2020 considered and approved sale of 1,24,66,53,746 equity shares of Rs.10/- each representing 48.998% equity stake in its step subsidiary company ONGC Mangalore Petrochemicals Ltd (OMPL) at a value per share of ₹ 9.76 each, to Mangalore Refinery & Petrochemicals Limited (MRPL), a subsidiary of the Company.
8. The Board of Directors of Subsidiary Company HPCL at its meeting held on November 04, 2020, has approved a proposal to buy-back upto 10 Crore equity shares of the Company for an aggregate amount not exceeding ₹ 2500 Crore being 6.56% of the total paid up equity share capital at a price not exceeding ₹ 250 per equity share from its shareholders / beneficial owners (other than those who are promoters or persons in control).
9. Government of India through “The Taxation Laws (Amendment) Act, 2019” has inserted Section 115BAA of the Income Tax Act, 1961, whereby a domestic company has an irrevocable option of exercising for a lower corporate tax rate along with consequent forego of certain tax deductions and incentives, including accumulated MAT credit eligible for set-off in subsequent years. The company has still not exercised this option and continues to evaluate the benefit of exercising the option for a lower corporate tax rate vis-à-vis the existing provisions. Pending exercising of the option, the company continues to recognize the taxes on income for the quarter and half year ended September 30, 2020 as per the earlier provisions. Also, Subsidiaries ONGC Videsh Limited (OVL) and Mangalore Refinery and Petrochemicals Limited (MRPL) have not exercised aforesaid option and continue to recognize the taxes on income for the quarter and half year ended September 30, 2020 as per the earlier provisions.
10. The figures for the quarter and half ended September 30, 2019 have been restated consequent to following changes in accounting policies during FY 2019-20:
 - a. In respect of recognizing the non-monetary government grant from fair value to nominal value, in accordance with the Ind AS 20 ‘Accounting for Government Grants and Disclosure of Government Assistance’.
 - b. In respect of accounting of excess decommissioning provision written back based on the opinion of Expert Advisory Committee of Institute of Chartered Accountants of India.

11. Previous period's figures have been regrouped, wherever necessary, to conform to current quarter's classification.

By order of the Board

**SUBHASH
KUMAR**

Digitally signed by SUBHASH KUMAR
DN: c=IN, o=Personal, postalCode=110096, st=Delhi,
2.5.4.20=a56be8ca0a61990e4fa7518e71d61ef7e93306e74a33
59408cc64320d73a4b4c5,
serialNumber=7cb9d6fbd9d13f6d7ac94eb896fb5e1a84dbc2
d59dc590096090560b459132fb, cn=SUBHASH KUMAR
Date: 2020.11.13 18:00:08 +05'30'

(Subhash Kumar)
Director (Finance)
Place: New Delhi

In terms of our report of even date attached

For G M Kapadia & Co.
Chartered Accountants
Firm Reg. No. 104767W

Rajen
Ratansi
Ashar
Digitally signed by
Rajen Ratansi
Ashar
Date: 2020.11.13
18:37:48 +05'30'

(Rajen Ashar)
Partner (M. No. 048243)
Place: Mumbai

For R Gopal & Associates
Chartered Accountants
Firm Reg. No.000846C

SANDEEP
KUMAR
SAWARIA
Digitally signed by
SANDEEP KUMAR
SAWARIA
Date: 2020.11.13
18:59:38 +05'30'

(Sandeep Kumar Sawaria)
Partner (M. No. 061771)
Place: Kolkata

For SARC & Associates
Chartered Accountants
Firm Reg. No. 006085N

PANKAJ
SHARMA
Digitally signed
by PANKAJ
SHARMA
Date: 2020.11.13
18:43:54 +05'30'

(Pankaj Sharma)
Partner (M. No. 086433)
Place: New Delhi

For Kalani & Co.
Chartered Accountants
Firm Reg. No: 000722C

VIKAS
GUPTA
Digitally signed by VIKAS GUPTA
DN: c=IN, o=Rajesh,
2.5.4.20=a56be8ca0a61990e4fa7518e71d61ef7e93306e74a33
59408cc64320d73a4b4c5,
serialNumber=7cb9d6fbd9d13f6d7ac94eb896fb5e1a84dbc2
d59dc590096090560b459132fb, cn=VIKAS GUPTA
Date: 2020.11.13 18:26:14 +05'30'

(Vikas Gupta)
Partner (M.No. 077076)
Place: Jaipur

For R.G.N. Price & Co.
Chartered Accountants
Firm Reg. No.002785S

RANGARAJAN
RAGHAVAN
IYENGAR
Digitally signed by
RANGARAJAN RAGHAVAN
IYENGAR
Date: 2020.11.13 19:32:31
+05'30'

(Rangarajan Raghavan Iyengar)
Partner (M. No. 041883)
Place: Chennai

For S. Bhandari & Co.
Chartered Accountants
Firm Reg. No: 000560C

Prabhu
Dayal Baid
Digitally signed by
Prabhu Dayal Baid
Date: 2020.11.13
19:45:56 +05'30'

(P.D. Baid)
Partner (M.No. 072625)
Place: Jaipur

Date: November 13, 2020

G.M. Kapadia & Co.
Chartered Accountants
1007, Raheja Chambers,
213, Nariman Point,
Mumbai – 400002

R. Gopal & Associates
Chartered Accountants
1/1-A Vansittart Row,
Kolkata- 700001

SARC & Associates
Chartered Accountants
SARC Towers, D-191,
Okhla Industrial Estate,
Phase I, New Delhi – 110020

Kalani & Co.
Chartered Accountants
703, VII Floor,
Milestone Building,
Gandhi Nagar Crossing,
Tonk Road, Jaipur-302015

R.G.N. Price & Co.
Chartered Accountants
Simpsons Building,
861, Anna Salai,
Chennai - 600 002

S Bhandari & Co.
Chartered Accountants
201, Neo Corporate Plaza,
Ramchandra Lane,
Malad West,
Mumbai – 400064

INDEPENDENT AUDITORS' LIMITED REVIEW REPORT ON THE UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED ON SEPTEMBER 30, 2020

**TO THE BOARD OF DIRECTORS OF
OIL AND NATURAL GAS CORPORATION LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **Oil and Natural Gas Corporation Limited** ("the Holding Company ") and its Subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), and its share of the net profit/(loss) after tax and total comprehensive income / (loss) of its Joint Ventures and Associates for the quarter and half year ended September 30, 2020 (hereinafter referred to as "the Statement" and digitally signed by us for the purpose of identification), being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" and also considering the requirements of Standard on Auditing (SA 600) on "*Using the Work of Another Auditor*" including materiality, both issued by the Institute of Chartered Accountants of India. This SRE requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:

Sr. No.	Name of the entity
A	Holding Company
1	Oil and Natural Gas Corporation Limited
B	Subsidiaries
1	ONGC Videsh Limited *
2	Mangalore Refinery and Petrochemicals Limited * #
3	Petronet MHB Limited
4	Hindustan Petroleum Corporation Limited *
C	Joint Ventures
1	ONGC Teri Biotech Limited
2	ONGC Tripura Power Company Limited *
3	ONGC Petro Additions Limited
4	Mangalore SEZ Limited *
5	Indradhanush Gas Grid Limited
6	Dahej SEZ Limited
D	Associates
1	Petronet LNG Limited *
2	Pawan Hans Limited
3	Rohini Heliport Limited

* As per consolidated financial results

Consolidated financial results of Mangalore Refinery and Petrochemicals Limited includes its subsidiary, ONGC Mangalore Petrochemicals Limited, which is an indirect Subsidiary of the Holding Company

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the Review Reports of other auditors referred to in paragraph 12 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of Matter

We draw attention to the following matters in the Notes to the Statement:

6. Note No. 1, regarding non constitution of the Audit Committee by the Holding Company in the absence of at least two independent directors, although such constitution is required by the Regulations, and accordingly review and approval of the Statement (consolidated financial results) directly by the Board of Directors. Though, as per regulatory requirement applicable to the Holding

Company, the Audit Committee shall review such consolidated financial results before submission to the Board of Directors for approval.

7. Note No. 3, wherein it is stated that Directorate General of Hydrocarbons (DGH) had raised a demand on all the JV partners under the Production Sharing Contract with respect to Panna-Mukta and Mid and South Tapti contract areas (PMT JV), being BG Exploration and Production India Limited (BGEPI) and Reliance Industries Limited (RIL) (together “the Claimants”) and the Holding Company (all three together referred to as “Contractors”), towards differential GOI share of Profit Petroleum and Royalty alleged to be payable by contractors pursuant to Government’s interpretation of the Final Partial Award of Arbitral Tribunal (40% share of the Holding Company amounting to USD 1624.05 million equivalent to Rs. 11,990 Crores, including interest upto 30th November, 2016). Subsequent to Tribunal Orders dated October 12, 2016, DGH vide letter dated May 25, 2017, June 4, 2018 and January 14, 2019 had asked contractor for re-casting of accounts of the PMT JV and for remitting the respective PI share of balance dues including interest till the date of remittance. As the Holding Company is not a party to the arbitration, the details of the proceedings of arbitration and copy of the order of London High Court are not available with the Holding Company. The Holding Company has responded that The English high Court has delivered its final verdict on May 2, 2018 following which the Arbitral Tribunal re-considered some of its earlier findings from the 2016 FPA (Revised Award); Pending finalization of the decision of the Arbitral Tribunal, the Holding Company has indicated in their letters to DGH that the final recasting of the accounts is premature and the issues raised by DGH may be kept in abeyance and therefore no provision for the same has been considered necessary and the same has been considered as contingent liability.
8. Note No. 4, with respect to demand orders served on various work centres of the Holding Company by tax authorities under Service Tax (ST) and Goods & Services Tax (GST) demanding ST and GST on Royalty in respect of Crude Oil and Natural Gas. Based on the legal opinion, the Holding Company is contesting such demands at various forums and estimated amounts worked out towards ST and GST (including interest and penalty upto September 30, 2020) at Rs. 3,924 Crores and Rs. 6,838 Crores respectively (Total Rs. 10,762 Crores), which has been considered as contingent liability. As a measure of abundant caution, the Holding Company has deposited ST and GST along with interest under protest amounting to Rs. 1,352 Crores and Rs. 5,080 Crores respectively (Total Rs. 6,432 Crores).
9. Note No. 5, which describes the management’s assessment of the impact of COVID-19 pandemic on the basis of internal and external sources of information, on its business, operations and other related components. As stated in the said Note, the management expects no significant impact of COVID-19 on the affairs of the group on a long term basis.

Our conclusion on the Statement is not modified in respect of the above matters.

Other Matters

10. We have placed reliance on technical/commercial evaluation by the management in respect of categorization by the Holding Company of wells as exploratory, development, producing and dry wells, allocation of costs incurred on them, proved (developed and undeveloped)/ probable hydrocarbon reserves, and depletion thereof on Oil and Gas Assets, impairment, liability for decommissioning costs, liability for NELP/ HELP and nominated blocks for under performance against agreed Minimum Work Programme.
11. The Statement includes the Holding Company's proportionate share in the total value of expenditure and Income of 160 blocks under New Exploration Licensing Policy (NELPs)/ Hydrocarbon Exploration and Licensing Policy (HELPS)/ Discovered Small Fields (DSFs)/ Open Acreage Licensing Policy (OALPs) and Joint Operations (JOs) accounts for exploration and production, out of which:

- a. 1 block accounts have been certified by other Chartered Accountant. In respect of this block, the Statement includes proportionate share in assets and liabilities for the quarter and half year ended September 30, 2020 amounting to Rs. 6,553.66 Crores and Rs. 4,063.49 Crores respectively and revenue for the quarter and half year ended September 30, 2020 amounting to Rs. 1,150.13 Crores and Rs. 2002.43 Crores respectively and profit before tax including other comprehensive income for the quarter and half year ended September 30, 2020 amounting to Rs. 216.70 Crores and Rs. 297.33 Crores respectively. Our conclusion is solely based on the certificate of the other Chartered Accountant.
 - b. 17 blocks have been certified by the management. In respect of these 17 blocks, the Statement includes proportionate share in assets and liabilities for the quarter and half year ended September 30, 2020 amounting to Rs. 1,688.35 Crores and Rs. 1,327.80 Crores respectively revenue for the quarter and half year ended September 30, 2020 amounting to Rs. 198.78 Crores and Rs. 391.53 Crores respectively and profit before tax including other comprehensive income for the quarter and half year ended September 30, 2020 amounting to Rs. 75.69 Crores and 103.63 Crores Respectively. Our conclusion is solely based on management certified accounts in respect of these blocks.
12. We did not review the interim financial results/information in respect of four subsidiaries included in the Statement, whose interim financial results/information reflect total assets of Rs.2,11,743.23 Crores as at September 30, 2020 and total revenues of Rs.66,702.07 Crores and Rs.1,16,186.84 Crores, total net profit/(loss) after tax of Rs. 2,970.59 Crores and Rs. 3,816.62 Crores and total comprehensive income of Rs. 2,782.89 Crores and Rs. 3,474.39 Crores for the quarter and half year ended September 30, 2020 respectively, and cash flows (net) of Rs. 1,743.75 Crores for the half year ended September 30, 2020 as considered in the Statement. The Statement also include the Group's share of net profit/(loss) after tax of (Rs.37.59 Crores) and (Rs.283.93 Crores) and total comprehensive income of (Rs.37.88 Crores) and (Rs.284.41 Crores) for the quarter and half year ended September 30, 2020 respectively, as considered in the Statement, in respect of six Joint Ventures and one Associate, whose financial results/information have not been reviewed by us. These interim financial results/information have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

The Statement also includes the Group's share of net profit/(loss) after tax of (Rs.10.00 Crores) and (Rs.15.65 Crores) and total comprehensive income of (Rs.10.00 Crores) and (Rs.15.65 Crores) for the quarter and half year ended September 30, 2020 respectively, as considered in the Statement, in respect of two Associates, based on their interim financial results/information, which have not been reviewed by their auditors or by us. These, interim financial results/information are certified by the management. According to the information and explanations given to us by the Management, these, interim financial results/information are not material to the Group.

13. The Statement includes comparative figures of for the quarter ended June 30, 2020, corresponding quarter and half year ended September 30, 2019, reviewed by the joint auditors of the Holding Company, five of whom were the predecessor audit firms, where they had expressed an unmodified conclusion vide their report dated September 1, 2019 and November 14, 2019 respectively on such consolidated financial results.

The statement also includes figures for the year ended March 31, 2020, audited by the joint auditors of the Company, five of whom were the predecessor audit firms, where they have expressed an unmodified opinion on such standalone financial statements vide their report dated June 30, 2020.

Our conclusion on the Statement is not modified in respect of the above matters.

For G.M. Kapadia & Co.

Chartered Accountants
Firm Reg. No.: 104767W

Rajen Ratansi
Ashar

Digitally signed by
Rajen Ratansi Ashar
Date: 2020.11.13
18:38:49 +05'30'

(Rajen Ashar)
Partner (M. No. 048243)
UDIN:20048243AAAACK6591
Place: Mumbai

For R. Gopal & Associates

Chartered Accountants
Firm Reg. No.: 000846C

SANDEEP
KUMAR
SAWARIA

Digitally signed by
SANDEEP KUMAR
SAWARIA
Date: 2020.11.13
19:00:18 +05'30'

(Sandeep Kumar Sawaria)
Partner (M. No. 061771)
UDIN:20061771AAAADZ2156
Place: Kolkata

For SARC & ASSOCIATES

Chartered Accountants
Firm Reg. No.: 006085N

PANKAJ
SHARMA

Digitally signed by
PANKAJ SHARMA
Date: 2020.11.13
18:42:26 +05'30'

(Pankaj Sharma)
Partner (M. No. 086433)
UDIN:20086433AAAAAX3252
Place: New Delhi

For Kalani & Co.

Chartered Accountants
Firm Reg. No.: 000722C

VIKAS
GUPTA

Digitally signed by
VIKAS GUPTA
Date: 2020.11.13 18:25:19 +05'30'

(Vikas Gupta)
Partner (M. No. 077076)
UDIN:20077076AAAAAN1214
Place: Jaipur

For R.G.N. Price & Co.

Chartered Accountants
Firm Reg. No.: 002785S

RANGARAJAN
RAGHAVAN
IYENGAR

Digitally signed by
RANGARAJAN RAGHAVAN
IYENGAR
Date: 2020.11.13 19:33:38
+05'30'

(Rangarajan Raghavan Iyengar)
Partner (M. No. 041883)
UDIN:20041883AAAAAL2290
Place: Chennai

For S. Bhandari & Co.

Chartered Accountants
Firm Reg. No.: 000560C

Prabhu
Dayal Baid

Digitally signed by
Prabhu Dayal Baid
Date: 2020.11.13
19:44:45 +05'30'

(P.D. Baid)
Partner (M. No. 072625)
UDIN:20072625AAAABU1501
Place: Jaipur

Dated: November 13, 2020