



Investors' & Analysts' Meet FY'13

Mumbai
30th May 2013





FY'13

*एक सतत
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एक सतत*
of a sustainable journey



A New Depth Many New Heights

Presentation overview

1 Highlights

2 Performance FY' 13

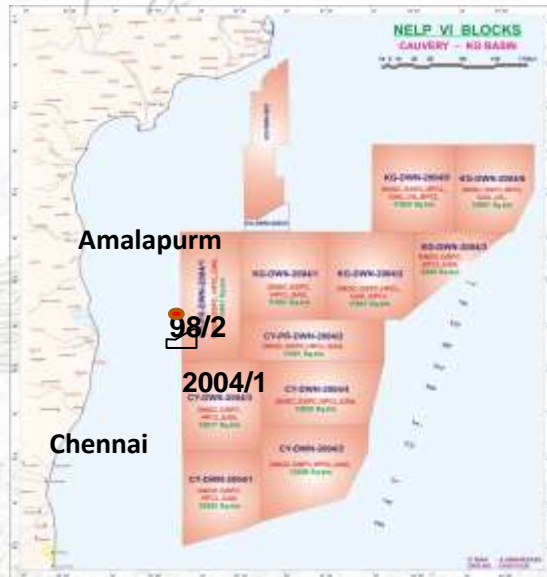
3 Overseas Ventures

4 Value-chain integration

5 Pursuits

6 Commitments

- ▶ ONGC creates world record - drills deepest water depth well
- ▶ Well NA7-I in KG-DWN-2004/1 an ultra deep-water well at drilled at 3,165m water depth (TD 5,625m).



Highlights FY'13

- ▶ Highest reserve accretion (3P) in last 22 years
 - ▶ 84.84 Mtoe Ultimate Reserve (3P) accretion in ONGC operated domestic fields
 - ▶ RRR 1.84 against production of 46.11 Mtoe



Highlights FY'13

- ▶ **ONGC Group records highest-ever turnover**
 - ▶ Turnover: ₹ 165,849 Crore; up 9.8%



Highlights FY'13

- ▶ **ONGC's Net Profit ₹ 20,926 Crore; down 16.7%**
 - ▶ Despite highest-ever under-recovery of ₹ 49,421 Crore and
 - ▶ Increase in Cess in FY'13 by – ₹ 4,214 Crore (₹ 9,997 Crore against ₹ 5,783 in FY'12)
 - ▶ Subsidy burden increased – by ₹ 4,955 Crore



Highlights FY'13

- ▶ Dividend 190% total payout ₹ 8,128 Crore
 - ▶ Interim dividend paid 180%
 - ▶ Additional dividend recommended 10%; total 190%
 - ▶ Plus Dividend Tax of ₹ 1,319 Crore



Highlights FY'13

▶ OVL records highest-ever net profit

- ▶ PAT: ₹ 3,929 Crore; up 44%



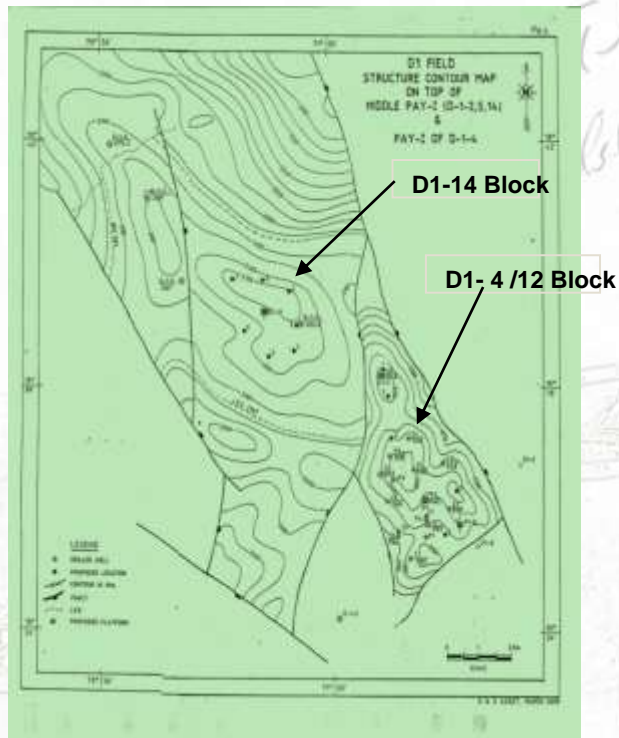
Highlights FY'13

- ▶ MRPL records highest-ever Thru'put
 - ▶ Thru'put 14.40 MMT; 12.3% higher than FY'12



Highlights FY'13

- ▶ NB Prasad field – the real ‘example’ of field growth

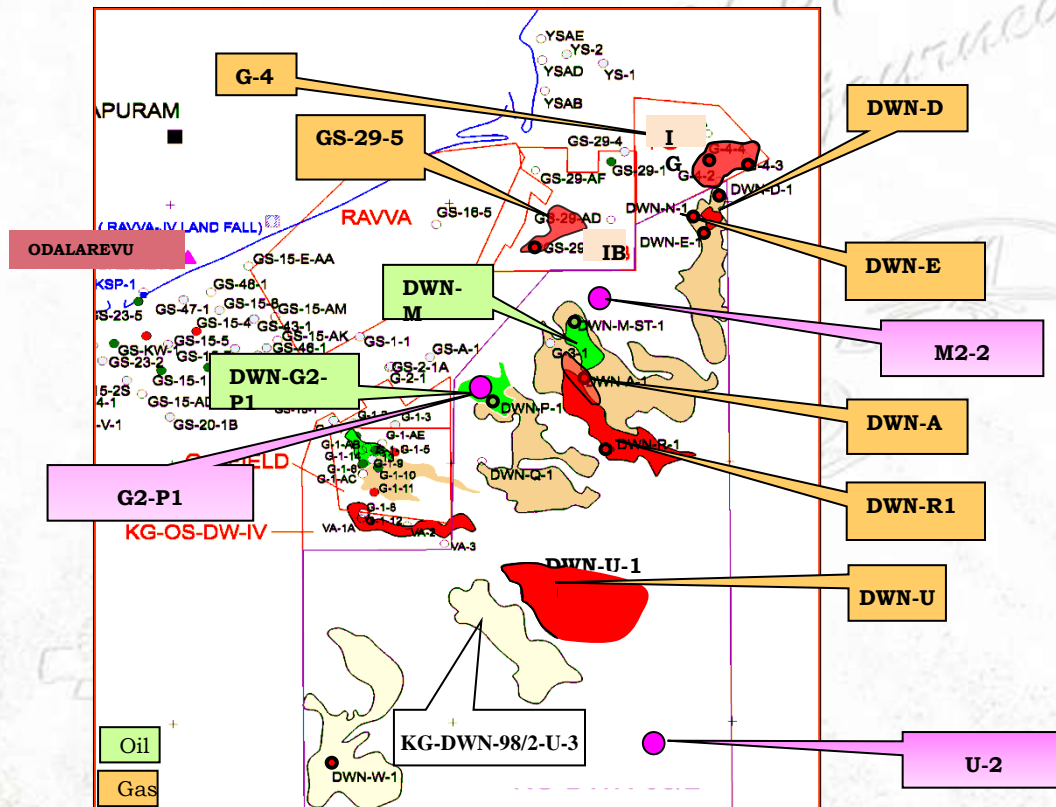


NB Prasad field (D-1) now the third largest field after MH and N&H

O+OEG in-place volume: 149 Mtoe (Oil: 144 MMT)

Highlights FY'13

- ▶ KG Deep-water first time substantial oil reserves established



Well DWN-A#2 produces oil on conventional testing

Well DWN-U-3 gives highest quantity of commercial gas; more than 7 LCMD

Highlights FY'13

- ▶ OTPC commissions its first unit of 726.6 MW gas based CCPP in Tripura; monetization of Tripura gas starts



- ▶ Unit 1 synchronized on 22nd Oct 2012, power generation started.
- ▶ Inauguration on June 21, 2013 by H.E the President of India
- ▶ Project cost: ₹ 3,429 Crore
- ▶ 2nd Unit expected in early August'13

Equity holding: ONGC (50%), Govt. of Tripura (0.5%), IL&FS (26%)



ngc

Sustainability,
our Mantra

ONGC registers one of the largest CDM project in world on OTPC for an annual CER of 1.6 m with UNFCCC.

So far 10 projects registered.

Newsweek
GREEN RANKINGS[®]

2012

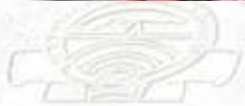
ONGC ranked at 386 in Newsweek Green Rankings 2012 Global 500 list

Among 13 Indian companies in the list ONGC placed at 9th position. Most of the companies ranked above ONGC are mostly from IT and banking sector which have lesser environmental footprint and impacts.

Highlights FY'13



ONGC gets '**Excellent**' MOU rating for 2011-12 performance with a score of 1.222; the highest since adoption of the system in 1988



Globally acclaimed



- 🔥 # 3 E&P Company in the World
- 🔥 # 22 Energy Company in the World

Forbes Global 2000 list 2013

- 🔥 # 155 in the Forbes Global 2000 list of world's biggest companies; 16 notches up than last year.

CNNMoney Fortune Global 500 (2012)

- 🔥 # 357 by Revenue among global 500 companies

CNNMoney Fortune World's most Admired Companies 2012

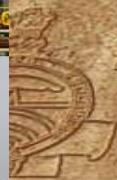
- 🔥 Among only two companies from India in the list
- 🔥 Only PSU to figure in the list



Randstad Award 2013 for Most Attractive employer in Energy Sector in India



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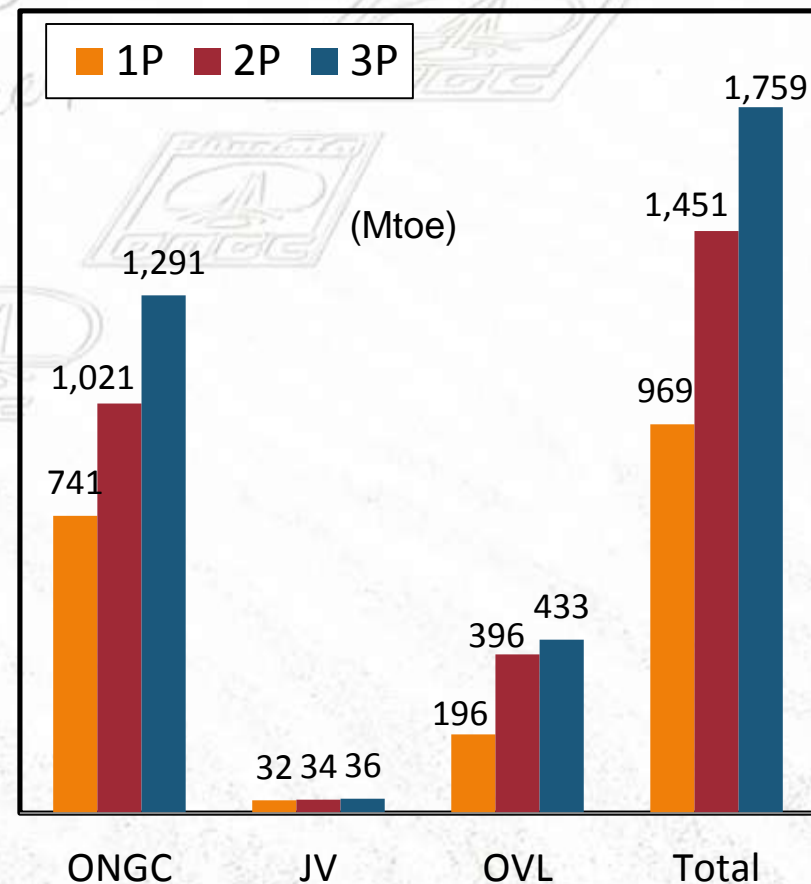
Performance

ONGC Group

Reserves

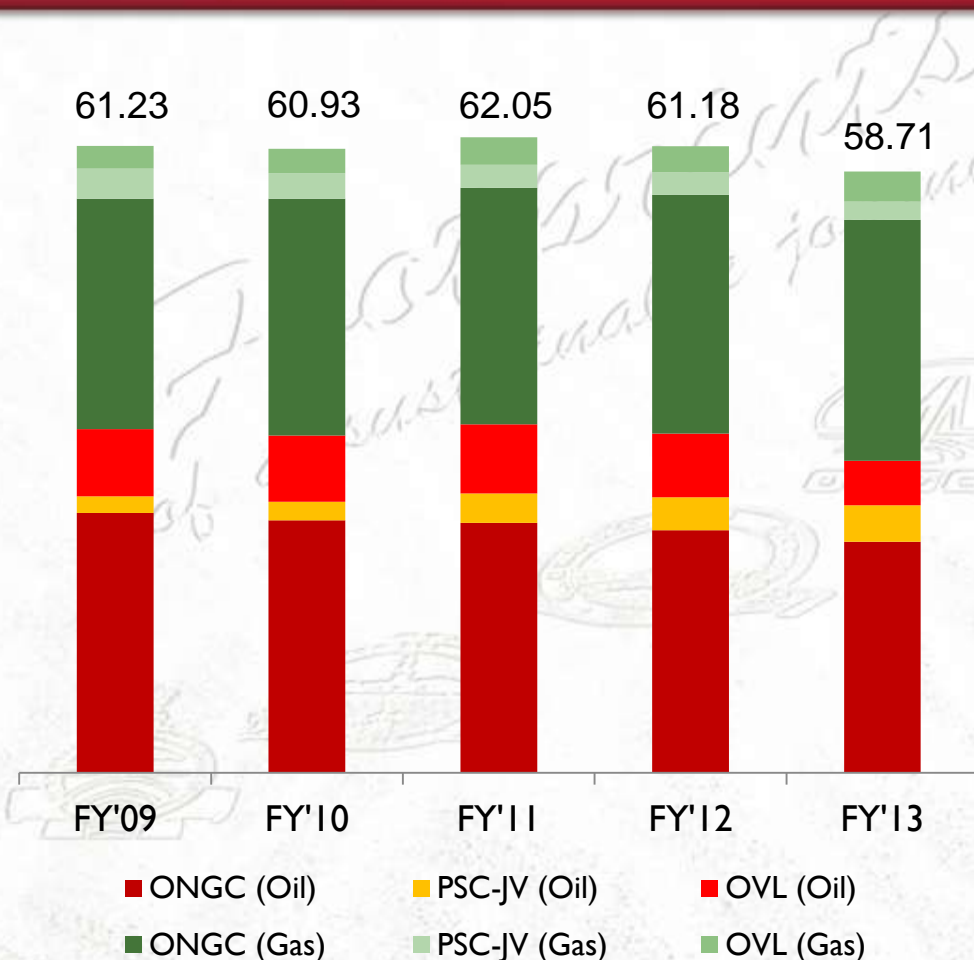
► FY'13, Reserves = 1,759.43 mtoe; up 2.7% (FY'12: 1,713.45mtoe)

Mtoe	Oil	Gas	Total
ONGC	570.30	720.22	1,290.52
PSC JV	18.63	17.36	35.99
OVL	274.01	158.91	432.92
Total	862.94	896.49	1,759.43



ONGC Group: O+OEG Production

- ▶ Lower production in FY'13 due to situations in Sudan & Syria and natural decline in domestic production.

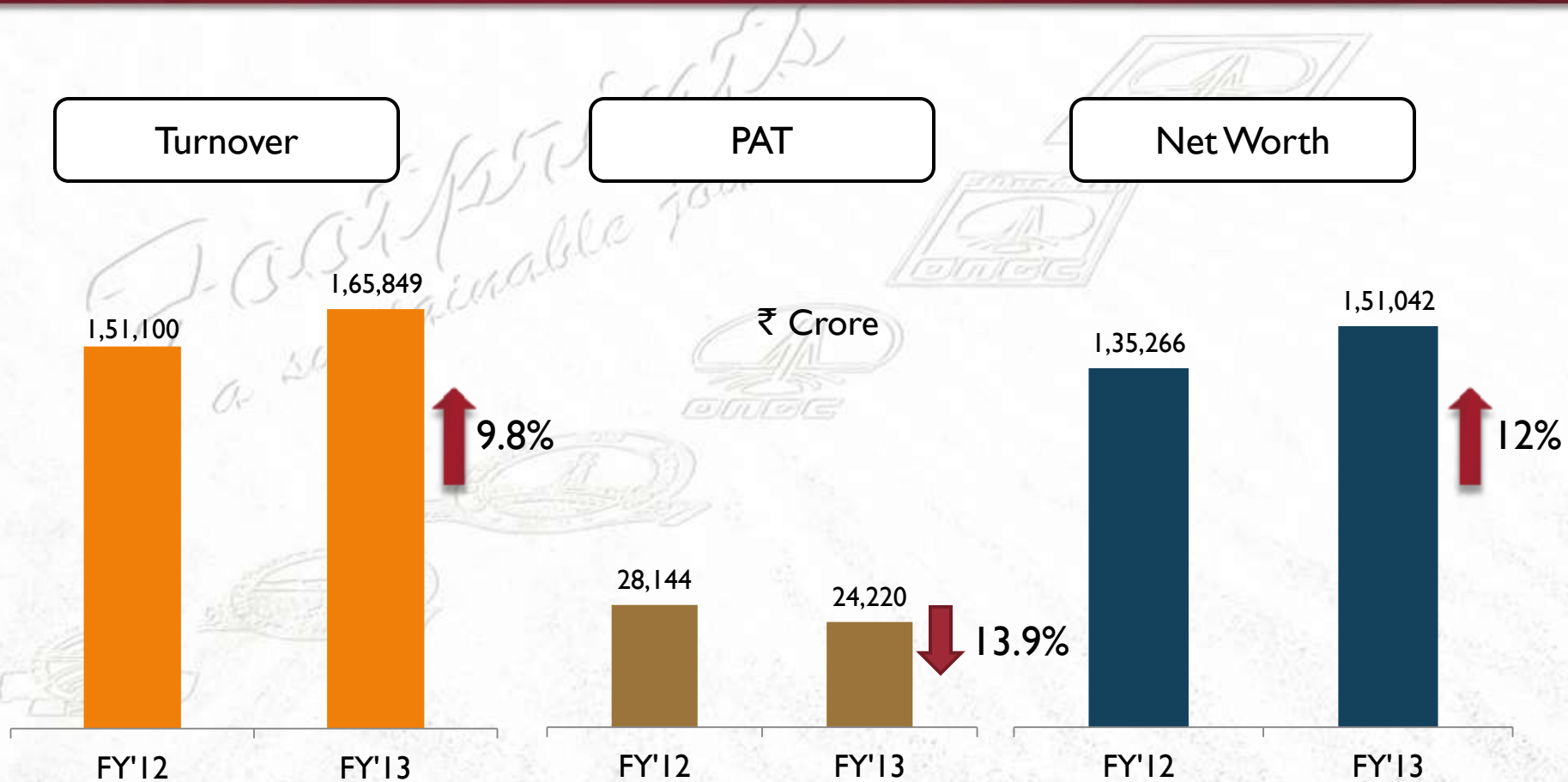


FY'13				
	ONGC	JV	OVL	Total
Oil	22.56	3.56	4.34	30.46
Gas	23.55	1.78	2.92	28.25
O+OEG	46.11	5.34	7.26	58.71

FY'12				
	ONGC	JV	OVL	Total
Oil	23.71	3.21	6.21	33.13
Gas	23.32	2.19	2.54	28.05
O+OEG	47.03	5.40	8.75	61.18

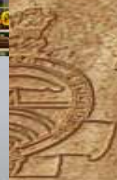
ONGC Group Financials

- ▶ Highest-ever Turnover; up 9.8%





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Performance

ONGC

Discoveries

▶ 22 oil & gas discoveries during FY'13

SL	Basin	Name of Well	HC Type	Block
1	Cambay	Vadatal-5	Oil & Gas	NELP
2	Cambay	Anklav-9	Oil	Nomination
3	Cambay	Motera-36	Oil	Nomination
4	Cambay	MANSA-36	Oil	Nomination
5	Cauvery Onland	Madanam-3	Oil & Gas	NELP
6	Cauvery Onland	Pandhanalur-7	Gas	NELP
7	Cauvery Onland	Pandhanalur-8	O&G	NELP
8	KG Onland	Vanadurru South-1	Oil & Gas	Nomination
9	KG Onland	Mandapeta West-12	Gas	Nomination
10	KG Onland	Koravaka-1	Oil & Gas	Nomination
11	KG Onland	Bantumilli South-1	Gas	Nomination
12	KG Onland	Mukkamala-1	Oil & Gas	Nomination
13	A& AA	Phulani-1	Oil & Gas	Nomination
14	A&AA	AD-37	Gas	Nomination
15	KG Shallow Off	Saveri-1	Gas	NELP
16	KG Deep Off	KG-DWN-98/2-A-2	Oil	NELP
17	KG Deep Off	KG-DWN-2005/1-A-1	Gas	NELP
18	Gulf of Cambay	Aliabet-4	Gas & Cond	NELP
19	West Coast Offshore	C-39-14	Oil & Gas	Nomination
20	West Coast Offshore	BH-68	Oil & Gas	Nomination
21	West Coast Offshore	DI-D-1	Oil & Gas	Nomination
22	West Coast Offshore	MBS051NBA-A	Gas & Cond	NELP

NELP Blocks: 9
Nomination Blocks: 13

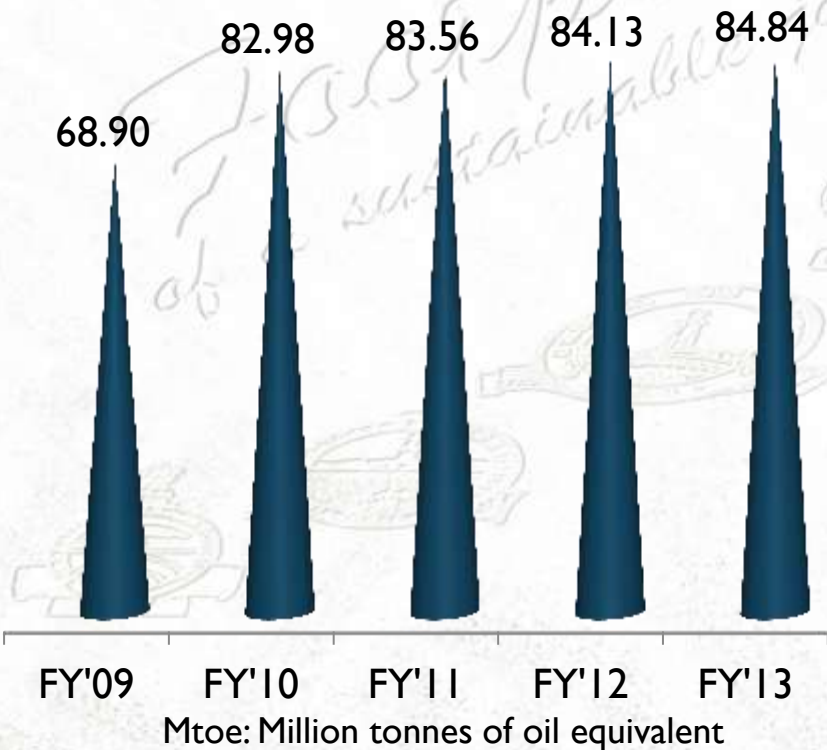
Oil: 4
Oil & Gas: 10
Gas & Condensate: 8

Onland: 14
Offshore SW: 6
Offshore DW: 2

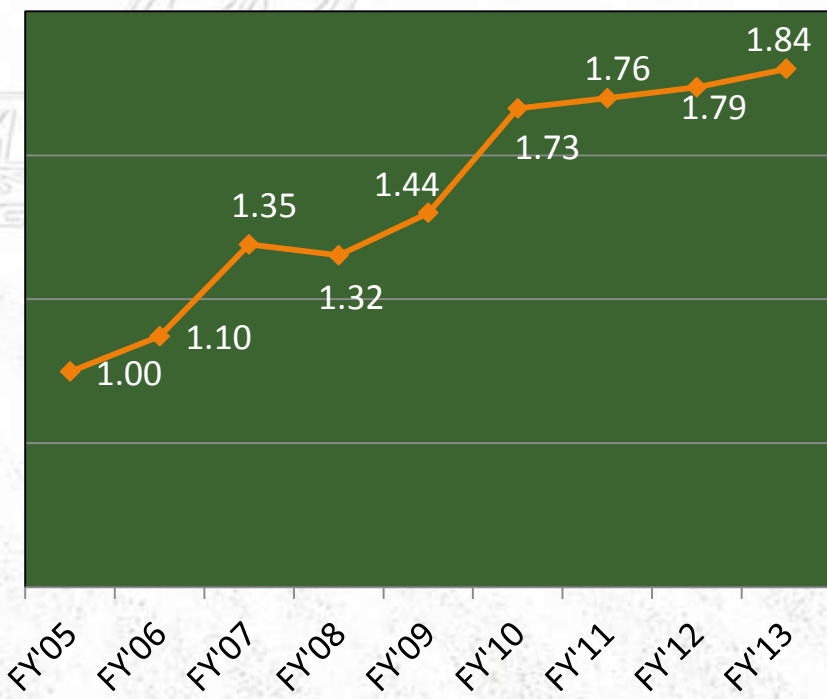
Reserve Accretion (3P)

▶ RRR more than ONE since last 8 years

3P Reserve accretion (Mtoe)



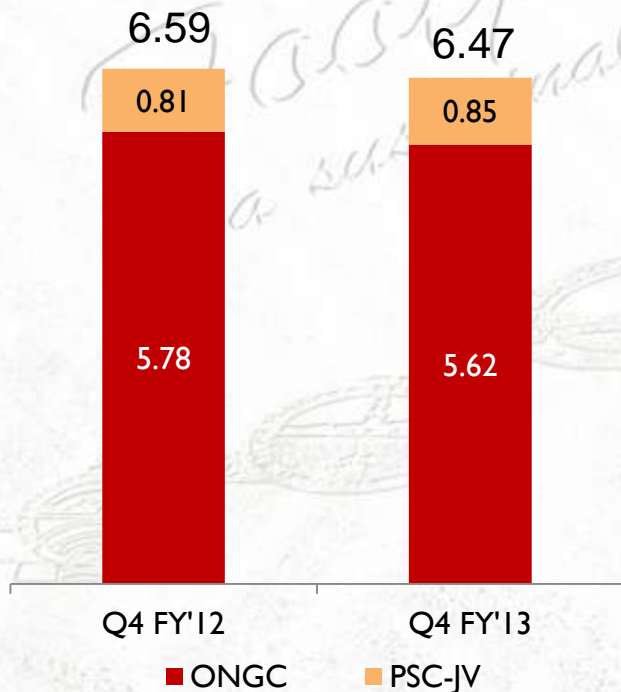
3P Reserve accretion (Mtoe)



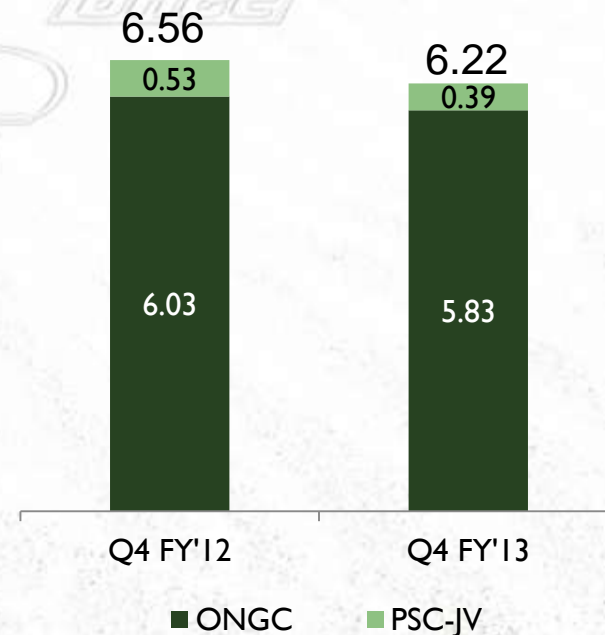
Physical Performance: Q4, FY'13

▶ Domestic crude oil production levels maintained

Crude oil production (MMT)

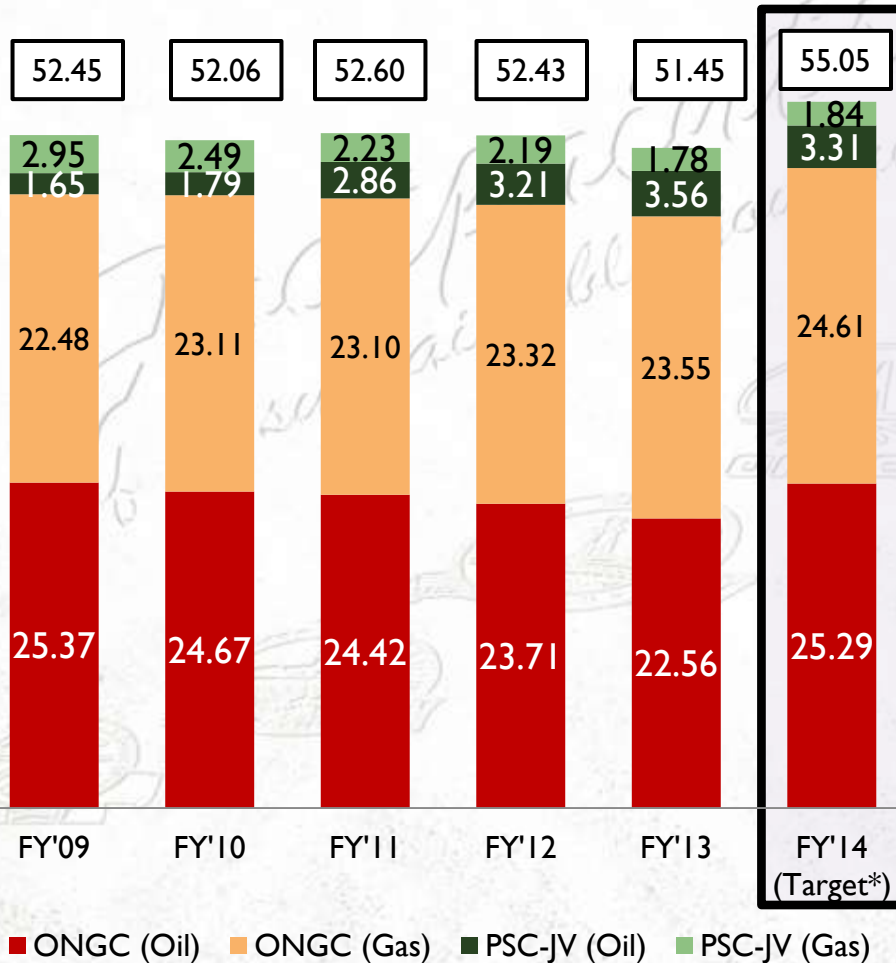


Gas production (BCM)



Domestic Production

Domestic production FY'13 = 51.45 Mtoe



* MOU Excellent Target

Crude oil production (MMT)		
	FY'12	FY'13
ONGC	23.71	22.56
PSC-JV	3.21	3.56
Total	26.92	26.12

Natural gas production (BCM)		
	FY'12	FY'13
ONGC	23.32	23.55
PSC-JV	2.19	1.78
Total	25.51	25.33

Total O+OEG	52.43	51.45
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IOR/ EOR

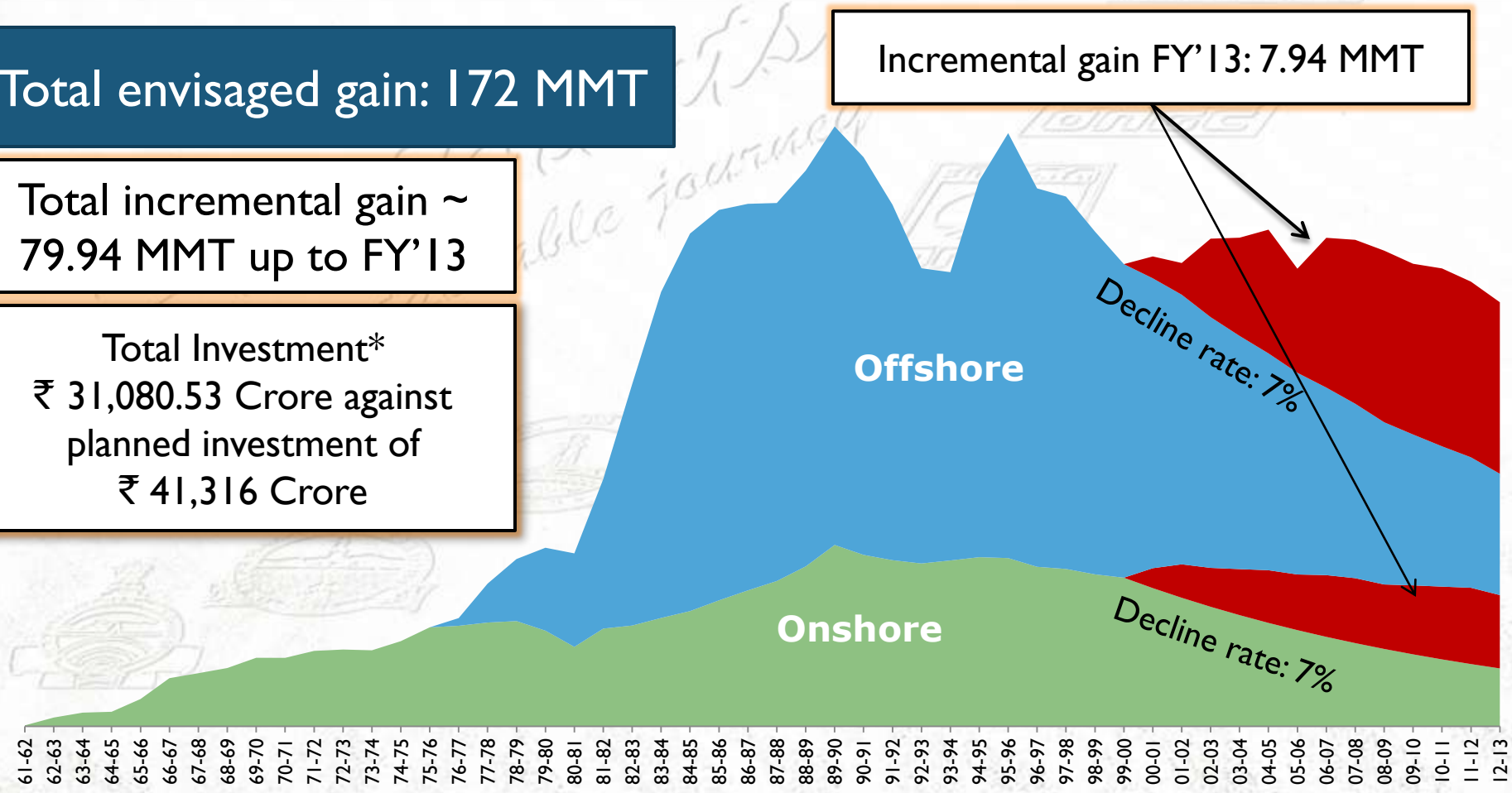
▶ Arresting decline: 16 of 24 IOR/EOR projects completed; 8 ongoing

Total envisaged gain: 172 MMT

Total incremental gain ~ 79.94 MMT up to FY'13

Total Investment* ₹ 31,080.53 Crore against planned investment of ₹ 41,316 Crore

Incremental gain FY'13: 7.94 MMT



* Up to 31.03.2013



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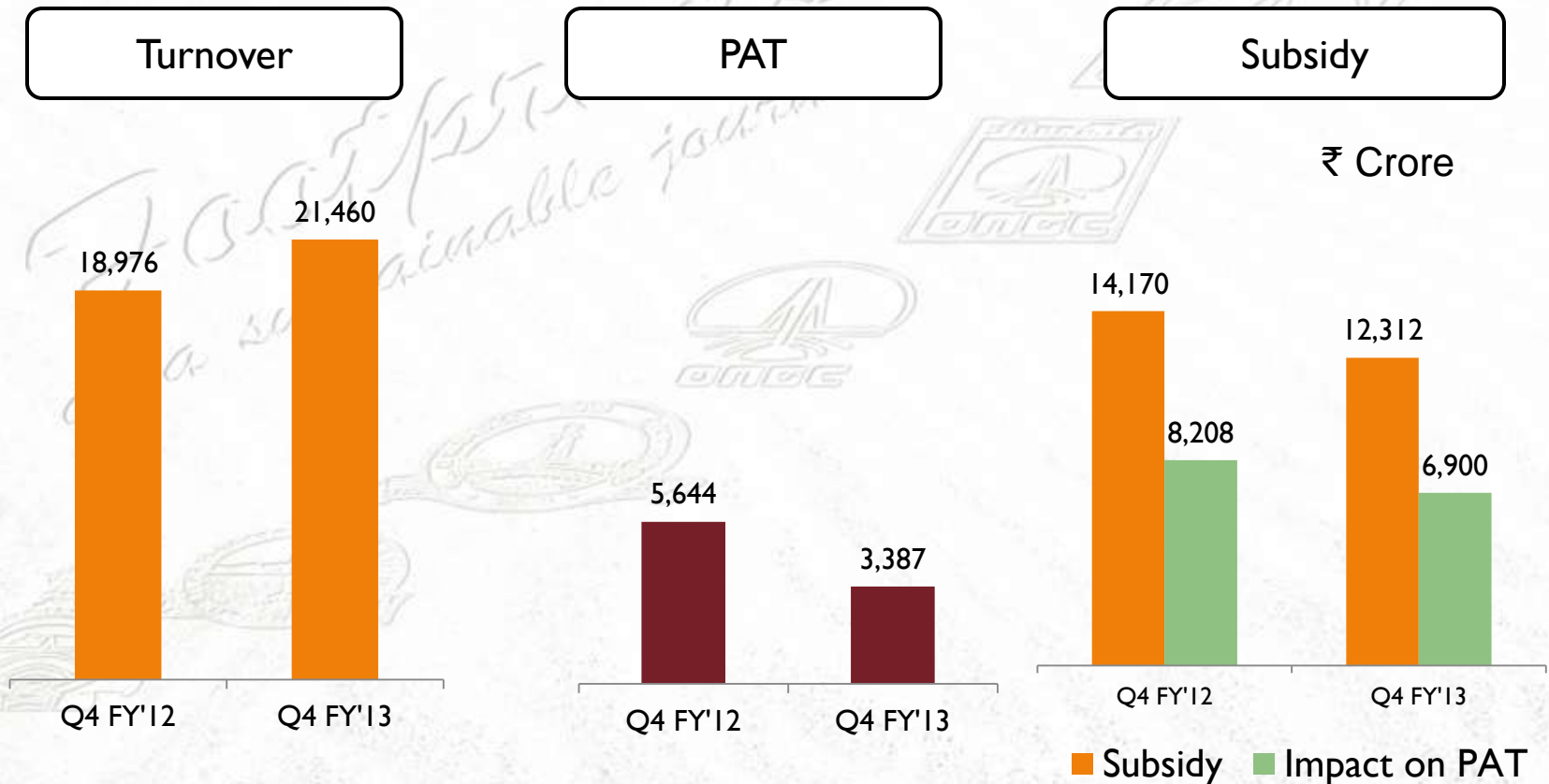


ONGC

Financials

ONGC Financials: Q4, FY'13

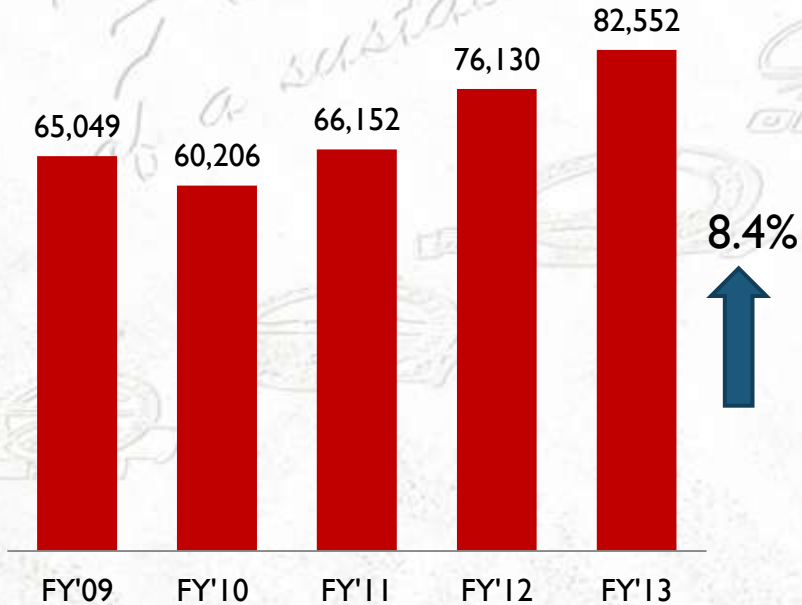
- ▶ Lower PAT due to higher subsidy payout & increase in Cess



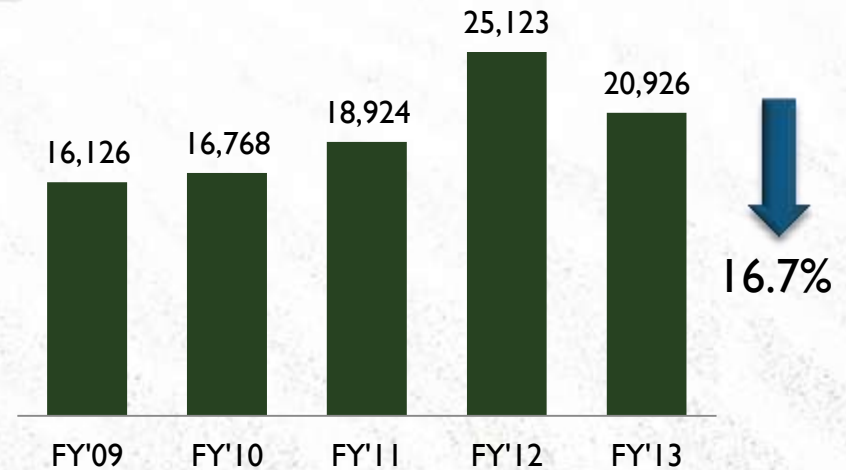
Financials, FY'13

► Highest-ever turnover

Turnover (₹ Crore)



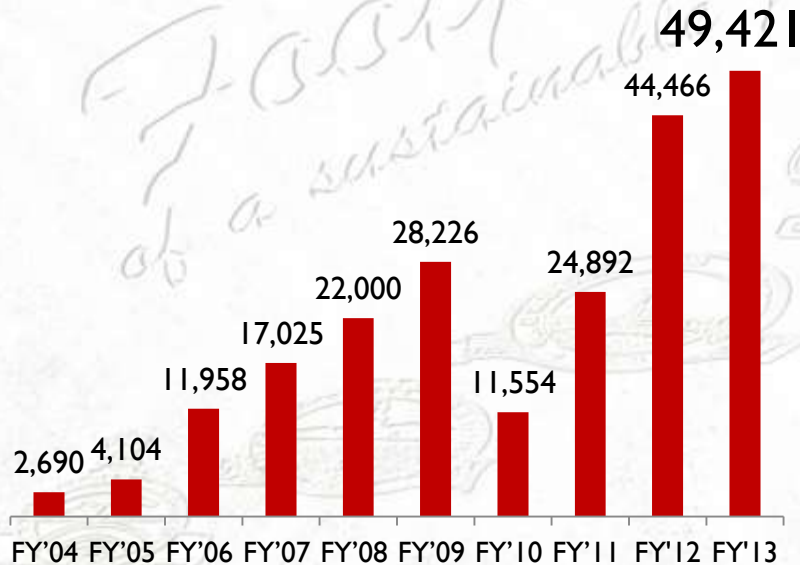
Profit after Tax (₹ Crore)



Under-recovery

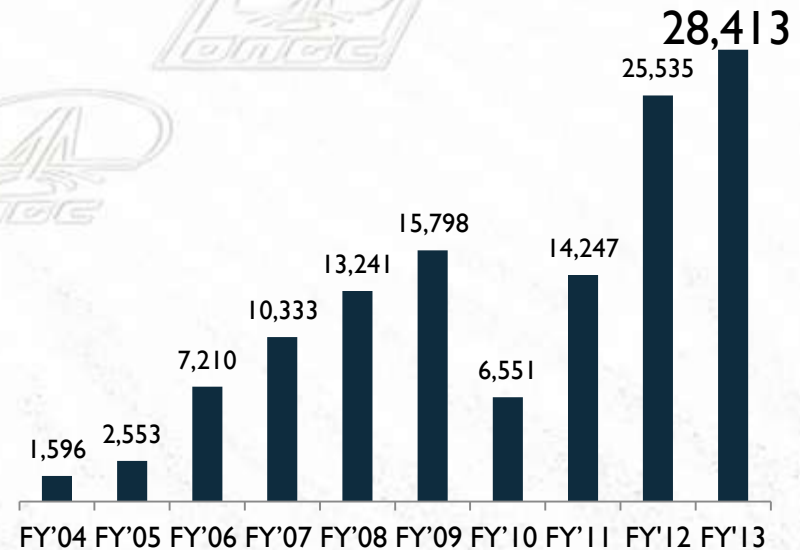
- FY'12: Highest-ever subsidy sharing: ₹ 49,421 Crore; up 11%

Subsidy sharing (₹ Crore)



Total subsidy: ₹ 216,336 Crore

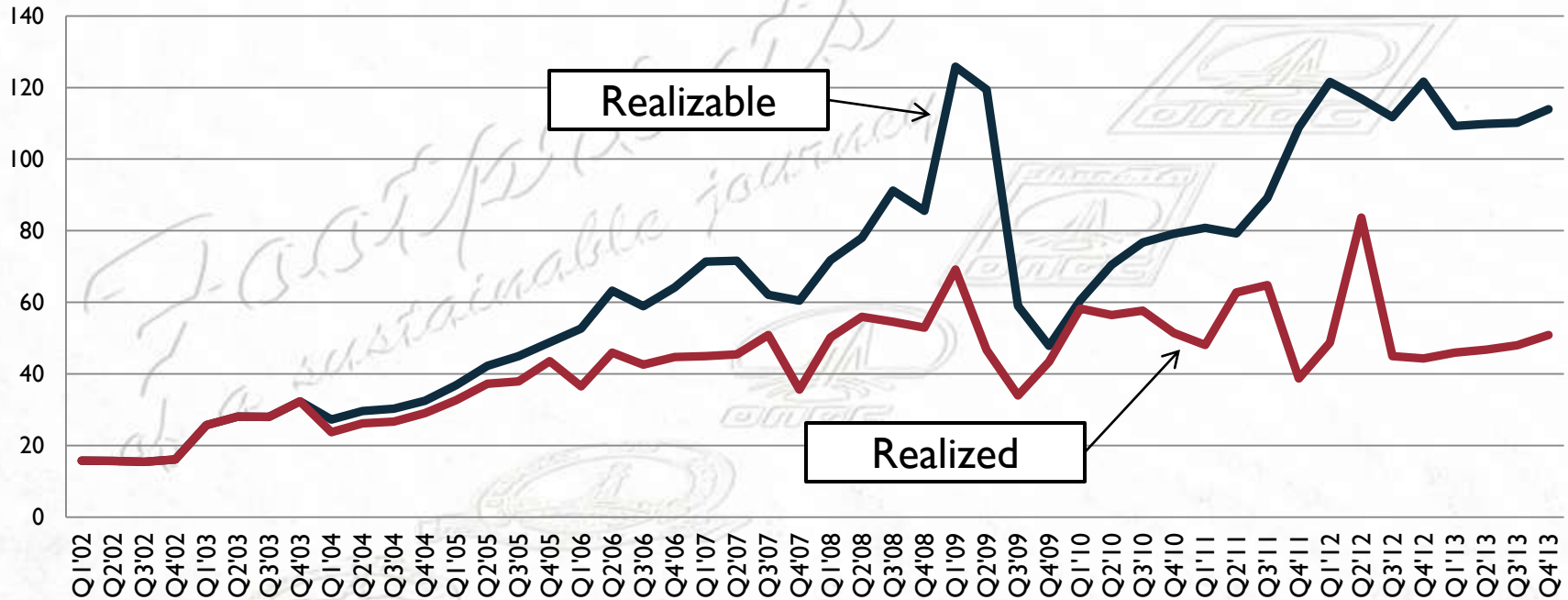
Impact on PAT (₹ Crore)



Impact on PAT: ₹ 125,477 Crore

Subsidy

FY'13: Highest-ever subsidy discount @ \$62.89/bbl



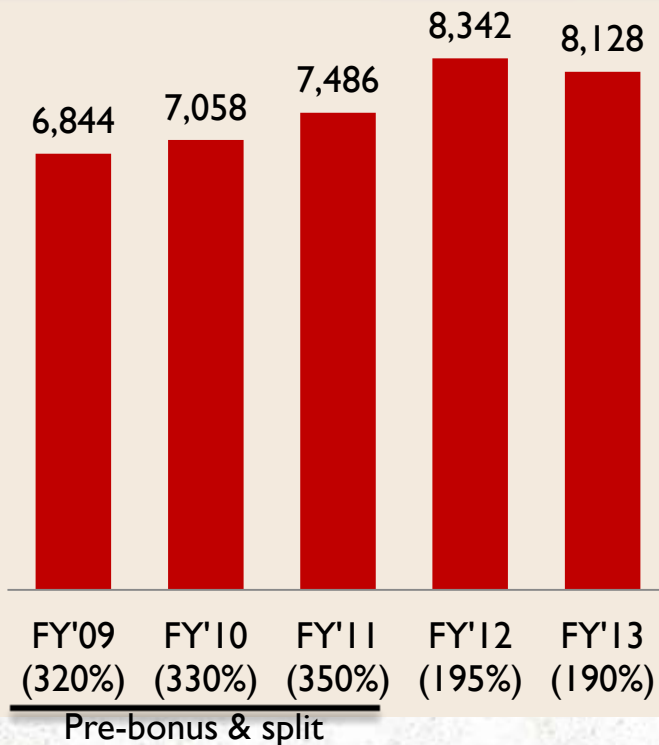
Year wise Crude Oil Price Realization (US\$/bbl)

Rates	FY'06	FY'07	FY'08	FY'09	FY'10	FY'11	FY'12	FY'13
Pre-discount	59.66	66.33	85.54	86.15	71.65	89.41	117.40	110.74
Discount	17.32	22.11	32.64	38.45	15.71	35.64	62.69	62.89
Post-discount	42.34	44.22	52.90	47.70	55.94	53.76	54.71	47.85

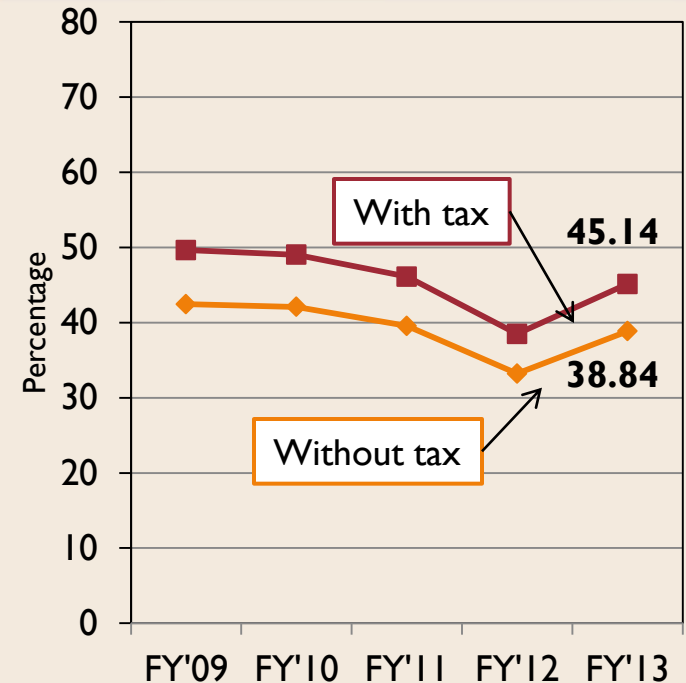
Highlights FY'13

- ▶ Dividend 190% total payout ₹ 8,128 Crore
- ▶ Plus Dividend Tax of ₹ 1,319 Crore

Dividend (₹ Crore)



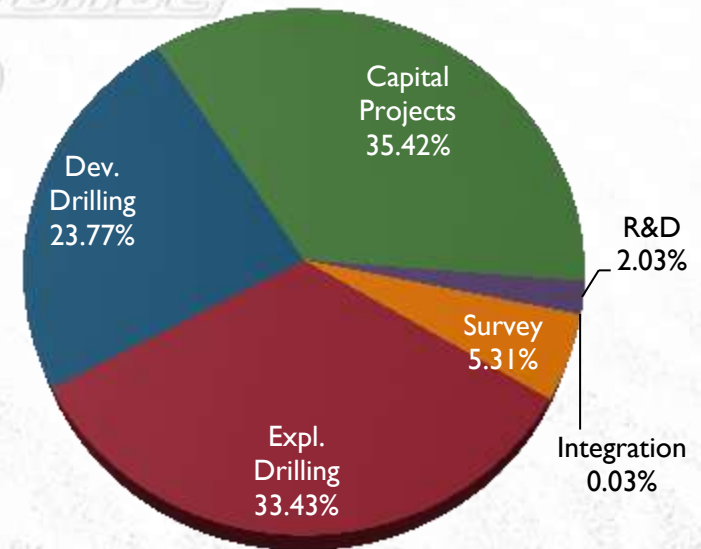
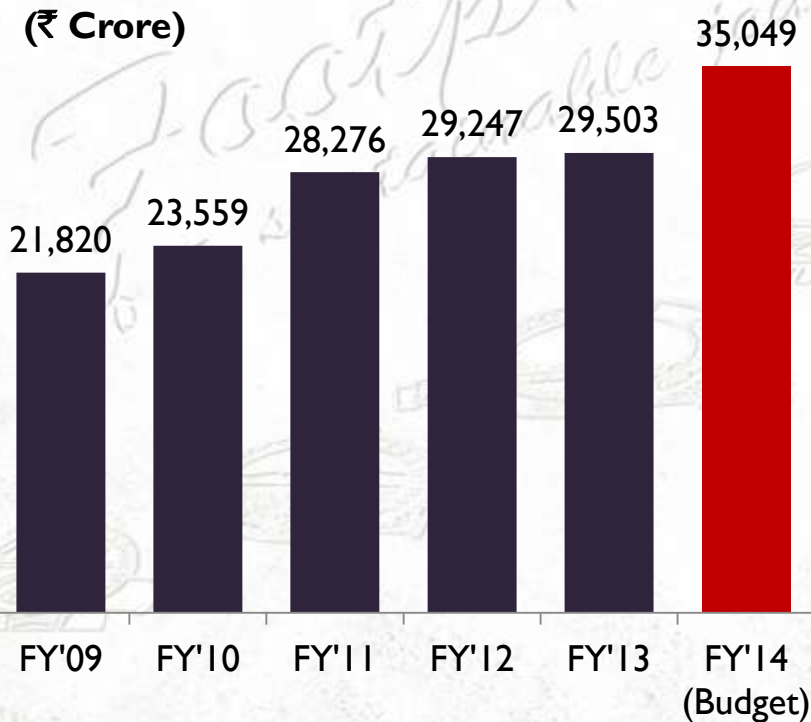
Dividend pay-out ratio (%)



Capex

► ₹132,404 Crore Capex in last 5 years

Capex FY'13
₹ 29,503 Crore

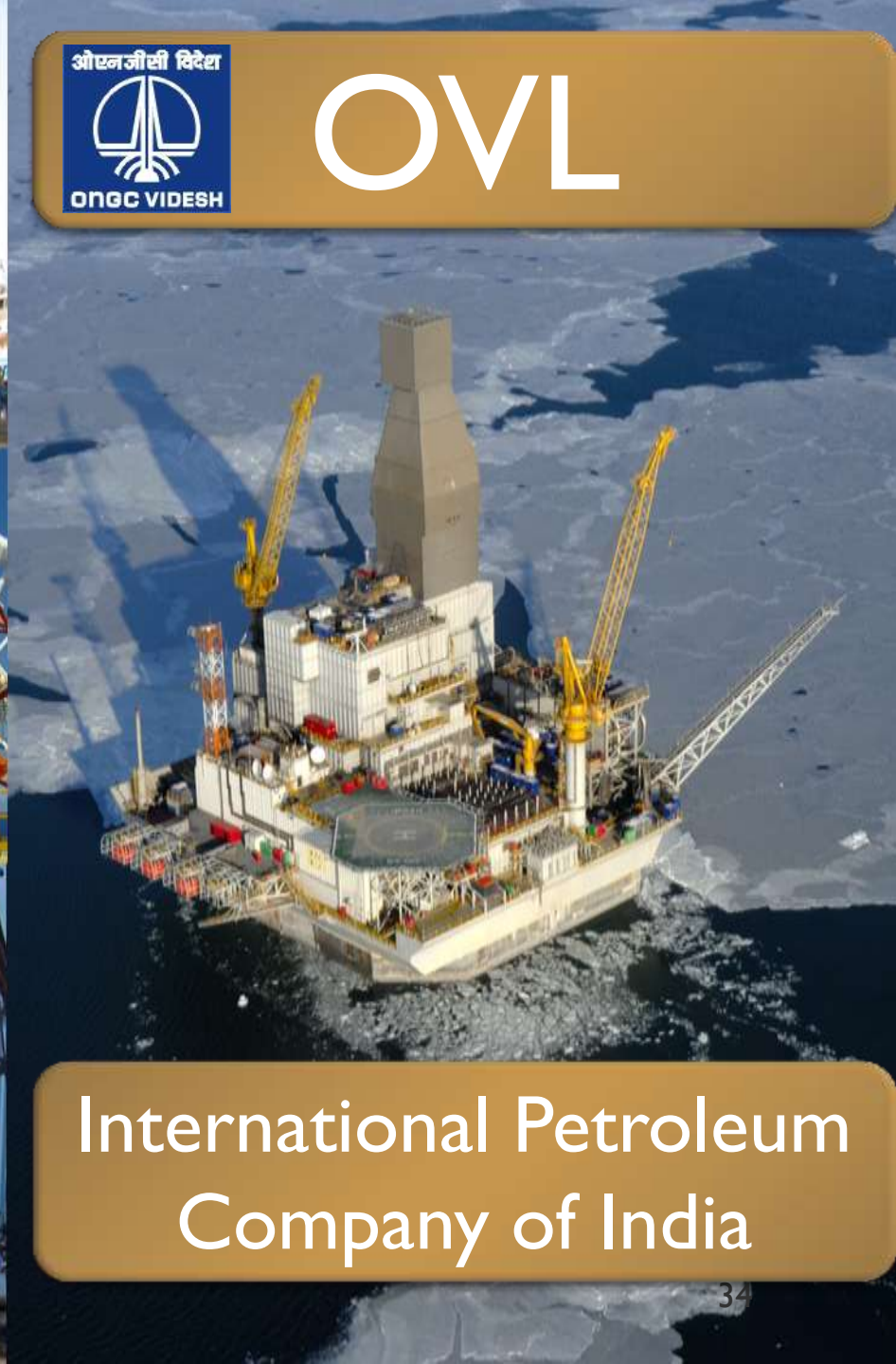


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ONGC VIDESH

OVL



International Petroleum
Company of India

OVL: Global footprint

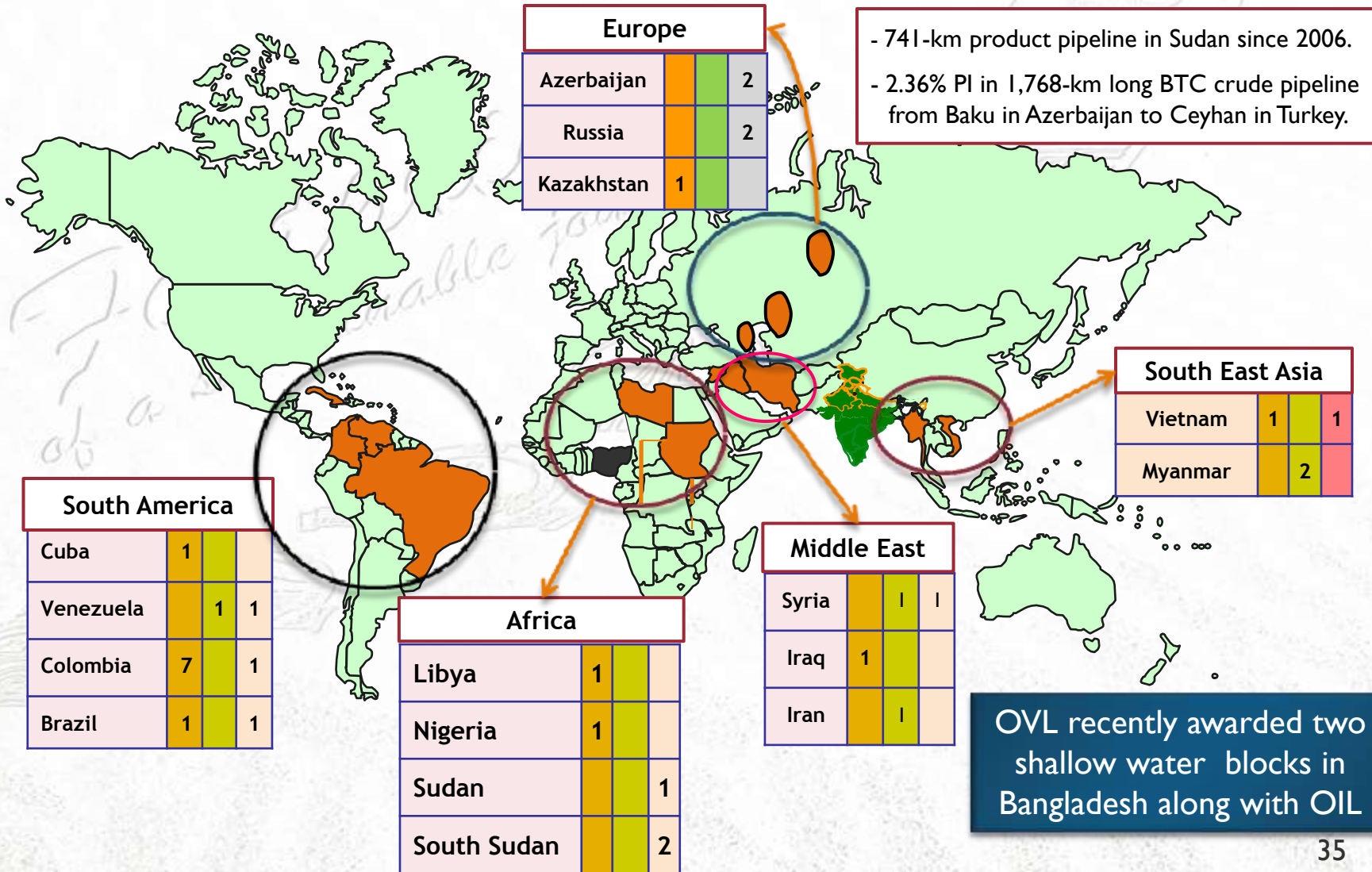
32 Projects in 16 Countries

Exploration-14

Discovered/ Develop-5

Producing-11

Pipeline-2



OVL in Azerbaijan

OVL completes acquisition of 2.7213% PI in Azeri, Chirag and Deep Water portion of Guneshli (ACG) fields in Azerbaijan & 2.36% interest in Baku-Tbilisi-Ceyhan Pipeline (“BTC”) on April 1, 2013



ACG is the largest oil field in the Azerbaijan sector of the Caspian basin. Average daily production ~ 700,000 bpd of crude oil

April 29, 2013: OVL announces pricing of inaugural US\$ 800 million dual-tranche USD senior unsecured bond offering.

Effective OVL's share in production 0.9 MMTPA

Lowest ever coupon achieved by an Indian issuer in the 5-year & 10-year tenor in the USD bond market

OVL in Kazakhstan

▶ OVL in Kazakhstan: signs agreement with ConocoPhillips on 26.11.2012 for 8.40% Participating Interest (PI) in Kashagan Field,



The world's largest development project

JV Partners pre-emption period over on 25.01.2013. No pre-emption exercised by any partner.

Approval of Republic of Kazakhstan (RoK) is yet to be accorded. RoK being persuaded. Efforts on for Govt. of India's approval.

Effective OVL's share of peak production (Ph-I) 1.62 MMTPA

Effective dates: 1st November'2012

Production to commence from Q2, FY'14

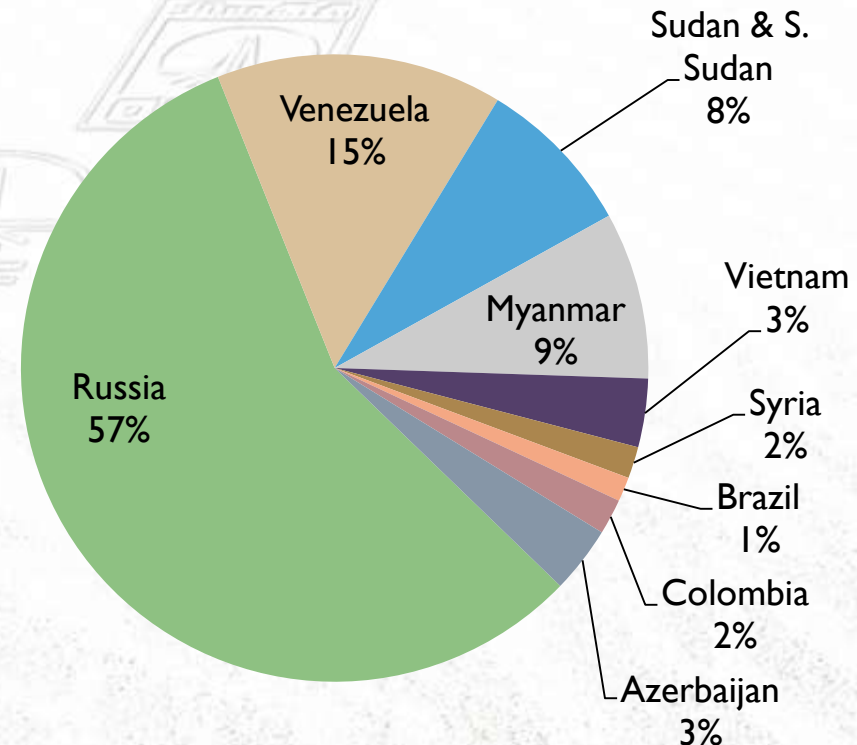
OVL Reserves

▶ 433 Mtoe of O+OEG reserves in 10 countries

	Oil (MMT)	Gas* (BCM)	Total (Mtoe)
P1	104.12	92.29	196.41
P2	152.09	47.11	199.20
P3	17.80	19.51	37.31
Total	274.01	158.91	432.92

Reserves up by 1.6% on y-o-y

Overseas O+OEG Reserves (3P)

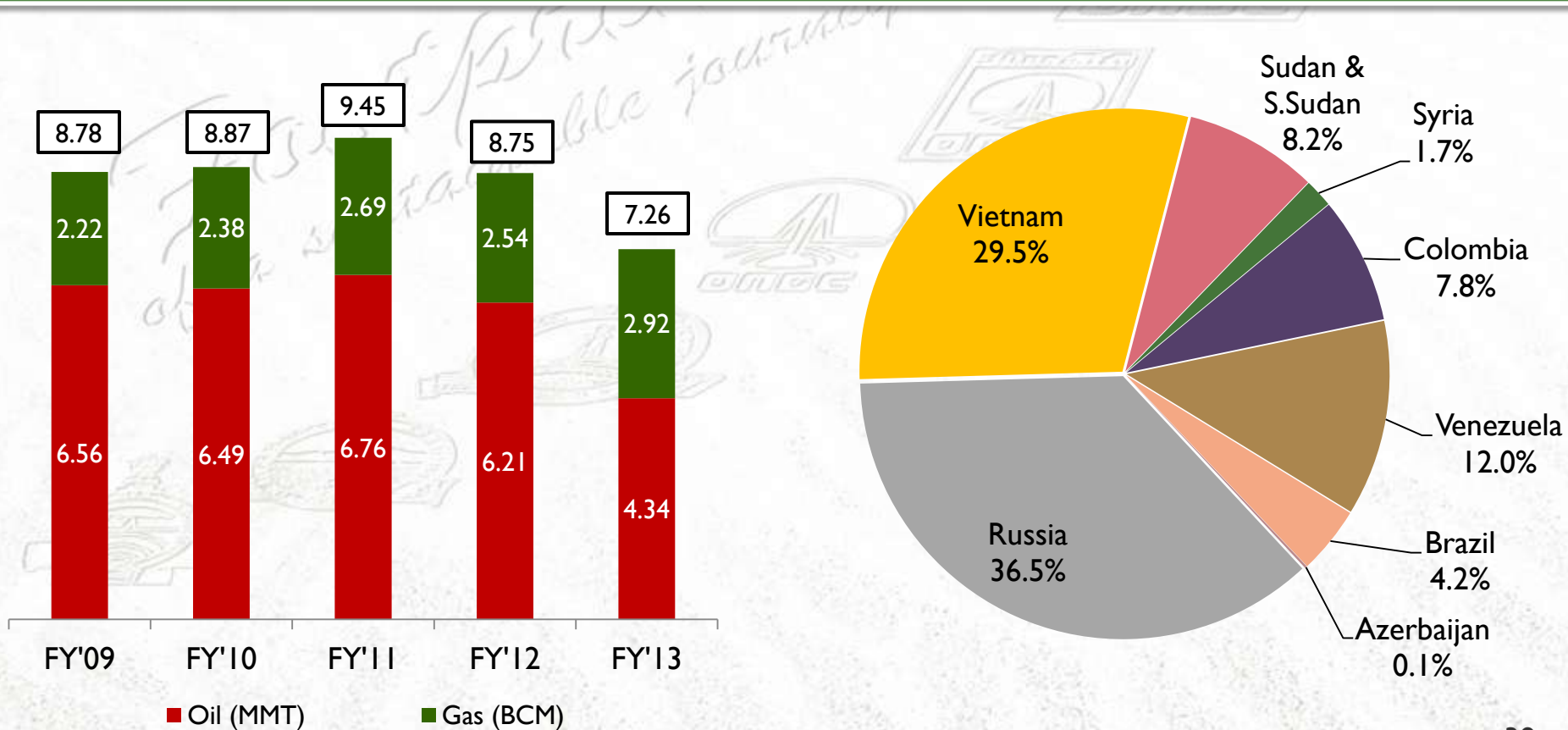


* Includes condensate = 2.94 MMT

Production

► FY'13, O+OEG production = 7.26 Mtoe

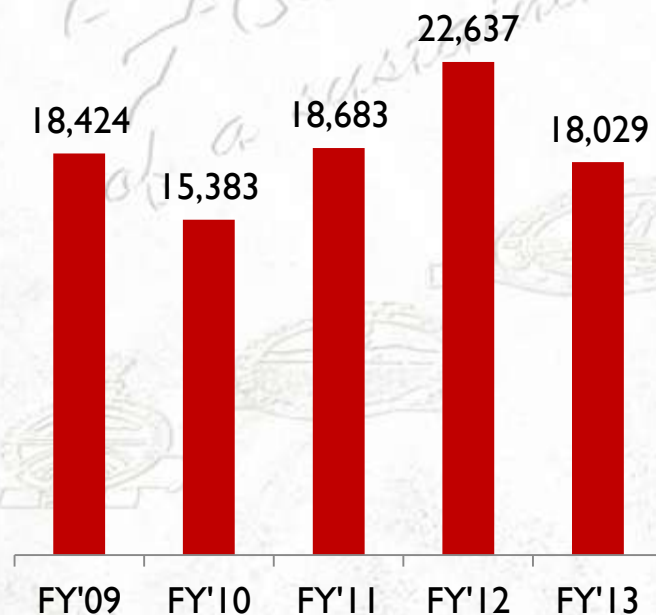
Lower production due to continued problems in Sudan, South Sudan & Syria.



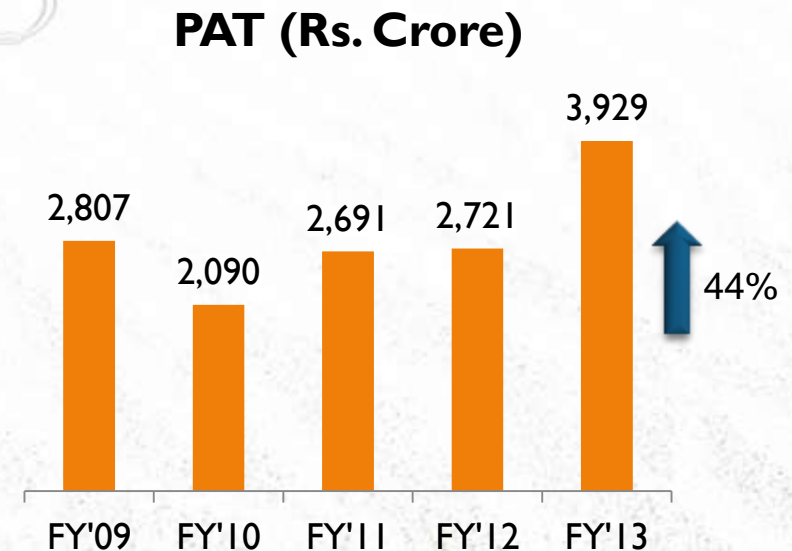
Financials FY'13

▶ PAT = ₹ 3,929 Crore; the highest-ever

Total Revenue (₹ Crore)

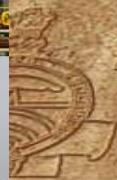


Profit after Tax (₹ Crore)





पursuits
of a sustainable journey



Pursuits

Medium-term

Exploration

- ▶ Deep-water exploration & Development

Development/ re-development

- ▶ Development of new discoveries and Marginal fields (presently 37 fields through 13 projects) & Daman development

Unconventional & alternate

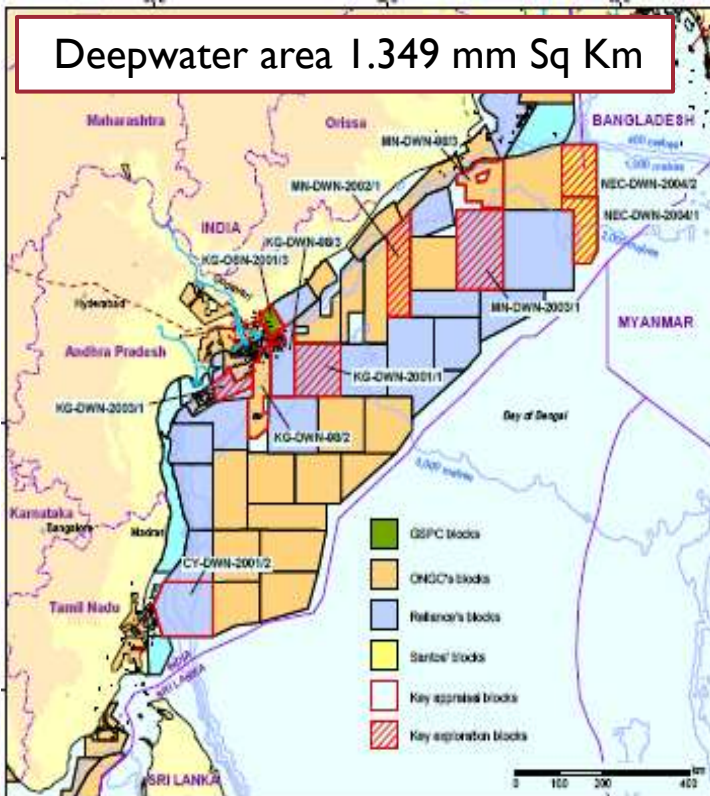
- ▶ Unconventional - CBM, UCG, Shale gas and alternates.

Integration

- ▶ Value-chain integration

Deep-water foray

35 deep-water discoveries: 7 oil & gas and 28 gas



- ▶ Deep-sea Basins: West Coast; East Coast, Andaman & Kerela-Konkan
- ▶ Prognosticated Resource 10 BT

ONGC Operating **27** deep-water blocks in India
(**KG-7; CY-4; CY-PR-2; MN-NEC-3; AN-9; KK-2**)

Drilled 104 deep-water wells as on March 2013 including 5 wells under drilling, testing & completion
Andaman (7); KG (57+5); Cauvery(5); Mahanadi(21); WOB (9)

Ultra deep-water well 3,008 m in GS Offshore (Western Offshore & 2,841 m in KG Offshore).

2012-13 : 14 wells drilled; 7 hydrocarbon bearing;

- ▶ KG-DWN-98/2- 4 wells, all hydrocarbon bearing;
- ▶ MN-DWN-98/3 – one well, gas bearing;
- ▶ MN-OSN-200/2- 2 wells, both gas bearing ;

Field developments

Integrated development of G-1/GS-15; GS-15 on stream, G-1 to commence production from June 2013.

G-4 planned to be developed along with discoveries in the Northern Discovery Area of KG-DWN-98/2 – schedule 2017.

G-4-6: Appraisal commences; considerable potential established. Cumulative Gas Production: 39 Mtoe Integrated development of VA & SI by 2015.

KG-DWN-98/2 - Initial in-place gas: 4.85 tcf (>130 BCM); Envisaged peak production: 22 mmscmd. Field to be developed by 2016-17.

Eight additional wells planned by Dec.'2013. Drilled 4 wells 2 each in NDA & SDA. All four hydrocarbon bearing.

Mahanadi Basin: 7 appraisal wells planned before establishing commerciality

Daman field Fields (C-23, C-26, B-12, C-24): Development advanced by 4 years. Fields to be on stream by 2014-15

New & Marginal Fields

- ▶ New & marginal fields 58 on production
- ▶ 37 under monetization through 13 projects

G-1 & GS-15	G-1 & GS-15
C-Series	C-22, C-24, C-39-1, C-39-A
B-22 Cluster	B-22A, BS-13A, B-149A
B-46 Cluster	B-46, B-48, B-105, B-188
B-193 Cluster	B-193A, B-23AA, B-127A, B-178A, B-179A
North Tapti	North Tapti
D-1 (additional)	NBP (D-1)
Cluster-7	B-192-1, B-192,5, B-192-8, WO-24
BHE & BH-35	BHE & BH-35
WO-16-Cluster	WO-5, WO-15, WO-16, B-119/121
SB-14 field	SB-14
B-127 Cluster	B-127, B-157, B-55-5
C-26 cluster	C-26, C-23, B-12-1

More than 280 MMT of proved developed reserves

Investment:
> Rs. 34,230 Crore

Production:
Oil : ~ 40 MMT
Gas : ~ 64 BCM

Starting from FY'14 all the fields to be on stream by 2015

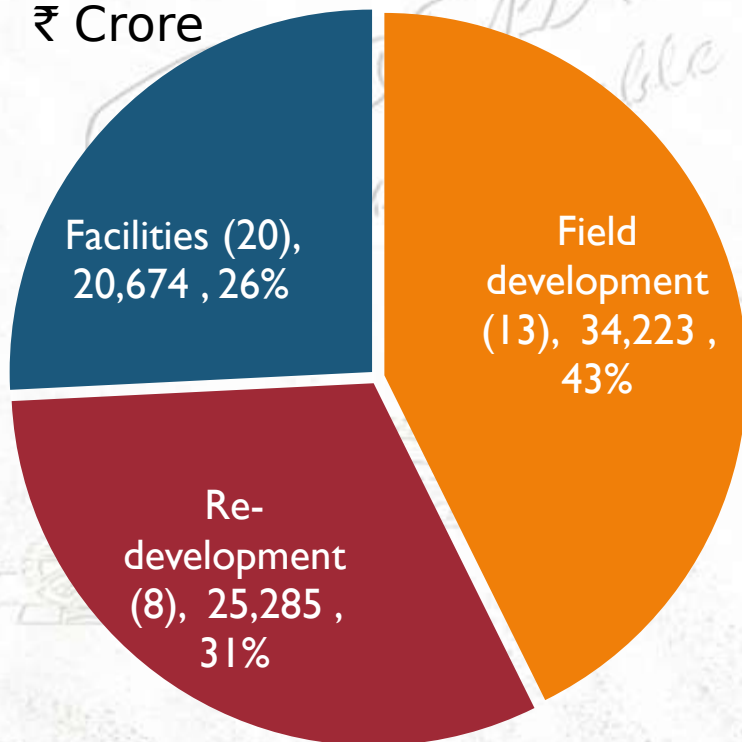
Current Projects

41 projects with total approved cost = ₹ 80,181 Crore

Offshore: ₹ 64,640 Crore

Onshore: ₹ 15,541 Crore

₹ Crore



Estimated production

Natural Gas: 89 BCM

Crude oil: 106 MMT

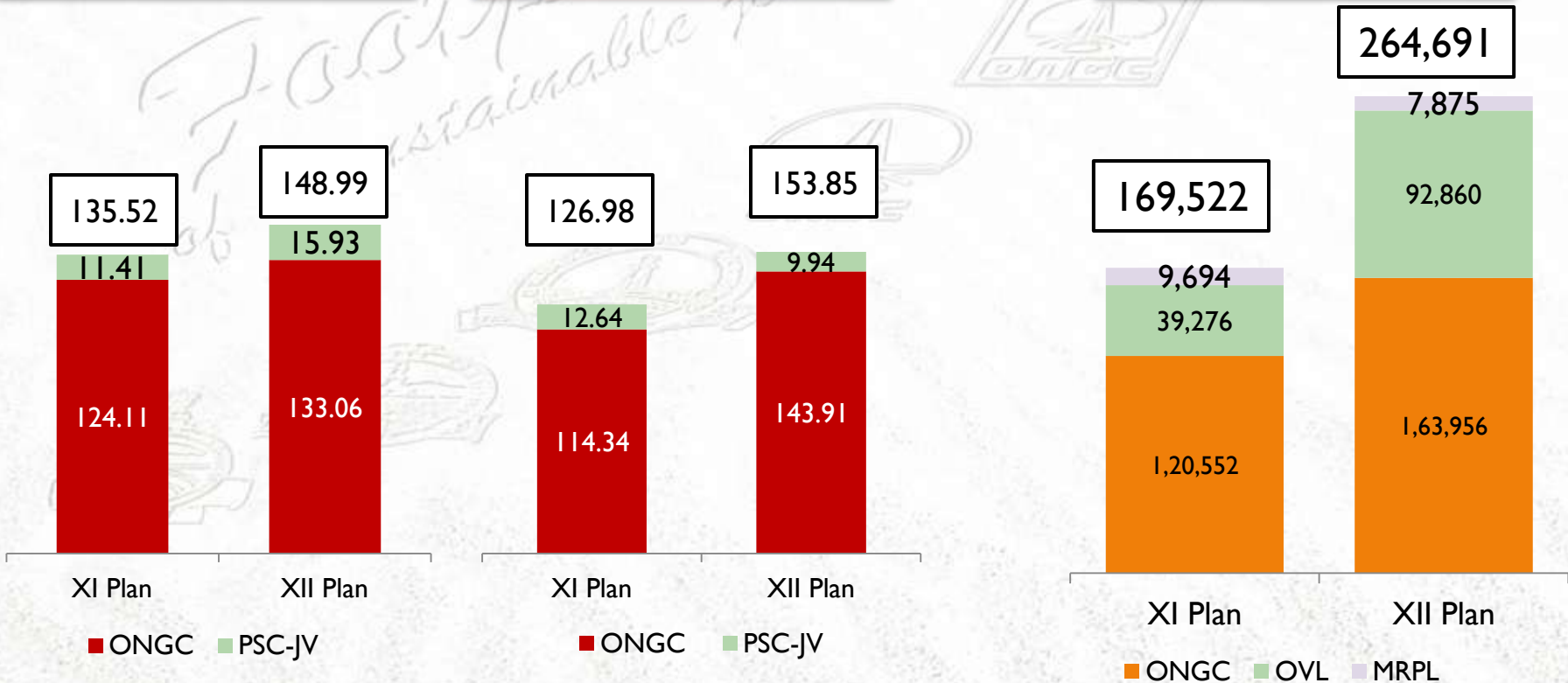
12th Plan outlay

▶ ONGC Group 12th Plan outlay: ₹ 264,692 Crore

Oil Production (MMT)

Gas Production (BCM)

Plan outlay (₹Crore)





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Unconventional

Shale gas

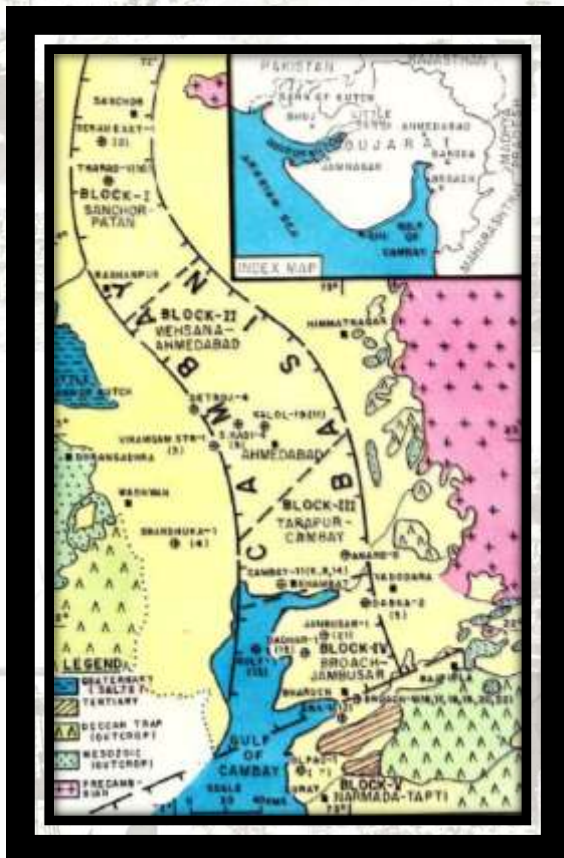
ONGC the first to establish Shale gas presence in India

First Pilot Project in Damodar valley. Resource estimation in Damodar valley about 35 tcf with 8 tcf recoverable.

Plans to explore Cambay, KG, Cauvery & Bengal basins in alliance with ConocoPhillip in India and overseas.

Supported Govt. of India in assessing shale gas potential in the country.

To start a Pilot project in Cambay in collaboration with ConocoPhillips



Coal Bed Methane (CBM)

Operating in 4 blocks Jharia, Bokaro, North Karanpura & Raniganj



In-place reserves of 76 BCM established. FDP submitted for the blocks approvals awaited.

Production commenced in 2010. Current incidental production 8,000-10,000 scmd from Jharia block.

- ▶ Farming-in for faster exploitation
 - ▶ Jharia: DART (25%) & CCLE (10%)
 - ▶ Raniganj: GEECL (25%) & DART (10%)
 - ▶ North Karanpura: DART (25%) & M/s Prabha Energy (10%)
 - ▶ Bokaro: DART (25%) & MMS (10%)

Setting up JV for Offshore Wind Farms for electricity generation of 15GW



- ▶ 51 MW onland wind farm commissioned in 2008
- ▶ Another 102 MW onland wind farm being set up with investment of ₹ 678 Crore.
- ▶ Scheduled completion March, 2014

Value-chain integration chasing the molecules



Refining

Petrochemicals

LNG



Power

CGD

Fertilizer



ONGC-Titans Power Company (P) Ltd.



OPAL

Value-chain Integration

- ▶ Besides existing/ ongoing projects ONGC has plans to integrate in value chain through 5 dedicated verticals

- 1 Refining
- 2 Petrochemicals
- 3 Fertilizer
- 4 LNG & Gas business
- 5 Power



Build non-E&P business
to 30% of group
Revenue

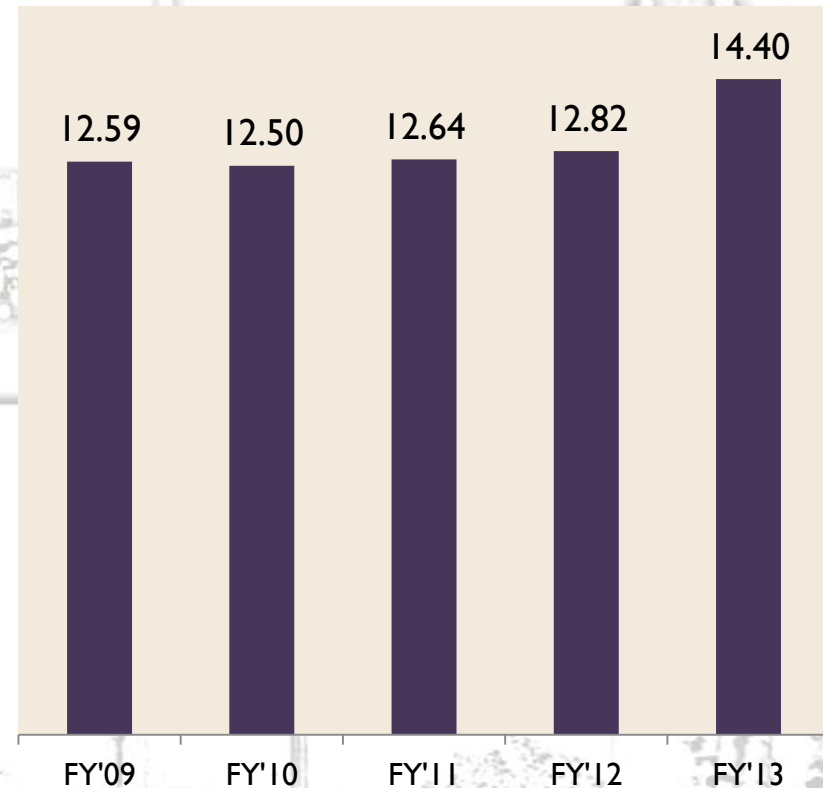
Refining: MRPL

- ▶ Highest-ever thru'put

15 MMTPA state-of-art Refinery



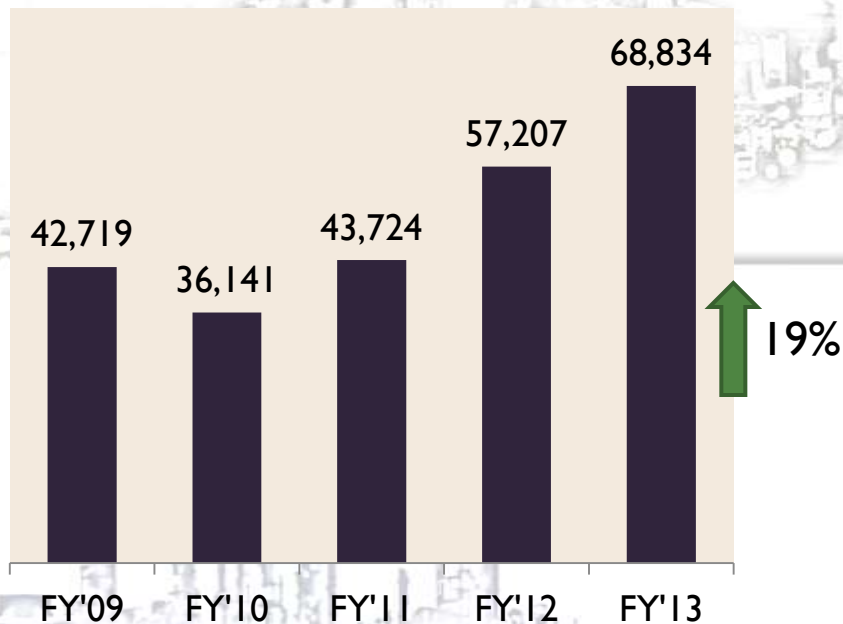
Thru'put (MMT)



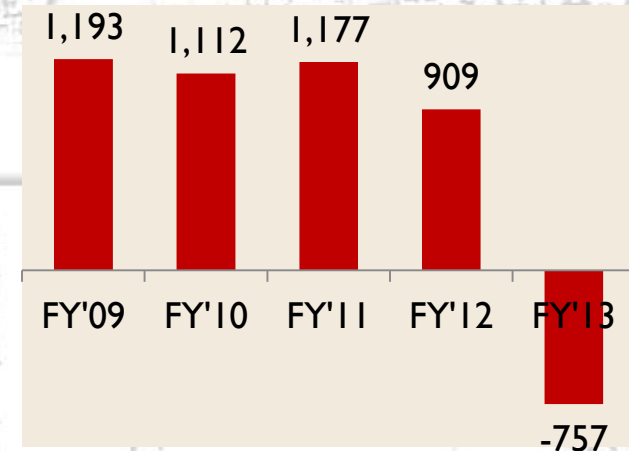
► Highest-ever Turnover

Negative PAT due to Inventory & exchange losses

Turnover (₹ Crore)



Profit after Tax (₹ Crore)



Refining & Marketing

- ▶ Refinery business growth through expansion, Green-field projects and merger & acquisitions



- MRPL Refinery Expansion to 18 & 21 MMTPA
- Green Field Refinery Barmer
 - ONGC equity stake in project under discussion after HPCL's MOU with GoR
- Merger & Acquisition opportunity being explored for upcoming refinery. Considering strategic stake.
- Considering the existing approval for Retail outlets (ROs) for ONGC (1100) & MRPL (500), ONGC to gear up for Marketing of petroleum product from MRPL

Petrochemicals



ONGC Petro-additions Ltd.(OPaL)

One of the biggest Petrochemical Plants in Asia

ONGC -26%; GSPC-5%; GAIL-15.5%. Balance to be tied up from strategic partners/FI/IPO

- ▶ 1.1 MMTPA Ethylene Cracker & Polymer plant; Utilizing in-house production of Naptha and C2-C3 from various units of ONGC.

- ▶ Project cost: ₹21,396 Crore
- ▶ ONGC's Investment: ₹ 1,669 Crore

- ▶ Scheduled completion Jan'2014



ONGC Mangalore Petrochemicals Ltd.

Value-addition project to monetize MRPL's Aromatic stream

ONGC-46%; MRPL-3%
Balance to be tied-up

- ▶ Project cost: ₹ 5,750 Crore
- ▶ ONGC's Investment: ₹ 794 Crore

- ▶ Scheduled completion Q3, 2013

Planned Petrochemical Projects

- ▶ 120 KTPA LAB plant, integrating Kerosene from refinery & Benzene from Petrochemical Complex OMPL (approx USD 404 million) under consideration
- ▶ OMPL to tie-up long-term sale of Paraxylene and Benzene with off-takers interested in setting up PTA & Phenol plants with option of OMPL's equity participation.
- ▶ ONGC along with its partner GAIL is examining viability of implementing a 100 KTPA PBR project by utilizing Butadiene, available from OPaL, as feedstock
- ▶ Ethylene Cracker' and Pet-coke gasification project at MRPL

Fertilizer

- ▶ ONGC Urea Fertilizer Plant at Tripura by early monetizing 'Khubal' gas. MoU with Chambal Fertilizers & Chemicals



MOU with Chambal Fertilizers & Chemicals and Government of Tripura on April 9, 2013

JV Company being incorporated. Feasibilities studies started.

Estimated project cost ₹ 5,000 Crore. Planned commissioning September 2017.

Planned ventures in LNG & Power

LNG

- ▶ R-LNG Terminal at Mangalore along with Mitsui & BPCL (5.0 mmtpa)
- ▶ Pursuing sourcing greenfield/ brownfield opportunities globally
- ▶ CGD – MOU with BPCL to target organic growth

Power

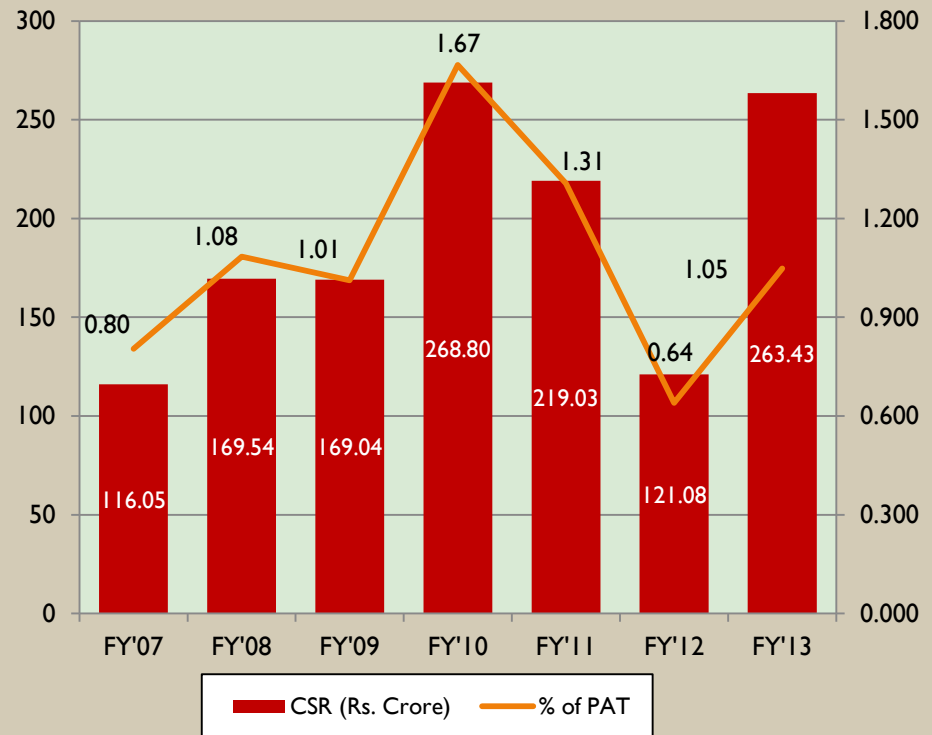
- ▶ Over 6.5 GW of equity share in alternative energy power generation across nuclear, solar and wind

Corporate Social Responsibility

Focus Areas

- Education
- Women empowerment
- Health care
- Entrepreneurship devel.
- Infrastructure devel.
- Care for differently abled
- Water management
- Environment protection
- Promotion of artisans
- Promoting sports

CSR Expenditure Rs. 1,327 Crore in last 7 years



ONGC pursuing major projects - setting up Educational Institutes, Hospitals, Wind farm



Thank you