Lodha & Co
Chartered Accountants
14, Government Place East,
Kolkata – 700 069

MKPS & Associates
Chartered Accountants
106-109, 1st Floor, Apollo Complex,
RK Singh Road, Near Sona Udyog,
Andheri (East), Mumbai-400 069

Khandelwal Jain & Co.
Chartered Accountants
12-B, Baldota Bhawan, 5th Floor,
117, M K Road, Churchgate,
Mumbai 400 020

K. C. Mehta & Co.
Chartered Accountants
2nd Floor, Meghdhanush,
Race Course Circle,
Vadodara – 390 007

PKF Sridhar & Santhanam LLP
Chartered Accountants
91- 92, Dr. Radhakrishnan Salai,
Mylapore,
Chennai – 600 004

Dass Gupta & Associates
Chartered Accountants
B4, Gulmohar Park,
New Delhi - 110 049

INDEPENDENT AUDITORS' LIMITED REVIEW REPORT
TO THE BOARD OF DIRECTORS OF
OIL AND NATURAL GAS CORPORATION LIMITED

We have reviewed the accompanying statement of Standalone Unaudited Financial Results for the quarter ended June 30, 2017 (herein after referred to as "the Statement" and initialed for the purpose of identification) of **Oil and Natural Gas Corporation Limited** ("the Company") being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

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 financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results read with notes thereon, prepared in accordance with applicable Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 read with relevant Rules and other recognized accounting practices and policies thereon has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of Matter

During the quarter, Directorate General of Hydrocarbons (DGH) has raised a demand on all the JV partners of Panna-Mukta and Mid and South Tapti Fields JV (PMT) being BG Exploration and Production India Limited (BGEPIL) and Reliance Industries Limited (RIL) (together "the Claimants") and the Company. As per the said demand, total liability on the Company works out to USD 1.57 billion (equivalent to ₹ 10,195 crore). However, in the Company's view, pending final quantification of liabilities by the Arbitration Tribunal and decision of English Commercial Court, the Company is not liable to implement the Final Partial Award (FPA) being pre-mature and therefore no provision for the same has been considered necessary (Refer note no. 6 to the Statement).

Our conclusion on the Statement and our report is not modified in respect of the above matter.

LODHA & CO. Kolkata Chartered Accountants
MKPS & ASSOCIATES FRN 302014E CHARTERED ACCOUNTANTS
KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS
K.C. MEHTA & CO. VADODARA CHARTERED ACCOUNTANTS
PKF SRIDHAR & SANTHANAM LLP
DASS GUPTA & ASSOCIATES CHARTERED ACCOUNTANTS NEW DELHI

Other Matter

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 hydrocarbon reserves and depletion thereof on Oil and Gas Assets, impairment, liability for abandonment costs, liability for NELP and nominated blocks for under performance against agreed Minimum Work Programme.

Our conclusion on the Statement and our report is not modified in respect of the above matter.

For Lodha & Co
Chartered Accountants
Firm Reg. No: 301051E

(Prashant Khandelwal)
Partner (M.No.056652)

For MKPS & Associates
Chartered Accountants
Firm Reg. No: 302014E

(Nikhil K. Agrawalla)
Partner (M. No. 157955)

For Khandelwal Jain & Co.
Chartered Accountants
Firm Reg. No: 105049W

(Narendra Jain)
Partner (M. No. 048725)

For K. C. Mehta & Co.
Chartered Accountants
Firm Reg. No.106237W

(Vishal P. Doshi)
Partner (M. No. 101533)

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Reg. No.003990S/S200018

(V. Kothandaraman)
Partner (M. No 025973)

For Dass Gupta & Associates
Chartered Accountants
Firm Reg. No. 000112N

(Raaja Jindal)
Partner (M. No.504111)

Place: New Delhi
Date: 27th July, 2017

OIL AND NATURAL GAS CORPORATION LIMITED
CIN No. L74899DL1993GOI054155
Regd.Office : Pandit Deendayal Upadhyaya Urja Bhawan, 5, Nelson Mandela Marg, Vasant Kunj, New Delhi-110 070
Tel: 011-26754002, Fax: 011-26129091, E-mail: secretariat@ongc.co.in

STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2017

(₹ in Crore unless otherwise stated)

Sl. No.	Particulars	Financial results for			
		Quarter ended 30.06.2017	Quarter ended 31.03.2017	Quarter ended 30.06.2016	Year ended 31.03.2017
		Unaudited	Audited	Unaudited	Audited
I	Revenue from operations	19,073.54	21,714.02	17,784.75	77,907.73
II	Other income	854.39	4,519.54	952.43	7,548.12
III	**Total income (I+II)**	**19,927.93**	**26,233.56**	**18,737.18**	**85,455.85**
IV	**EXPENSES**				
	Cost of materials consumed*	224.87	616.43	281.46	1,655.62
	Purchase of stock-in-trade	-	-	2.41	2.60
	Changes in inventories of finished goods, stock-in-trade and work in progress	59.20	20.79	(4.26)	(132.84)
	Employee benefits expenses**	595.53	918.56	467.73	2,398.66
	Statutory levies	4,490.78	7,492.05	4,106.55	20,865.69
	Exploration costs written off				
	a. Survey Costs	415.35	830.32	335.23	1,754.90
	b. Exploratory well Costs	641.95	1,352.30	624.84	3,299.56
	Finance costs	276.93	320.15	292.03	1,221.74
	Depreciation, depletion, amortisation and impairment	3,463.06	3,204.83	2,739.66	12,189.54
	Other expenses	3,822.49	5,941.03	3,540.35	16,984.87
	Total expenses (IV)	**13,990.16**	**20,696.46**	**12,386.00**	**60,240.34**
V	**Profit before exceptional items and tax (III-IV)**	**5,937.77**	**5,537.10**	**6,351.18**	**25,215.51**
VI	Exceptional items	-	-	-	-
VII	**Profit before tax (V+VI)**	**5,937.77**	**5,537.10**	**6,351.18**	**25,215.51**
VIII	Tax expense:				
	(a) Current tax relating to:				
	- current year	1,920.00	155.35	1,710.00	4,810.00
	- earlier years	4.15	(120.40)	-	(518.54)
	(b) Deferred tax	128.89	1,161.97	408.64	3,024.08
	Total tax expense (VIII)	**2,053.04**	**1,196.92**	**2,118.64**	**7,315.54**
IX	**Profit for the period (VII-VIII)**	**3,884.73**	**4,340.18**	**4,232.54**	**17,899.97**
X	**Other comprehensive income (OCI)**				
	(a) Items that will not be reclassified to profit or loss				
	(i) Re-measurement of the defined benefit obligations	(106.46)	(113.41)	(55.89)	(456.95)
	- Income tax relating to above	36.84	39.25	19.34	158.14
	(ii) Equity instruments through other comprehensive income	(250.30)	4,533.76	1,760.72	13,615.88
	- Income tax relating to above	-	-	-	-
	Total other comprehensive income (X)	**(319.92)**	**4,459.60**	**1,724.17**	**13,317.07**
XI	**Total comprehensive income for the period (IX+X)**	**3,564.81**	**8,799.78**	**5,956.71**	**31,217.04**
XII	**Paid-up Equity Share Capital (Face value of ₹ 5/- each)**	**6,416.63**	**6,416.63**	**4,277.76**	**6,416.63**
XIII	Other equity				179,121.75
XIV	Earnings Per Share (Face value of ₹ 5/- each)# - not annualised				
	(a) Basic (₹)	3.03	3.38	3.30	13.95
	(b) Diluted (₹)	3.03	3.38	3.30	13.95

* Represents consumption of raw materials and stores & spares. ** Employees cost shown above is net of allocation to different activities.
\# Earning per share for the quarter ended 30th June, 2016 presented has been restated as per Ind-AS 33 on account of bonus issue of equity shares.

PKF SRIDHAR & SANTHANAM LLP Firm Regn. No. 003990S/S200018 — LODHA & CO Kolkata Chartered Accountants — KHANDELWAL JAIN & CO. MUMBAI CHARTERED ACCOUNTANTS — DASS GUPTA & ASSOCIATES CHARTERED ACCOUNTANTS NEW DELHI — K.C. MEHTA & CO. VADODARA CHARTERED ACCOUNTANTS — MKPS & ASSOCIATES FRN 302014E CHARTERED ACCOUNTANTS

OIL AND NATURAL GAS CORPORATION LIMITED

CIN No. L74899DL1993GOI054155
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Tel: 011-26754002, Fax: 011-26129091, E-mail: secretariat@ongc.co.in

SEGMENT WISE REVENUE, RESULTS, ASSETS & LIABILITIES

(₹ in Crore)

Sl. No.	Particulars	Quarter ended 30.06.2017	Quarter ended 31.03.2017	Quarter ended 30.06.2016	Year ended 31.03.2017
		Unaudited	Audited	Unaudited	Audited
1	**Segment Revenue**				
	Revenue from Operations				
	a) Offshore	13,067.57	14,984.38	12,542.65	54,381.44
	b) Onshore	6,005.97	6,729.64	5,242.10	23,526.29
	c) Others Unallocated	-	-	-	-
	Total	19,073.54	21,714.02	17,784.75	77,907.73
	Less: Inter Segment Operating Revenue	-	-	-	-
	Revenue from operations	**19,073.54**	**21,714.02**	**17,784.75**	**77,907.73**
2	**Segment Result Profit(+)/Loss(-) before tax and interest from each segment**				
	a) Offshore	5,287.02	6,413.87	5,533.20	23,647.63
	b) Onshore	812.18	(1,494.85)	773.25	641.67
	Total	**6,099.20**	**4,919.02**	**6,306.45**	**24,289.30**
	Less:				
	i. Finance Cost	276.93	320.15	292.03	1,221.74
	ii. Other unallocable expenditure net of unallocable income.	(115.50)	(938.23)	(336.76)	(2,147.95)
	Profit before Tax	**5,937.77**	**5,537.10**	**6,351.18**	**25,215.51**
3	**Segment Assets**				
	a) Offshore	109,384.85	108,290.28	100,858.33	108,290.28
	b) Onshore	49,934.62	49,584.26	48,922.67	49,584.26
	c) Other Unallocated	92,545.17	89,374.95	77,992.06	89,374.95
	Total	**251,864.64**	**247,249.49**	**227,773.06**	**247,249.49**
4	**Segment Liabilities**				
	a) Offshore	25,341.99	25,073.21	23,495.68	25,073.21
	b) Onshore	9,835.65	9,409.33	8,394.11	9,409.33
	c) Other Unallocated	27,583.85	27,228.57	24,150.96	27,228.57
	Total	**62,761.49**	**61,711.11**	**56,040.75**	**61,711.11**

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

PKF SRIDHAR & SANTHANAM LLP
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DASS GUPTA & ASSOCIATES CHARTERED ACCOUNTANTS NEW DELHI
K.C. MEHTA & CO. VADODARA CHARTERED ACCOUNTANTS
MKPS & ASSOCIATES 302014E CHARTERED ACCOUNTANTS

Notes:

1. The above financial results have been reviewed and recommended by the Audit & Ethics Committee and approved by the Board of Directors in its meeting held on 27th July, 2017.

2. The financial results for the quarter ended 30th June, 2017 have been reviewed by the Statutory Auditors as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. The figures for the quarter ended March 31, 2017 are the balancing figures between audited figures in respect of the full financial year 2016-17 and the year-to-date figures upto the third quarter of 2016-17.

4. The Company had approved the proposal for acquisition of the entire 80% Participating Interest (PI) of Gujarat State Petroleum Corporation Limited (GSPC) along with operatorship rights, at a purchase consideration of US$ 995 million (₹ 6,443 Crore) for Deen Dayal West (DDW) Field in the Block KG-OSN-2001/3. The Company shall also pay part consideration of US$ 200 million (₹ 1295 Crore) to GSPC towards acquisition rights for discoveries other than DDW Field in the Block KG-OSN-2001/3 to be adjusted against the valuation of such fields based on valuation parameters agreed between GSPC and the Company. A Farm-in Agreement was signed with GSPC on March 10, 2017 with an economic date of March 31, 2017 (23:59 Hrs – IST). During the quarter, Government of India has approved the acquisition of the entire 80% Participating Interest (PI) of GSPC along with operatorship rights. Necessary accounting shall be carried out on fulfilment of certain conditions precedent and conditions to closing by GSPC and the Company as per the Farm in agreement.

5. The Company had proposed to relinquish 30% Participating Interest (PI) in SGL Field with future interest in block RJ-ON/6 Jaisalmer Basin Rajasthan to Focus Energy Limited (Operator), on the condition that Focus Energy Limited (Operator) will pay towards 100% past royalty obligation, PEL/ML fees, other statutory levies and waive off development/ Production costs payable by ONGC in SGL Field of the block as well as take all future 100% royalty obligation of ONGC as licensee and also not exercise its option of acquiring 30% PI in two gas discoveries namely SSG-1 and SSF-2 Block. During the quarter, Government of India has approved the same. Farm out agreement and amendment in Production Sharing Contract in this regard are yet to be executed. Consequential adjustments shall be made in the accounts in respect of relinquishment of PI in block RJ-ON/6 on execution of the Farm out agreement.

6. ONGC, with 40% Participating Interest (PI), is a Joint Operator in Panna-Mukta and Mid and South Tapti Fields alongwith Reliance Industries Limited (RIL) and BG Exploration and Production India Limited (BGEPIL), each having 30% PI. The Production Sharing Contracts (PSCs) with respect to Panna-Mukta and Mid and South Tapti contract areas were signed between the Contractors and Government of India on 22nd December 1994 for a period of 25 years. In December 2010, RIL & BGEPIL invoked an arbitration proceeding against the Union of India in respect of certain disputes, differences and claims arising out of or in connection with both the PSCs in respect to Panna-Mukta and Mid and South Tapti contract

P.K.F. Sridhar & Santhanam LLP Firm Regn. No. 003990S/S200018

Lodha & Co. Kolkata Chartered Accountants

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Dass Gupta & Associates Chartered Accountants New Delhi

K.C. Mehta & Co. Vadodara Chartered Accountants

MKPS & Associates FRN 302014E Chartered Accountants areas pursuant to the provisions of Article 33 of the PSCs and UNCITRAL Rules, 1976. The Ministry of Petroleum and Natural Gas (MoP&NG), vide letter dated 4th July 2011, had advised ONGC not to participate in the arbitration initiated by RIL and BGEPIL under Pana-Mukta & Tapti PSCs. However, in case of an arbitral award, the same will be applicable to ONGC also as a constituent of the contractor for both the PSCs. On 12th October 2016, a Final Partial Award (FPA) was pronounced by the Tribunal in the arbitration matter between RIL, BGEPIL and Union of India. However, details in this regard are not known to ONGC since ONGC is not a party to this arbitration. Directorate General of Hydrocarbons (DGH), vide letter dated 25th May 2017 marked to all Joint Venture Partners (RIL, BGEPIL & ONGC) has asked for payment of differential GOI share of Profit Petroleum and Royalty alleged to be payable by contractor pursuant to Governments interpretation of the FPA (40% share of ONGC amounting to US$ 1.57 Billion equivalent to ₹ 10,195 Crore). However, in response to letter dated 25th May 2017 of DGH, RIL and BGEPIL the JV partners have stated that demand of DGH is premature as the FPA does not make any money award in favour of GOI as quantification of liabilities are to be determined during the final proceedings of the arbitration and the same has been challenged before the English Commercial Court. Pending final quantification of liabilities by the Arbitration Tribunal and decision of English Commercial Court, the company is not liable to implement the FPA being pre-mature and therefore no provision for the same has been considered necessary.

7. Previous period's figures have been regrouped by the Company, wherever necessary, to conform to current quarter's classification.

By order of the Board

(A K Srinivasan)
Director (Finance)

Place: New Delhi
Date : 27th July, 2017