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**Statement Pursuant to Section 212
of the Companies act, 1956**

ONGC Group Performance at A Glance

Auditors' Report - ONGC Group

Consolidated Financial Statement of ONGC Group

**Statement Pursuant to Section 212 of The Companies Act,
1956, Relating to Company's interest in The Subsidiaries**

Sl. No.	Name of the Subsidiaries	1. The Financial Year of the Subsidiary ends on	2. Date from which it became Subsidiary	3.(a) Number of shares held by Oil and Natural Gas Corporation Ltd. in the Subsidiary at the end of the financial year of the Subsidiary*
1	ONGC Videsh Limited	31 st March, 2014	1 st February, 1994	100,000,000 Equity shares of Rs. 100 each
2	Mangalore Refinery and Petrochemicals Limited	31 st March, 2014	30 th March, 2003	1,255,354,097 Equity shares of Rs. 10 each
3	ONGC Nile Ganga B.V.	31 st March, 2014	12 th March, 2003	40 Class "A" & 100 Class "B" shares of Euro 453.78 each & 880 Class "C" Shares of Euro 1 each directly, rest 720 Class "C" shares are held by OMEL which is JV Company of OVL & Mittal Investment Sarl (MIS)
4	ONGC Narmada Limited	31 st March, 2014	7 th December, 2005	20 Million shares of one Naira each
5	ONGC Amazon Alaknanda Limited	31 st March, 2014	8 th August, 2006	12,000 Equity & 227,216,319 Preference shares of one USD each
6	ONGC Campos Ltda.	31 st December, 2013	16 th March, 2007	667,644,626 quotas of BRL 1 each
7	ONGC Nile Ganga (Cyprus) Ltd.	31 st December, 2013	26 th November, 2007	242,191 Shares of 0.01 USD each
8	ONGC Nile Ganga (San Cristobal) B.V.	31 st March, 2014	29 th February, 2008	54,000 shares of Euro 1 each
9	ONGC Satpayev E & P B.V.	31 st December, 2013	7 th June, 2010	18,000 shares of Euro 1 each
10	ONGC Caspian E & P B.V.	31 st March, 2014	7 th June, 2010	36,000 shares of Euro 1 each
11	Imperial Energy Limited (previously known as Jarpeno Limited)	31 st March, 2014	12 th August, 2008	1,450 Equity shares of 1 USD each & 192,210 Optionally Convertible Redeemable Preference shares of USD 1 each
12	Biancus Holdings Limited	31 st March, 2014	13 th January, 2009	1,000 shares of 1.71 EUR each
13	San Agio Investments Limited	31 st March, 2014	13 th January, 2009	1,000 shares of 1.71 EUR each
14	Redcliffe Holdings Limited	31 st March, 2014	13 th January, 2009	2,620 shares of 1 USD each
15	Imperial Energy Nord Limited	31 st March, 2014	13 th January, 2009	25,920 shares of 1 USD each
16	Imperial Energy (Cyprus) Limited	31 st March, 2014	13 th January, 2009	25,720 shares of 1 USD each
17	Imperial Energy Tomsk Limited	31 st March, 2014	13 th January, 2009	2,411 shares of 1 USD each
18	Imperial Frac Services (Cyprus) Limited	31 st March, 2014	13 th January, 2009	1,000 shares of 1.71 EUR each
19	LLC Nord Imperial	31 st December, 2013	13 th January, 2009	Full charter capital 300,000 RUR
20	LLC Allianceneftegaz	31 st December, 2013	13 th January, 2009	Full charter capital 50,000 RUR
21	LLC Sibinterneft	31 st December, 2013	13 th January, 2009	Charter capital 55,900 RUR
22	LLC Rus Imperial Group	31 st December, 2013	13 th January, 2009	Full charter capital 100,000 RUR
23	Carabobo One AB	31 st March, 2014	25 th February, 2010	377,678 ordinary shares of SEK 100 each
24	Petro Carabobo Ganga B.V.	31 st March, 2014	26 th February, 2010	18,000 shares of 1 Euro each 2,000 Cumulative Preference Shares (5.25%) of Euro 1 each
25	ONGC (BTC) Limited	31 st March, 2014	28 th March, 2013	8,000,001 shares of 1 USD each
26	BREML	31 st March, 2014	7 th January, 2014	7,680 shares of No Par value

*At the closing rate of exchange, there is a Foreign Exchange Translation Reserve of ₹ 22,232.44 million, which has not been adjusted.

(N K Sinha)
Company Secretary

(A K Banerjee)
Director (Finance)

(D K Sarraf)
Chairman & Managing Director

3.(b) Extent of interest of Holding Company at the end of the financial year of the Subsidiary	4. The net aggregate amount of the Subsidiary's Profit/(Loss) so far it concerns the members of the Holding Company:			
	4.(a) Not dealt within the Holding Company's accounts		4.(b) Dealt within the Holding Company's accounts:	
	4.(a)(i) For the period 1 st April, 2013 to 31 st March, 2014 (₹ in million)	4.(a)(ii) For the previous period(s) of the Subsidiary since it became the Holding Company's Subsidiary (₹ in million)	4.(b)(i) For the period 1 st April, 2013 to 31 st March, 2014 (₹ in million)	4.(b)(ii) For the previous period(s) of the Subsidiary since it became the Holding Company's Subsidiary (₹ in million):
100%	25,140.49	108,380.09	-	1,050.00
71.63%	6,011.82	39,424.96	-	9,164.06
" Class A & B 100% Class C 77.491% "	32,253.37	84,556.00	-	15,966.28
100%	(1.81)	(1,387.19)	-	-
100%	7,273.93	27,188.73	-	-
100%	(1,547.83)	(812.12)	-	-
100%	239.24	632.53	-	-
100%	7,576.13	19,662.32	-	-
100%	(0.25)	(0.76)	-	-
100%	281.25	186.01	-	-
100%	(209.26)	(20,015.88)	-	-
100%	(27.22)	100.13	-	-
100%	(15.72)	18.67	-	-
100%	(1.81)	(172.95)	-	-
100%	1.21	(1,325.40)	-	-
100%	(1.81)	(1,012.18)	-	-
100%	(1.81)	(122.12)	-	-
100%	22.98	(4.01)	-	-
100%	(648.95)	(17,587.96)	-	-
100%	(2,717.97)	(6,298.12)	-	-
55.9%	(221.36)	(768.16)	-	-
100%	(663.47)	(1,724.30)	-	-
100%	(4.72)	(155.19)	-	-
100%	(36.17)	(19.56)	-	-
1.00	918.69	-	-	-
60%	29.03	-	-	-

ONGC Group Performance at a Glance

(₹ in million unless otherwise stated)	2013-14	2012-13	2011-12	2010-11
FINANCIAL				
Income from Operations	1,782,051	1,658,482	1,511,003	1,252,873
Other Non-operating Income	68,937	54,907	47,934	37,180
Total Revenue	1,850,988	1,713,389	1,558,937	1,290,053
Statutory Levies	299,175	284,369	269,402	247,631
Operating Expenses	901,396	824,465	639,629	488,606
Exchange Loss/(Gain)	(650)	4,206	11,925	42
Exploration costs written off *	84,881	110,457	105,136	92,620
Profit Before Interest, Depreciation & Tax (PBIDT)	566,186	489,892	532,845	461,154
Depreciation, Depletion, Amortisation and Impairment	165,809	117,633	131,866	113,644
Profit Before Interest & Tax (PBIT)	400,377	372,259	400,979	347,510
Interest Payment	6,243	4,838	4,349	4,377
Profit before Tax and Exceptional Items	394,134	367,421	396,630	343,133
Exceptional item	-	-	31,405	-
Profit before Tax	394,134	367,421	428,035	343,133
Corporate Tax	127,604	127,519	143,746	114,883
Profit after Tax	266,530	239,902	284,289	228,250
Share in Associates for the year	118	38	(11)	30
Profit relating to minority	1,583	(2,256)	2,842	3,720
Group Profit after Tax	265,065	242,196	281,436	224,560
Dividend	81,277	81,277	83,416	74,859
Tax on Dividend	13,842	13,053	13,611	12,528
Share Capital	42,778	42,778	42,778	42,778
Net Worth (Equity)	1,710,550	1,510,417	1,352,666	1,145,312
Long-term Borrowings	316,810	88,428	52,086	39,771
Working Capital	(45,799)	63,899	96,213	75,237
Capital Employed	1,447,992	1,183,203	1,003,223	909,267
FINANCIAL PERFORMANCE RATIOS				
PBIDT to Turnover (%)	31.77	29.54	35.26	36.81
PBDT to Turnover (%)	31.42	29.25	34.98	36.46
Profit Margin (%) - incl. exceptional items	14.87	14.60	18.63	17.92
ROCE(PBIDT to Capital Employed) (%)	39.10	41.40	53.11	50.72
Net Profit to Equity (%) - incl. exceptional items	15.50	16.04	20.81	19.61
BALANCE SHEET RATIOS				
Current Ratio	0.93:1	1.13:1	1.21:1	1.21:1
Debt Equity Ratio	0.19	0.06	0.04	0.03
Debtors Turnover Ratio (Days)	32.83	33.88	28.31	29.05
PER SHARE DATA				
Earning Per Share (₹)	30.98	28.31	32.90	26.25
Dividend (%)	190	190	195	175
Book Value Per Share (₹)	200	177	158	134

* Exploration Costs written off towards Survey & Dry Wells have been regrouped from Depreciation, Depletion and Amortization since these represents cash expenditure and shown as a separate item.

In view of the Notification no. S.O 447(E) dated 28.02.2011, issued by Ministry of Corporate Affairs, the Balance sheet of the Company is mandatorily required to be prepared in Revised Schedule VI w.e.f 1st April, 2011 onwards. Accordingly, the figures of FY 2013-14, FY 2012-13, 2011-12 and FY 2010-11 are given as per the requirement of Revised Schedule VI and earlier years figures are as per Old Schedule VI.

ONGC Group Performance at a Glance

(₹ in million unless otherwise stated)	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
FINANCIAL						
Income from Operations (Gross)	1,085,787	1,105,621	1,036,483	898,872	755,854	630,663
Statutory Levies	213,391	229,963	240,025	216,411	175,823	155,922
Operating Expenses	407,693	430,150	374,072	307,502	255,258	186,967
Exchange Loss/(Gain)	(10,671)	11,716	1,018	(2,675)	(463)	203
Profit Before Interest Depreciation & Tax (PBIDT)	475,374	433,792	421,368	377,634	325,236	287,571
Recouped Costs	187,391	155,705	139,533	124,154	103,549	73,940
Operating Income (PBIT)	287,983	278,087	281,835	253,480	221,687	213,631
Interest (Net)	(16,431)	(32,950)	(27,375)	(19,241)	(11,715)	(10,991)
Profit before Tax and Extraordinary Items	304,414	311,037	309,210	272,721	233,402	224,622
Extraordinary Items- Excess of Insurance Claims over Book Value	-	658	-	4,751	6,405	-
Profit before Tax	304,414	311,695	309,210	277,472	239,807	224,622
Corporate Tax	107,138	110,094	106,999	98,454	84,932	79,416
Profit after Tax	197,276	201,601	202,211	179,018	154,875	145,206
Share in Associates for the year	78	99	21	102	107	114
Profit relating to minority	3,319	3,747	3,509	1,424	1,006	1,930
Group Profit after Tax	194,035	197,953	198,723	177,696	153,976	143,390
Dividend	70,583	68,444	68,444	66,305	64,167	57,535
Tax on Dividend	11,992	12,017	12,014	10,383	9,172	8,156
Share Capital	21,389	21,389	21,535	21,416	14,259	14,259
Net Worth (Equity)	1,005,653	915,729	774,127	661,994	564,017	480,583
Borrowings	51,769	13,091	9,427	12,964	22,342	23,870
Working Capital	192,787	172,257	240,202	202,408	173,164	135,348
Capital Employed	869,009	752,781	693,329	618,263	513,037	430,333
FINANCIAL PERFORMANCE RATIOS						
PBIDT to Turnover (%)	43.78	39.2	40.7	42.0	43.0	45.6
PBDT to Turnover (%)	45.29	42.2	43.3	44.2	44.6	47.3
Profit Margin (%) - incl. extraordinary items	17.87	17.9	19.2	19.8	20.4	22.7
ROCE(PBIDT to Capital Employed) (%)	54.70	57.6	60.8	61.1	63.4	66.8
Net Profit to Equity (%) - incl. extraordinary items	19.29	21.6	25.7	26.8	27.3	29.8
BALANCE SHEET RATIOS						
Current Ratio	1.38:1	1.31:1	1.75:1	1.79:1	1.97:1	1.74:1
Debt Equity Ratio	0.05	0.01	0.01	0.02	0.04	0.05
Debtors Turnover Ratio (Days)	24	24	25	20	21	27
PER SHARE DATA						
Earning Per Share (Rs.) - before extraordinary items*	22.68	23.09	23.23	20.40	17.50	16.76
Earning Per Share (Rs.) - after extraordinary items*	22.68	23.14	23.23	20.77	18.00	16.76
Dividend (%)	330	320	320	310	450	400
Book Value Per Share (Rs.)*	118	107	90	77	66	56

*restated Post Bonus & split

Statement of Income and Retained Earnings of ONGC Group

(₹ in million)	2013-14	2012-13	2011-12	2010-11
REVENUES				
Sales				
Crude Oil	654,451	621,576	640,041	558,993
Natural Gas	194,172	174,558	151,320	135,329
LPG	30,145	31,484	23,711	18,368
Naptha	75,743	76,805	72,167	56,342
Ethane/Propane	14,837	13,440	12,741	8,796
Superior Kerosene Oil	2,779	3,686	1,520	679
HSD	522	170	103	134
Motor Spirit	-	-	30	-
Others	797,037	727,355	599,982	447,972
Price Revision Arrears	-	-	-	-
Sub- Total	1,769,686	1,649,074	1,501,615	1,226,613
Traded Products	44	43	34	172
Other Operating Revenue	12,321	9,365	9,354	26,088
Total Revenue from Operations	1,782,051	1,658,482	1,511,003	1,252,873
Other Non-operating Income	68,937	54,907	47,934	37,180
Total Revenues	1,850,988	1,713,389	1,558,937	1,290,053
COST & EXPENSES				
Statutory Levies				
(a) Royalties	150,102	137,210	155,316	126,529
(b) OIBD Cess	99,734	99,971	57,831	56,963
(c) Motor Spirit Cess	3	-	-	-
(d) Excise Duty	37,432	34,732	37,427	51,544
(e) Natural Calamity Contingent Duty -Crude Oil	1,097	1,101	1,097	1,114
(f) Sales Tax	3,123	3,834	3,339	3,112
(g) Service Tax	439	353	8,337	2,018
(h) Education Cess	2,348	3,111	1,871	1,828
(i) Octroi & Port Trust Charges	4,897	4,057	4,184	4,523
Sub-Total (a to i)	299,175	284,369	269,402	247,631
(Accretion)/Decretion in stock	(7,193)	(11,205)	(4,641)	(8,917)
Production, Transportation, Selling and Distribution Expenditure	900,449	813,428	632,912	487,776
Provisions and Writ-offs	10,563	22,243	11,599	9,635
Exchange Loss	(650)	4,206	11,925	42
Adjustments relating to Prior Period (Net)	(2,423)	(1)	(241)	112
Exploration Costs Written off				
- Survey Costs	17,471	18,078	14,947	19,542
- Exploratory Well Costs	67,410	92,379	90,189	73,078
Profit Before Depreciation, Interest & Tax	566,186	489,892	532,845	461,154
Depreciation, Depletion, Amortisation and Impairment	165,809	117,633	131,866	113,644
Total Cost & Expenses	1,450,611	1,341,130	1,157,958	942,543
Operating Income Before Interest & Tax	400,377	372,259	400,979	347,510
Interest Payment	6,243	4,838	4,349	4,377
Profit before Tax and Exceptional Items	394,134	367,421	396,630	343,133
Exceptional item	-	-	31,405	-
Profit before Tax	394,134	367,421	428,035	343,133
Corporate Tax (Net)	127,604	127,519	143,746	114,883
Profit after Tax	266,530	239,902	284,289	228,250
Share in Associates for the year	118	38	(11)	30
Profit relating to minority	1,583	(2,256)	2,842	3,720
Group Profit after Tax	265,065	242,196	281,436	224,560
Profit & Loss Account Balance brought forward	205,773	179,959	144,332	116,377
Adjustments due to change in share holding /other adjustment	36	59	44	(137)
Transfer to Capital Redemption Reserve	-	46	46	-
Dividend	81,277	81,277	83,416	74,859
Tax on Dividend	13,842	13,053	13,611	12,528
Transfer to general Reserve	132,250	117,757	144,461	104,773
Transfer to Debenture Redemption Reserve	10,400	4,308	4,319	4,308
Retained Earnings For The Year	233,105	205,773	179,959	144,332

In view of the Notification no. S.O 447(E) dated 28.02.2011, issued by Ministry of Corporate Affairs, the Balance sheet of the Company is mandatorily required to be prepared in Revised Schedule VI w.e.f 1st April, 2011 onwards. Accordingly, the figures of FY 2013-14, FY 2012-13, 2011-12 and FY 2010-11 are given as per the requirement of Revised Schedule VI and earlier years figures are as per Old Schedule VI.

Statement of Income and Retained Earnings of ONGC Group

(₹ in million)	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
REVENUES						
Sales						
Crude Oil	527,312	491,127	543,631	475,295	382,311	299,765
Natural Gas	81,405	82,835	78,560	80,117	73,383	57,759
LPG	21,924	22,752	20,169	14,867	16,279	12,066
Naptha/Aromatic Rich Naptha	47,137	48,406	43,848	37,907	35,679	29,260
Ethane/Propane	10,249	9,890	9,291	9,095	7,401	5,705
Superior Kerosene Oil	3,255	16,701	10,775	15,754	10,605	16,896
HSD	156	61,910	48,621	42,037	23,403	29,277
Motor Spirit	27	11,062	9,159	4,530	3,797	6,846
Others	370,250	349,257	254,297	183,064	188,892	164,217
Price Revision Arrears	-	-	-	11	156	584
Sub- Total	1,061,715	1,093,940	1,018,351	862,677	741,906	622,375
Write Back of Excess Liability	-	-	-	-	-	-
Pipeline Revenue	3,126	5,267	4,644	3,351	3,214	23
Other Receipts	17,217	9,858	12,387	23,029	11,279	6,989
Accretion /(Decretion) in stock	3,729	(3,444)	1,101	9,815	(545)	1,276
Total Revenues	1,085,787	1,105,621	1,036,483	898,872	755,854	630,663
COST & EXPENSES						
Operating, Selling & General						
(a) Royalties	103,561	111,574	121,057	104,558	85,242	65,692
(b) OIBD Cess/ Excise Duty	98,831	103,571	108,838	100,160	76,755	68,556
(c) Natural Calamity Contingent Duty - Crude Oil	1,062	1,081	1,127	1,149	1,080	1,138
(d) Sales Tax	3,734	7,823	2,947	6,009	10,299	17,405
(e) Education Cess *	1,719	1,784	1,861	1,303	-	-
(f) Octroi & Port Trust Charges	4,484	4,130	4,195	3,232	2,447	3,131
(g) VAT	816	800	685	1,063	927	410
Sub-Total (a to g)	213,391	229,963	240,025	216,411	175,823	155,922
Pipeline Operations (Excluding Depreciation)	11,967	10,725	10,343	9,122	7,732	10,320
Other Operating Costs	395,726	419,425	363,729	298,380	247,526	176,647
Exchange Loss/(Gain)	(10,671)	11,716	1,018	(2,675)	(463)	203
Recouped Costs						
(a) Depletion	62,242	55,883	49,259	46,439	34,318	27,802
(b) Depreciation	20,767	21,822	27,874	29,060	28,556	10,223
(c) Amortisation	104,815	81,110	62,837	46,925	41,001	35,774
(d) Impairment	(433)	(3,110)	(437)	1,730	(326)	141
Sub-Total (a to d)	187,391	155,705	139,533	124,154	103,549	73,940
Total Cost & Expenses	797,804	827,534	754,648	645,392	534,167	417,032
Operating Income Before Interest & Tax	287,983	278,087	281,835	253,480	221,687	213,631
Interest						
- Payments	5,564	2,386	1,135	1,906	1,597	1,644
- Receipts	21,995	35,336	28,510	21,147	13,312	12,635
Net Interest	(16,431)	(32,950)	(27,375)	(19,241)	(11,715)	(10,991)
Profit before Tax and Extraordinary Items	304,414	311,037	309,210	272,721	233,402	224,622
Extraordinary Items- Excess of Insurance Claims over Book Value	-	658	-	4,751	6,405	-
Profit before Tax	304,414	311,695	309,210	277,472	239,807	224,622
Corporate Tax (Net)	107,138	110,094	106,999	98,454	84,932	79,416
Profit after Tax	197,276	201,601	202,211	179,018	154,875	145,206
Share in Associates for the year	78	99	21	102	107	114
Profit relating to minority	3,319	3,747	3,509	1,424	1,006	1,930
Group Profit after Tax	194,035	197,953	198,723	177,696	153,976	143,390
Profit & Loss Account Balance brought forward	93,335	58,990	28,795	8,848	1	1
Adjustments	(21)	(107)	-	-	-	-
Dividend	70,583	68,444	68,444	66,305	64,167	57,535
Tax on Dividend	11,992	12,017	12,014	10,383	9,172	8,156
Retained Earnings For The Year	204,774	176,375	147,060	109,856	80,638	77,700

* upto 2005-06 Education Cess is included in respective heads of levies

Statement of Financial Position of ONGC Group

(₹ in million)	2013-14	2012-13	2011-12	2010-11
RESOURCES				
A. Own				
Net Worth				
(a) Equity				
i) Share Capital	42,778	42,778	42,778	42,778
ii) Reserves & Surplus	1,678,732	1,482,498	1,321,614	1,110,495
Sub-Total	1,721,510	1,525,276	1,364,392	1,153,273
(b) Less: Miscellaneous Expenditure	10960	14,859	11,726	7,961
Net Worth	1,710,550	1,510,417	1,352,666	1,145,312
B. Long-term Borrowings	316,810	88,428	52,086	39,771
C. Deferred Tax Liability (Net)	178,635	142,251	121,846	111,526
D. Minority Interest	29,126	19,466	22,240	19,891
TOTAL RESOURCES (A+B+C+D)	2,235,121	1,760,562	1,548,838	1,316,500
DISPOSITION OF RESOURCES				
A. Non-current assets				
1. Fixed Assets(Net)				
i) Tangible assets	462,254	406,745	306,080	266,924
ii) Producing Properties	912,681	705,395	608,004	571,896
iii) Intangible assets	754	1,041	1,364	1,735
Total Block Capital	1,375,689	1,113,181	915,448	840,555
2. Goodwill on consolidation	183,545	83,255	77,976	89,928
3. Long-term Loans and Advances(Excluding Capital Advance)	82,876	67,002	51,029	58,250
4. Deposit with Bank Under Site Restoration Fund Scheme	120,830	106,349	94,753	81,262
5. Other non-current Assets (Excluding DRE)	53,474	19,642	20,302	5,619
6. Sub-Total = (1+2+3+4+5)	1,816,414	1,389,429	1,159,508	1,075,614
7. Less: Non-current Liabilities				
a) Other Long Term Liabilities	18,525	17,163	10,758	9,731
b) Liability for Abandonment Cost	274,266	207,255	203,982	198,469
c) Long Term Provisions	29,832	45,707	37,758	33,384
Sub-Total (7)	322,623	270,125	252,498	241,584
Net Non Current Asset (A)=(6)-(7)	1,493,791	1,119,304	907,010	834,030
B. Net Working Capital				
1. Current Assets				
i) Inventories	148,015	127,726	131,680	85,676
ii) Trade Receivables	160,284	153,956	117,181	99,730
iii) Cash & Cash equivalents	244,801	196,190	278,914	208,158
iv) Short-term Loans & Advances	68,199	59,766	52,210	40,124
v) Others Current Assets (Excluding DRE)	6,422	9,082	19,643	5,955
Sub-Total	627,721	546,720	599,628	439,643
Less:				
2. Current Liabilities				
i) Short-term borrowings	139,073	115,271	100,538	20,843
ii) Trade payables	306,783	186,148	176,036	155,863
iii) Other current liabilities	218,194	170,869	202,917	176,615
iv) Short-term provisions	9,470	10,533	23,924	11,085
Sub-Total	673,520	482,821	503,415	364,406
Net Working Capital	(45,799)	63,899	96,213	75,237
C. Capital Employed	1,447,992	1,183,203	1,003,223	909,267
D. Investments				
i) Non-current Investments	47,205	20,453	20,412	28,920
ii) Current Investments	254	829	8,795	2,080
E. Capital Works in Progress (Including Capital Advance)	557,603	419,676	399,855	273,854
F. Exploratory/Development Wells in Progress	182,067	136,401	116,553	102,379
TOTAL DISPOSITION (C+D+E+F)	2,235,121	1,760,562	1,548,838	1,316,500

In view of the Notification no. S.O 447(E) dated 28.02.2011, issued by Ministry of Corporate Affairs, the Balance sheet of the Company is mandatorily required to be prepared in Revised Schedule VI w.e.f 1st April, 2011 onwards. Accordingly, the figures of FY 2012-13, 2011-12 and FY 2010-11 are given as per the requirement of Revised Schedule VI and earlier years figures are as per Old Schedule VI.

(₹ in million)	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
RESOURCES						
A. Own						
1. Net Worth						
(a) Equity						
i) Share Capital	21,389	21,389	21,535	21,416	14,259	14,259
ii) Reserves & Surplus	992,677	900,846	759,331	645,719	553,421	471,941
Sub-Total	1,014,066	922,235	780,866	667,135	567,680	486,200
(b) Less: Deferred Revenue Expenditure	8,413	6,506	6,739	5,141	3,663	5,617
Net Worth	1,005,653	915,729	774,127	661,994	564,017	480,583
2. Long Term Liabilities						
Net Deferred Tax Liability	102,912	92,231	87,376	81,119	71,633	57,894
Total Own Funds (1 + 2)	1,108,565	1,007,960	861,503	743,113	635,650	538,477
B. Minority Interest	16,432	14,113	11,448	8,321	7,230	6,204
C. Outside						
1. Unsecured Loans						
a) Indian Loans	34,550	6,015	2,079	1,881	1,745	1,643
b) Foreign Loans	10,260	1,492	1,458	4,526	13,181	11,718
Total Unsecured Loans	44,810	7,507	3,537	6,407	14,926	13,361
2. Secured Loans	6,959	5,584	5,890	6,557	7,416	10,509
Total Outside Resources	51,769	13,091	9,427	12,964	22,342	23,870
TOTAL RESOURCES (A+ B+C)	1,176,766	1,035,164	882,378	764,398	665,222	568,551
DISPOSITION OF RESOURCES						
A. Goodwill on consolidation	95,385	114,039	25,777	30,616	17,103	13,683
B. Block Capital						
1. Fixed Assets	243,762	184,956	193,961	185,355	138,806	116,689
2. Producing Properties (Gross)	511,665	452,980	362,714	351,741	312,639	245,554
Less: Liability for Abandonment Cost	174,590	171,451	129,325	151,857	128,675	80,941
Total Block Capital	580,837	466,485	427,350	385,239	322,770	281,302
C. Working Capital						
a) Current Assets						
i) Inventories	82,400	65,424	72,985	58,744	49,432	43,730
ii) Debtors (Net of Provision)	71,424	71,814	70,469	48,167	44,271	47,091
iii) Cash & Bank Balances	149,704	156,331	186,525	150,653	45,721	66,035
iv) Deposit with Bank Under Site Restoration Fund Scheme#	74,138	69,624	64,034	56,103	45,336	36,180
v) Loans & Advances and Others	127,998	143,953	81,332	74,738	120,683	77,192
Sub-Total	505,664	507,146	475,345	388,405	305,443	270,228
Less:						
(b) Current Liabilities and Provisions and Short Term Loans	312,877	334,889	235,143	185,997	132,279	134,880
Working Capital	192,787	172,257	240,202	202,408	173,164	135,348
D. CAPITAL EMPLOYED	869,009	752,781	693,329	618,263	513,037	430,333
E. INVESTMENTS	51,593	34,803	44,821	35,832	35,579	26,555
F. CAPITAL WORKS IN PROGRESS	176,039	165,222	86,351	64,055	76,292	87,775
G. EXPLORATORY/DEVELOPMENT WELLS IN PROGRESS	80,125	82,358	57,877	46,248	40,314	23,888
TOTAL DISPOSITION	1,176,766	1,035,164	882,378	764,398	665,222	568,551

Excluded for Current Ratio.

Auditors' Report - ONGC Group

To
The Board of Directors
Oil and Natural Gas Corporation Limited

1. Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Oil and Natural Gas Corporation Limited ("the Company") and its subsidiaries, joint ventures and associate (hereinafter referred to as "Group"), which comprise the consolidated Balance Sheet as at March 31, 2014, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our

audit opinion.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the audit reports of the other auditors in case of audited financial statements and management certified accounts in case of unaudited financial statements referred to in "Other Matters" below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014;
- in the case of the consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and
- in the case of the consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

5. Emphasis of Matter

We draw attention to Note No. 45.2.4 with regard to the dispute between the company and the Government of Gujarat in respect of payment of Royalty on the crude oil produced in the State. The accrual of the additional liability of ₹ 1,16,326.96 millions, which also includes an amount of ₹ 2,092.23 millions paid with effect from February 1, 2014 and considered as deposit, would depend on the decision of the Hon'ble Supreme Court of India. The amount of ₹ 1,16,326.96 millions has been disclosed as contingent liability.

Our opinion is not qualified in respect of this matter.

6. Other Matters

i. The consolidated financial statements include the Company's share in the total value of assets, liabilities, expenditure and income of 135 blocks under New Exploration Licensing Policy (NELPs) / Joint Venture (JVs) accounts for exploration and production out of which 8 NELPs / JVs accounts have been certified by other firms of Chartered Accountants and 11 NELP / JVs have been certified by the management in respect of NELPs / JVs operated by other operators. Our opinion is based solely on the reports of the other auditors and management certified accounts

ii. We did not audit the consolidated financial statements of Mangalore Refinery and Petrochemicals Limited (MRPL), a subsidiary, whose consolidated financial statements reflect total assets of ₹ 3,96,184.94 million as at March 31, 2014, total revenues of ₹ 7,18,744.06 million and net cash inflows amounting to ₹ 90,971.86 million for the year then ended. These consolidated financial statements and other financial information of MRPL have been audited by other auditors whose audit report has been furnished to us by the Management, and our opinion is based solely on the report of those auditors. These consolidated financial statements includes total assets of ₹ 3,562.74 million as at March 31, 2014, total

Auditors' Report - ONGC Group

revenues of ₹ 6,624.37 million and net cash inflows amounting to ₹ 585.66 million of Shell MRPL Aviation Fuel and Services Limited, a Joint Venture company of MRPL, whose financial statements have been audited by auditor other than the auditors of MRPL.

- We did not audit the consolidated financial statements of ONGC Videsh Limited (OVL), a subsidiary, whose consolidated financial statements reflect total assets of ₹ 9,42,986.92 million as at March 31, 2014, total revenues of ₹ 2,22,242.00 million and net cash outflows amounting to ₹ 22,232.89 million for the year then

ended. These consolidated financial statements and other financial information of OVL have been audited by other auditors whose audit report has been furnished to us by the Management, and our opinion is based solely on the report of those auditors.

These consolidated financial statements of OVL comprise of:

- The consolidated financial statements of the following Subsidiaries/Joint Venture Company which are prepared under respective local laws /Production Sharing Contract/Joint Operating Agreement:

I. Subsidiaries audited by local firm of auditors:

(₹ in million)

Name of the Subsidiary	Total Assets as at 31.03.2014	Total Liabilities as at 31.03.2014	Total Revenue for the year ended 31.03.2014	Profit/ (loss) after tax for tax for the year ended March 31, 2014 (Consolidated)
ONGC Nile Ganga B.V.	2,49,853.29	66,575.02	84,904.51	10,794.29
ONGC Amazon Alaknanda Limited	52,231.18	4,916.66	21,244.42	7,290.88
Imperial Energy Limited (Earlier Jarpeno Limited)	85,271.95	8,236.18	14,131.10	(4,447.86)
Carabobo One AB	11,644.94	2,078.81	810.24	(4.72)
Beas Rovuma Energy Mozambique Limited	22,225.73	2,666.60	-	(29.00)

II. Subsidiaries unaudited, as certified by the Management:

(₹ in million)

Name of the Subsidiary	Total Assets as at 31.03.2014	Total Liabilities as at 31.03.2014	Total Revenue for the year ended 31.03.2014	Profit/ (loss) after tax for tax for the year ended March 31, 2014 (Consolidated)
ONGC Narmada Limited	104.96	1,933.12	-	(1.59)
ONGC (BTC) Limited	0.94	395.28	1,009.30	918.67

III. Joint Venture Company unaudited, as certified by the Management:

(₹ in million)

Name of the Subsidiary	Total Assets as at 31.03.2014	Total Liabilities as at 31.03.2014	Total Revenue for the year ended 31.03.2014	Profit/ (loss) after tax for tax for the year ended March 31, 2014 (Consolidated)
ONGC Mittal Energy Limited	1,003.88	9,164.73	-	(161.78)

In Respect of:

- Item no. (i) above so far it relates to amounts included, is based solely on the report of the other auditors; and
 - Item no. (ii) & (iii) above so far it relates to amounts included, is based solely on the financial statements certified by the management.
- b. Group's share of Assets, Liabilities, Revenues and Expenditure in the joint ventures of OVL include 35

projects held in the books of the respective Subsidiaries /Joint Venture Company as mentioned in 8 (a) above, out of which financial statements of 23 projects certified under respective local laws/Production Sharing Contract/ Joint operating Agreement by local audit firms and financial statements of 12 projects certified by the management.

Auditors' Report - ONGC Group

iv. We did not audit the financial statements of the following Joint Ventures, whose financial statements reflect group's total assets as at March 31, 2014, group's total revenues and group's net cash flows for the year then ended as per the table given below. Financial statements of 5 Joint Ventures have been audited by other auditors whose report has been

furnished to us by the Management and financial statements of 3 Joint Ventures are unaudited and have been certified by the management of the respective Joint Venture, and our opinion, so far as it relates to the amounts included in respect of these Joint Ventures, is based solely on the report of those auditors or management certified accounts.

(₹ in million)

Sl. No.	Name of the Joint Venture	Group's share of Total Assets	Group's share of Total Revenue	Group's share of Net Cash Flows	Audited / Unaudited
I	Petronet LNG Limited	14,890.85	47,289.16	(44.75)	Audited
II	Petronet MHB Limited	1,461.64	378.02	53.94	Audited
III	Mangalore SEZ Limited (Consolidated Financial Statements)	3,402.47	65.98	(125.10)	Unaudited
IV	ONGC Mangalore Petrochemicals Limited	28,146.80	0.12	487.62	Audited
V	ONGC Petro Additions Limited	96,356.62	-	3,375.61	Audited
VI	ONGC Tripura Power Company Limited (Consolidated Financial Statements)	20,322.54	1,123.74	(20.84)	Unaudited
VII	ONGC Teri Biotech Limited	186.42	77.19	31.75	Audited
VIII	Dahej SEZ Limited	4,718.45	279.69	(47.86)	Unaudited

v. For the purpose of considering the investment in Pawan Hans Limited, an associate, in the consolidated financial statements, the share of profit for the year ended March 31, 2014 amounting to ₹118.15 million, is based on unaudited accounts as certified by the management. We did not audit the financial statements of this associate, and our opinion, so far as it relates to the amounts included in respect of this associate, is based solely on the financial statements certified by the management.

evaluation by the Management in respect of categorization of wells as exploratory, development and producing, allocation of cost incurred on them, depletion of producing properties on the basis of proved developed hydrocarbon reserves, impairment, liability for abandonment costs, liabilities under NELP for under performance against Minimum Work Programme and allocation of depreciation on process platforms to transportation and facilities.

Our opinion is not qualified in respect of other matters.

vi. We have placed reliance on technical / commercial

For M/s S Bhandari & Co.
Chartered Accountants
Firm Reg No. 000560C

For M/s G. D. Apte & Co.
Chartered Accountants
Firm Reg No. 100515W

For M/s Mehra Goel & Co.
Chartered Accountants
Firm Reg No. 000517N

(P.D. Baid)
Partner (Mem. No. 072625)

(C. M. Dixit)
Partner (Mem. No. 017532)

(R. K. Mehra)
Partner (Mem. No. 006102)

For M/s Varma & Varma
Chartered Accountants
Firm Reg No. 004532S

For M/s Ray & Ray
Chartered Accountants
Firm Reg No. 301072E

(K. M. Sukumaran)
Partner (Mem. No. 015707)

(B. K. Ghosh)
Partner (Mem. No. 051028)

Date : May 29, 2014
Place : New Delhi



Consolidated Balance Sheet as at 31st March, 2014

(₹ in million)

Particulars	Note No.	As at 31 st March, 2014	As at 31 st March, 2013
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	4	42,777.60	42,777.60
(b) Reserves and surplus	5	1,678,732.26	1,482,498.10
2 Minority Interest		29,125.42	19,466.49
3 Non-current liabilities			
(a) Long-term borrowings	6	316,808.58	88,427.47
(b) Deferred tax liabilities	7	185,521.07	148,490.07
(c) Other Long term liabilities	8	18,525.31	17,163.11
(d) Long-term provisions	9	304,098.13	252,962.77
4 Current liabilities			
(a) Short-term borrowings	10	139,072.72	115,270.96
(b) Trade payables	11	306,783.08	186,147.80
(c) Other current liabilities	12	218,193.90	170,869.13
(d) Short-term provisions	13	9,469.90	10,532.92
TOTAL		3,249,107.97	2,534,606.42
II. ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	14	462,253.51	406,744.58
(ii) Producing Properties	15	912,681.47	705,395.44
(iii) Intangible assets	16	754.36	1,041.25
(iv) Capital work-in-progress	17	538,269.85	397,449.18
(v) Exploratory/Development Wells in Progress	18	182,066.98	136,400.94
(b) Goodwill on consolidation	19	183,544.90	83,254.88
(c) Non-current investments	20	47,204.63	20,452.81
(d) Deferred tax Asset	7	6,885.97	6,238.88
(e) Long-term loans and advances	21	102,208.45	89,229.01
(f) Deposit under Site Restoration Fund Scheme		120,829.56	106,349.19
(g) Other non-current assets	22	60,859.14	29,685.30
2 Current assets			
(a) Current investments	23	254.37	829.02
(b) Inventories	24	148,014.59	127,725.91
(c) Trade receivables	25	160,283.56	153,956.09
(d) Cash and Cash Equivalents	26	244,801.26	196,190.51
(e) Short-term loans and advances	27	68,199.41	59,766.09
(f) Other current assets	28	9,995.96	13,897.34
TOTAL		3,249,107.97	2,534,606.42
Accompanying Notes are an integral part of this Financial Statements.			
	1 to 50		

For and on behalf of the Board

(N. K. Sinha)
Company Secretary(A K Banerjee)
Director (Finance)(D.K.Sarraf)
Chairman & Managing Director

In terms of our report of even date attached

For G D Apte & Co.
Chartered Accountants
Firm Reg. No. 100515WFor Varma & Varma
Chartered Accountants
Firm Reg. No. 004532SFor S. Bhandari & Co.
Chartered Accountants
Firm Reg. No. 000560C(C. M. Dixit)
Partner (M. No. 017532)(K.M. Sukumaran)
Partner (M. No. 015707)(P.D. Baid)
Partner (M. No. 072625)For Ray & Ray
Chartered Accountants
Firm Reg. No. 301072EFor Mehra Goel & Co.
Chartered Accountants
Firm Reg. No. 000517N(B.K.Ghosh)
Partner (M. No. 051028)(R.K.Mehra)
Partner (M.No. 006102)New Delhi
May 29th, 2014

Consolidated Statement of Profit and Loss for the year ended 31st March, 2014

(₹ in million)

Particulars	Note No.	2013-14	2012-13
I REVENUE			
Revenue from Operations (Gross)	29	1,782,051.84	1,658,481.91
Less: Excise Duty		37,281.28	34,456.70
Revenue from Operations (Net)		1,744,770.56	1,624,025.21
Other Income	30	68,937.11	54,906.91
TOTAL REVENUE		1,813,707.67	1,678,932.12
II EXPENSES			
(Increase)/ Decrease in Inventories	31	(7,192.63)	(11,205.01)
Purchases of stock-in-trade		0.32	0.42
Production, Transportation, Selling and Distribution Expenditure	32	1,161,692.53	1,067,545.05
Exploration Costs written off			
- Survey costs		17,471.47	18,077.72
- Exploratory well costs		67,409.85	92,378.82
Depreciation, Depletion, Amortisation and Impairment	33	165,809.04	117,633.04
Finance Costs	34	6,243.35	4,837.97
Provisions and Write-offs	35	10,563.05	22,243.59
Adjustments relating to Prior Period (Net)	36	(2,423.37)	(1.14)
TOTAL EXPENSES		1,419,573.61	1,311,510.46
Profit before Exceptional, Extraordinary items and Tax		394,134.06	367,421.65
Exceptional items		-	-
Profit before Extraordinary items and Tax		394,134.06	367,421.65
Extraordinary items		-	-
PROFIT BEFORE TAX		394,134.06	367,421.65
Tax Expenses			
- Current Tax		90,449.09	112,139.08
- Earlier years		2,449.89	(4,849.02)
- MAT Credit		(2,872.04)	19.34
- Deferred Tax		37,576.92	20,209.62
PROFIT AFTER TAX		266,530.20	239,902.63
Add: Share of Profit/(Loss) in Associate	20.4	118.15	37.94
Less: Share of Profit - Minority Interest		1,583.02	(2,255.87)
GROUP PROFIT AFTER TAX		265,065.33	242,196.44
Earning per Equity Share-Basic and Diluted (₹) (Face Value ₹ 5/- per Share)	37	30.98	28.31
Accompanying Notes are an integral part of this Financial Statements.			
	1 to 50		

For and on behalf of the Board

(N. K. Sinha)
Company Secretary(A K Banerjee)
Director (Finance)(D.K.Sarraf)
Chairman & Managing Director

In terms of our report of even date attached

For G D Apte & Co.
Chartered Accountants
Firm Reg. No. 100515WFor Varma & Varma
Chartered Accountants
Firm Reg. No. 004532SFor S. Bhandari & Co.
Chartered Accountants
Firm Reg. No. 000560C(C. M. Dixit)
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Partner (M. No. 015707)(P.D. Baid)
Partner (M. No. 072625)For Ray & Ray
Chartered Accountants
Firm Reg. No. 301072EFor Mehra Goel & Co.
Chartered Accountants
Firm Reg. No. 000517N(B.K.Ghosh)
Partner (M. No. 051028)(R.K.Mehra)
Partner (M.No. 006102)New Delhi
May 29th, 2014

Consolidated Cash Flow Statement for the year ended 31st March, 2014

(₹ in million)

	Year Ended 31 st March, 2014	Year Ended 31 st March, 2013
A CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax and extraordinary items	394,134.06	367,421.65
Adjustments For:		
- Prior Period Items	(2,423.37)	(1.14)
- Depreciation, Depletion and Amortisation & Impairment	165,809.04	120,942.32
- Exploration Well Costs Written off	67,409.85	92,378.82
- Interest on Borrowings	6,243.35	4,837.97
- Foreign Exchange Loss/Translation Adjustment	21,188.73	11,109.43
- Provision for Employee Benefits	(14,509.31)	9,508.82
- Provision for Abandonment	243.56	-
- Profit/Loss on sale of fixed assets	15.55	27.97
- Lease Income (Net)	-	-
- Other Provision and Write offs	10,563.05	22,243.59
- Excess Provision/Liability written Back	(19,216.85)	(11,002.81)
- Interest Income	(32,434.34)	(31,218.82)
- Deferred Government Grant	(2.87)	(3.28)
- Dividend Received	(3,550.25)	(3,187.34)
- Miscellaneous Expenditure written off	-	0.03
- Provision for Mark to Market loss on Derivative contracts	2,244.85	-
- Profit on sale of investment	(14.50)	-
Operating Profit before Working Capital Changes	595,700.55	583,057.21
Adjustments for:-		
- Receivables	5,713.05	(44,305.25)
- Loans and Advances	(1,371.97)	(8,810.72)
- Other Current Assets	(148,012.35)	(11,757.97)
- Inventories	(22,016.15)	2,921.88
- Trade Payable and Other Liabilities	207,718.63	1,886.04
Cash generated from Operations	637,731.75	522,991.19
Direct Taxes Paid (Net of tax refund)	(105,666.61)	(124,162.45)
Cash Flow before prior period and Extra ordinary Items	532,065.14	398,828.74
Prior period items	638.65	(86.96)
NET CASH FLOW FROM OPERATING ACTIVITIES 'A'	532,703.79	398,741.78
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(149,385.04)	(179,608.84)
Sale of Fixed Assets	29.04	172.44
Acquisition, Exploration and Development Cost	(466,269.90)	(243,193.21)
Purchase of Investments	-	(825.50)
Sale of Investments	651.49	8,791.86
Advance/Investment in Joint Controlled Entities/Associates	(4,664.61)	263.07
Loans to Public Sector Undertakings and Other Bodies Corporate	(26,707.48)	83.03
Gain on Foreign Exchange Forward exchange Contract	797.15	704.76
Deposit in Site Restoration Fund	(14,480.37)	(11,596.32)
Project Development/ Preoperative expenditure (net of advances)	(11,297.24)	(26,125.67)
Dividend Received	3,551.30	3,199.07
Interest Received	31,450.08	35,936.50
NET CASH FLOW FROM INVESTING ACTIVITIES 'B'	(636,325.59)	(412,198.81)

Consolidated Cash Flow Statement for the year ended 31st March, 2014

(₹ in million)

	Note	Year Ended 31 st March, 2014	Year Ended 31 st March, 2013
C. CASH FLOW FROM FINANCING ACTIVITIES:			
Proceeds from issue of Share Capital		-	574.68
Advance Against Equity		1,781.72	1,462.94
Proceeds from Borrowings		331,987.96	104,318.58
Repayment of Borrowings		(84,764.56)	(58,640.99)
Dividend Paid		(83,453.45)	(94,960.30)
Tax on Dividend		(14,170.69)	(15,060.42)
Interest Paid		(7,090.21)	(6,870.82)
Change in Minority Interest		7,955.45	(93.94)
NET CASH FLOW FROM FINANCING ACTIVITIES 'C'		152,246.22	(69,270.27)
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)		48,624.42	(82,727.30)
Cash and Cash Equivalents as at 1st April, 2013 (Opening Balance)	26	196,007.99	278,735.07
Add: Other Adjustments to Cash and Cash Equivalent *		-	0.23
Cash and Cash Equivalents as at 31st March, 2014 (Closing Balance) **	26	244,632.41	196,008.00
		48,624.42	(82,727.30)

*Adjustment on account of increase in shareholding in OPAL & OTPC

Notes:

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard-3 on Cash Flow Statements issued by The Institute of Chartered Accountants of India.
- Cash and Cash equivalent excludes ₹ 168.85 million (Previous year ₹ 182.51 million) in current account/deposit account of interest warrant/refund accounts, under lien, pledge with banks/Govt. authorities in respect of MRPL.
- ** Cash and Cash equivalent includes restricted amount of ₹ 389.69 million (Previous year ₹ 388.68 million) earmarked for payment of unclaimed dividend.
- Cash Balance includes ₹ 7,769.03 million share of jointly controlled entity. (Previous year ₹ 3,389.43 million).
- Bracket indicates cash outflow.
- Previous years figures have been regrouped wherever necessary to conform to current year's classification.

For and on behalf of the Board

(N. K. Sinha)
Company Secretary(A K Banerjee)
Director (Finance)(D.K.Sarraf)
Chairman & Managing Director**In terms of our report of even date attached**For G D Apte & Co.
Chartered Accountants
Firm Reg. No. 100515W(C. M. Dixit)
Partner (M. No. 017532)For Ray & Ray
Chartered Accountants
Firm Reg. No. 301072E(B.K.Ghosh)
Partner (M. No. 051028)New Delhi
May 29th, 2014For Varma & Varma
Chartered Accountants
Firm Reg. No. 004532S(K.M. Sukumaran)
Partner (M. No. 015707)For Mehra Goel & Co.
Chartered Accountants
Firm Reg. No. 000517N(R.K.Mehra)
Partner (M. No. 006102)For S. Bhandari & Co.
Chartered Accountants
Firm Reg. No. 000560C(P.D. Baid)
Partner (M. No. 072625)

Notes to Financial Statements for the year ended 31st March, 2014

1. Group information

Oil and Natural Gas Corporation Limited ('ONGC' or 'the Company') is a public limited company domiciled in India and incorporated under the provisions of Companies Act, 1956. Its Shares are listed and traded on Stock exchanges in India. The Consolidated financial statements relate to the Company, its Subsidiaries, Joint Venture Entities and Associate. The Group (comprising of Company and its subsidiaries), Joint Venture Entities and Associate are mainly engaged in Exploration & Production (E&P) of Oil & Gas in India and abroad including Refinery, Power Generation, Petrochemicals, LNG supply, Pipeline Transportation, SEZ development and Helicopter services.

2. Significant Group Accounting Policies

2.1 Principles of Consolidation

The Consolidated Financial Statements have been prepared on the following basis: -

- i) The financial statements of the Company and its subsidiary companies are combined on a line by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements".
- ii) The financial statements of Joint Venture entities are combined by applying proportionate consolidation method on a line by line basis on like items of assets, liabilities, income and expenses after eliminating proportionate share of unrealized profits or losses in accordance with Accounting Standard (AS) 27 - "Financial Reporting of Interests in Joint Ventures".
- iii) Investments in Associates are accounted for using equity method in accordance with Accounting Standard (AS) 23 - "Accounting for Investments in Associates in Consolidated Financial Statements".
- iv) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate Financial Statements except as otherwise stated.
- v) The difference between the cost of investment in the subsidiaries/associates/Joint ventures, and the net assets at the time of acquisition of shares

in the subsidiaries/associates/joint ventures is recognized in the Consolidated Financial Statements as Goodwill or Capital Reserve, as the case may be.

- vi) Minorities' share in Net Profit/Loss of subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the Net Profit/Loss attributable to the shareholders of the Company.
- vii) Minorities' share of Net Assets of subsidiaries is identified and presented in the Consolidated Balance Sheet separately from liabilities and the equity of the Company's shareholders.
- viii) In case of foreign subsidiaries and joint ventures, foreign currency transactions are translated as per the provisions of Accounting Standard (AS) 11 - "Accounting for Effects of changes in Foreign Exchange Rates" in the Consolidated Financial Statements.
- ix) The difference between the proceeds from disposal of investments in a subsidiary and the carrying amount of its net assets as on the date of disposal is recognized in the Consolidated Statement of Profit and Loss.

2.2 Other significant Accounting Policies

a. Basis of preparation

The financial statements are prepared under the historical cost convention on accrual basis in accordance with Generally Accepted Accounting Principles (GAAP), applying the Successful Efforts Method as per the Guidance Note on Accounting for Oil and Gas Producing Activities (Revised) issued by the Institute of Chartered Accountants of India and Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 and provisions of the Companies Act, 1956.

As the operating cycle cannot be identified in normal course due to the specific nature of industry, the same has been assumed to have duration of 12 months. Accordingly, all assets and liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in the Revised Schedule VI to the Companies Act, 1956. The financial statements are presented in Indian Rupees and all values are rounded to the nearest million except otherwise stated.

b. Use of Estimates

The preparation of financial statements requires estimates and assumptions, which affect the reported amount of assets, liabilities, revenues and expenses of the reporting period. The difference between the actual results and estimates are recognized in the period in which the results are known or materialized.

c. Government Grants

Government Grant related to acquisition of Fixed Assets is treated as 'Deferred Government Grant' and amount equal to proportionate depreciation of such assets is credited to Statement of profit and loss.

d. Fixed Assets

d.1 Tangible Assets

d.1.1 Fixed assets are stated at historical cost less accumulated depreciation and impairment. Fixed assets received as donations/gifts are capitalised at assessed values with corresponding credit taken to Capital Reserve.

d.1.2 All costs, net of applicable tax credits, relating to acquisition of fixed assets till the time of bringing the assets to working condition for intended use are capitalised.

d.2 Intangible Assets

Intangible assets are stated at cost of acquisition, net of applicable tax credits, less accumulated amortization and impairment.

e. Exploration, Development and Production Costs

e.1 Pre-acquisition cost

Expenditure incurred before obtaining the right(s) to explore, develop and produce oil and gas are expensed as and when incurred.

e.2 Acquisition Cost

Acquisition costs of an oil and gas property are the costs related to right to acquire mineral interest and are accounted/treated as follows:-

Exploration and Development stage: Acquisition cost relating to projects under exploration or developments are initially accounted as capital work in progress. Such costs are capitalized by transferring to Producing Property when a well is ready to commence commercial production. In case of abandonment/relinquishment, such costs are written off.

Production stage: Acquisition costs of a producing oil and gas property is capitalized as proved property acquisition cost under producing properties and amortized over the production profile of the underlying asset using the unit of production method over proved reserves.

e.3 Survey Cost

Cost of Survey and prospecting activities conducted in the search of oil and gas are expensed as exploration cost in the year in which these are incurred.

e.4 Exploratory/Development Wells in Progress

e.4.1 All exploration costs incurred in drilling and equipping exploratory and appraisal wells, cost of drilling exploratory type stratigraphic test wells are initially capitalized as Exploratory Wells in Progress till the time these are either transferred to Producing Properties on completion as per Note no. 2.2.f.1 or expensed as exploration cost (including allocated depreciation) as and when determined to be dry or of no further use, as the case may be.

e.4.2 Costs of exploratory wells are not carried unless there are indications of sufficient quantity of reserves; sufficient progress is made in assessing the reserves and the economic & operating viability of the project. All such carried costs are subject to review for impairment as per Note no. 2.2.j.

e.4.3 All costs relating to Development Wells are initially capitalized as 'Development Wells in Progress' and transferred to 'Producing Properties' on completion as per Note no 2.2.f.1 and 2.2.f.2.

f. Producing Properties

f.1 Producing Properties are created in respect of an area/field having proved developed oil and gas reserves when the well in the area/field is ready to commence commercial production.

f.2 Cost of temporary occupation of land, successful exploratory wells, all development wells, depreciation on related equipment, facilities and estimated future abandonment costs are capitalised and reflected as Producing Properties.

g. Depletion of Producing Properties

Producing Properties are depleted using the "Unit of Production Method". The rate

- of depletion is computed with reference to an area covered by individual lease/license/asset/amortization base by considering the proved developed reserves and related capital costs incurred including estimated future abandonment costs net of salvage value. In case of acquisition cost, Producing Properties is depleted by considering the proved reserves. These reserves are estimated annually by the Reserve Estimates Committee of the Company, which follows the International Reservoir Engineering Procedures.
- h. Production Costs**
Production costs include pre-well head and post-well head expenses including depreciation and applicable operating costs of support equipment and facilities.
- i. Side tracking**
- i.1 The cost of abandoned portion of side tracked exploratory wells is expensed as 'Exploratory Well Cost'.
- i.2 The cost of abandoned portion of side tracked development wells is considered as part of cost of development wells.
- i.3 The cost of sidetracking in respect of existing producing wells is capitalised if it results in additional proved developed oil & gas reserves or increases the future economic benefits therefrom beyond previously assessed standard of performance, otherwise expensed as 'Workover Expenditure'.
- j. Impairment**
- j.1 Producing Properties, Development Wells in Progress (DWIP) and Fixed Assets (including Capital Works in Progress) of a "Cash Generating Unit" (CGU) are reviewed for impairment at each Balance Sheet date. In case, events and circumstances indicate any impairment, recoverable amount of these assets is determined. An impairment loss is recognized, whenever the carrying amount of such assets exceeds the recoverable amount. The recoverable amount is higher of its 'value in use' or 'net selling price' (if determinable). In assessing value in use, the estimated future cash flows from the use of assets and from its disposal at the end of its useful life are discounted to their present value at appropriate rate. An impairment loss is reversed if there is increase in the recoverable amount and such loss either no longer exists or has decreased. Impairment loss / reversal thereof is adjusted to the carrying value of the respective assets, which in case of CGU, is allocated to its assets on a pro-rata basis. Subsequent to impairment, depreciation is provided on the revised carrying value of the assets over the remaining useful life.
- j.2 Impairment testing during exploratory phase is carried out at area level when further exploration activities are not planned in near future or when sufficient data exists to indicate that although a development in the specific area is likely to proceed, the carrying amount of the exploration asset is unlikely to be recovered in full from successful development or by sale. Impairment is reversed subsequently, to the extent that conditions for impairment are no longer present.
- k. Abandonment Cost**
- k.1 The full eventual estimated liability towards costs relating to dismantling, abandoning and restoring well sites and allied facilities are recognized in respective assets when the well is completed / facilities are installed. The abandonment cost on dry well is expensed as exploratory well cost.
- k.2 Provision for abandonment cost is updated based on the technical assessment at current costs. The effects of changes resulting from revisions to estimated liability are adjusted to the carrying amount of the related Asset and considered for depletion on a prospective basis.
- l. Jointly Controlled Assets**
- l.1 Unincorporated Joint Ventures in the nature of Production Sharing Contracts (PSC) has been entered with the Government of India/other countries and various bodies corporate for exploration, development and production and other activities. These unincorporated joint ventures have been classified as Jointly controlled Asset.
- l.2 The share in the assets and liabilities along with attributable income, and expenditure, of the Jointly Controlled Assets is merged on line by line basis with the similar items in the Consolidated Financial Statements and adjusted for depreciation, depletion, survey, dry wells, abandonment, impairment and sidetracking in accordance with the accounting policies.
- l.2 Disposal of Interest**
Gain or loss on sale of interest in a cost centre, is recognized in the statement of profit and loss, except that no gain is recognized at the time of such sale if substantial uncertainty exists about the recovery of the costs applicable to the retained interest or if the company has substantial obligation for future performance. The gain in such situation is treated as recovery of cost related to that cost centre
- l.3 The hydrocarbon reserves in such areas are taken in proportion to the participating interest.
- m. Investments**
Long-term investments are valued at cost. Provision is made for any diminution, other than temporary, in the value of such investments. Current Investments are valued at lower of cost and fair value.
- n. Inventories**
- n.1 Finished goods (other than Sulphur) and stock in pipelines/tanks and carbon credits are valued at Cost or net realizable value whichever is lower. Cost of Finished goods is determined on absorption costing method. Sulphur is valued at net realizable value. The value of inventories includes excise duty, royalty (wherever applicable) but excludes Cess.
- n.2 Crude oil in unfinished condition in flow lines up to Group Gathering Stations/ platform and Natural Gas in Pipelines is not valued.
- n.3 Inventory of stores and spare parts is valued at Weighted Average Cost or net realizable value, whichever is lower. Provisions are made for obsolete and non-moving inventories.
- n.4 Raw material and Stock in Process is valued at lower of cost or net realizable value. Crude oil as raw material is valued based on First in First Out (FIFO) cost, Condensate & LNG as raw material is valued on weighted average cost. Cost of Stock in Process comprise of raw material cost and proportionate Conversion cost.
- n.5 Unserviceable and scrap items, when determined, are valued at estimated net realizable value.
- o. Revenue Recognition**
- o.1 Revenue from sale of products is recognized on transfer of custody to customers.
- o.2 Any difference as of the reporting date between the entitlement quantity minus the quantities sold in respect of crude oil (including condensate), if positive (i.e. under lift quantity) the proportionate production expenditure is treated as prepaid expenses and, if negative (i.e. over lift quantity), a liability for the best estimate of the group's proportionate share of production expenses as per the Joint Operating Agreement / Production Sharing Agreement is created in respect of the quantity of crude oil to be foregone in future period towards settlement of the over-lift quantity of crude oil with corresponding charge to the Statement of Profit & Loss.
- o.3 Any payment received in respect of short lifted gas quantity for which an obligation exists to supply such gas in subsequent periods is recognized as Deferred Revenue in the year of receipt. The same is recognized as revenue in the year in which such gas is actually supplied for the quantity supplied or in the year in which the obligation to supply such gas ceases, whichever is earlier.
- o.4 Sale of crude oil and gas (net of levies) produced from Wells in Progress is deducted from expenditure on such wells.
- o.5 Sales are inclusive of all statutory levies except Value Added Tax (VAT). Any retrospective revision in prices is accounted for in the year of such revision.
- o.6 Revenue in respect of fixed price contracts is recognized for the quantum of work done on the basis of percentage of completion method. The quantum of work done is measured in proportion of cost incurred to date to the estimated total cost of the contract or based on reports of physical work done.
- o.7 Finance income in respect of assets given on finance lease is recognized based on a pattern reflecting a constant periodic rate of return on the net investment outstanding in respect of the finance lease.
- o.8 Dividend income is recognized when right to receive is established. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

- o.9 Lease Premium from the lease of land is recognized over primary lease period as per the agreement. Lease rental income is accounted for on the time proportion basis as per the terms agreed with lessees.
- o.10 Revenue in respect of the following is recognized when there is reasonable certainty regarding ultimate collection:
- Gas pipeline transportation charges
 - Reimbursable subsidies and grants
 - Surplus from Gas Pool Account
 - Interest on delayed realization from customers
 - Liquidated damages from contractors/suppliers
- p. Depreciation and Amortization**
- p.1 Depreciation on fixed assets is provided for under the written down value method in accordance with the rates specified in Schedule XIV to the Companies Act, 1956.
- p.2 Depreciation on additions/deletions during the year is provided on pro rata basis with reference to the date of additions/deletions except items of Plant and Machinery used in wells with 100% rate of depreciation and low value items not exceeding ₹ 5,000/- which are fully depreciated at the time of addition.
- p.3 Depreciation on subsequent expenditure on fixed assets arising on account of capital improvement or other factors is provided for prospectively. Depreciation on refurbished/revamped assets which are capitalized separately is provided for over the reassessed useful life at rates which are not less than the rates specified in Schedule XIV to the Companies Act, 1956.
- p.4 Depreciation on fixed assets (including support equipment, facilities and those taken on lease) used for exploratory/development drilling and on production facilities initially capitalised as part of drilling cost or producing properties and expensed/ depleted as stated in note no 2.2.f & 2.2.g above. Depreciation on equipment/ assets deployed for survey activities is charged to Statement of Profit and Loss.
- p.5 Leasehold land is amortized over the lease period except perpetual leases.
- p.6 Right of way/Right of use of land are amortized on Straight Line Method (SLM) over the estimated life of associated Asset.
- p.7 Other Intangible Assets (software, copy right, patents etc.)are amortized on Straight Line Method (SLM) over the useful life not exceeding ten years from the date of capitalization
- q. Foreign Exchange Transactions**
- q.1 Foreign currency transactions on initial recognition in the reporting currency are accounted for at the exchange rates prevailing on the date of transaction.
- q.2 At each Balance Sheet date, foreign currency monetary items are translated using the mean exchange rates prevailing on the balance sheet date and non-monetary items are translated using the exchange rate prevailing on the date of transaction or on the date when the fair value of such item was determined.
- q.3 The loss or gain thereon and also the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expense and adjusted to the statement of profit & loss except where such liabilities and /or transactions relate to fixed assets/ projects and these were incurred/ entered into before 1.4.2004; in which case, these are adjusted to the cost of respective fixed assets.
- q.4 In respect of integral foreign operations:**
- q.4.1 The foreign currency transactions on initial recognition in the reporting currency are recorded following the note no.2.2.q.1. For practical reasons, the average exchange rate of the relevant month is taken for the transactions of the month in respect of joint venture operations, where actual date of transaction is not available.
- q.4.2 At each Balance Sheet date, monetary and non-monetary items are translated following the policy stated in note no. 2.2.q.2.
- q.4.3 All exchange differences are treated following the policy stated in note no.2.2.q.3.
- q.5 The financial statements of the non-integral foreign operations are incorporated in the financial statements using the following principles:**
- q.5.1 The assets and liabilities, both monetary and non-monetary, of the non-integral foreign operation are translated at the average of the exchange rate prevailing on the date of the balance sheet;
- q.5.2 Income and expense items of the non-integral foreign operation are translated at the average exchange rates for the period to which the financial statements relate.
- q.5.3 The resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment in the non-integral foreign operation.
- q.5.4 Exchange differences arising on net investment in a non-integral foreign operation are accumulated in a foreign currency translation reserve until the disposal of such investment, at which time they are recognized as income or as expenses.
- q.6 In the case of forward exchange contracts, the premium or discount arising at the inception of such contracts, is amortized as income or expense over the life of the contract as well as exchange difference on such contracts, i.e. difference between the exchange rate at the reporting/settlement date and the exchange rate on the date of inception/the last reporting date, is recognized as income/expense for the period.
- r. Employee Benefits**
- r.1 All short term employee benefits are recognized at their undiscounted amount in the accounting period in which they are incurred.
- r.2 Employee Benefit under defined contribution plans comprising provident fund etc. is recognized based on the undiscounted amount of obligations of the group to contribute to the plan. The same is paid to a fund administered through a separate trust.
- r.3 Employee benefits under defined benefit plans comprising of gratuity, leave encashment, compensated absences, post-retirement medical benefits and other terminal benefits are recognized based on the present value of defined benefit obligation, which is computed on the basis of actuarial valuation using the Projected Unit Credit Method. Actuarial Liability in excess of respective plan assets is recognized during the year. Actuarial gains and losses in respect of post-employment and other long-term benefits are recognized in the statement of profit & loss.
- s. Voluntary Retirement Scheme**
- Expenditure on Voluntary Retirement Scheme (VRS) is charged to statement of profit & loss when incurred.
- t. General Administrative Expenses**
- General administrative expenses which are directly or specifically attributable are allocated to activities and the balance is charged to Statement of Profit & Loss.
- u. Insurance claims**
- The insurance claims are accounted for as under :-
- u.1 In case of total loss of asset, by transferring either the carrying cost of the relevant asset or insurance value (subject to deductibles), whichever is lower under the head "Claims Recoverable-Insurance" on intimation to Insurer. In case insurance claim is less than carrying cost, the difference is charged to statement of profit & loss.
- u.2 In case of partial or other losses, expenditure incurred/payments made to put such assets back into use, to meet third party or other liabilities (less policy deductibles) if any, are accounted for as "Claims Recoverable-Insurance". Insurance Policy deductibles are expensed in the year the corresponding expenditure is incurred.
- u.3 As and when claims are finally received from insurer, the difference, if any, between Claims Recoverable-Insurance and claims received is adjusted to statement of profit & loss.
- v. Research Expenditure**
- Revenue expenses on Research are charged to statement of profit & loss, when incurred.
- w. Taxes on Income**
- Provision for current tax is made as per the provisions of the Income Tax Act, 1961/other applicable tax laws. Deferred Tax Liability / Asset resulting from 'timing difference' between book profit and taxable profit is accounted for considering the tax rate and laws that have been enacted or substantively enacted as on the Balance Sheet date. Deferred Tax Asset is recognized and carried forward only to the extent that there is reasonable certainty that the asset will be realized in future.
- x. Borrowing Costs**
- Borrowing Cost specifically identified to the acquisition or construction of qualifying assets is capitalized as part of such assets. A qualifying asset is one

- that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to statement of profit & loss.
- y. Rig Days Costs**
Rig movement costs are booked to the next location drilled/planned for drilling. Abnormal Rig days' costs are considered as un-allocable and charged to statement of profit & loss.
- z. Unamortized Expenditure**
z.1 Dry docking charges of Rigs/ Multipurpose Supply Vessels (MSVs), Geo Technical Vessels (GTVs), Well Stimulation Vessels, Offshore Supply Vessels (OSVs), Rig/ equipment mobilization expenses and other related expenditure are amortized over the period of use not exceeding five years and balance is carried under head "Unamortized Expenditure" in the balance sheet.
- za. Transportation Costs**
Transportation Costs in respect of the quantity of gas short transported, for which the right exists to transport such gas in subsequent periods at no charge, is treated as Deferred Expenditure in the year of payment. The same is treated as cost in the year in which the gas is actually transported for the quantity transported or in the year in which the right to transport such gas ceases, whichever is earlier.
- zb. Lease**
zb.1 Assets given on Lease:
zb.1.1 Assets given on finance lease are accounted for as per Accounting Standard (AS) 19 "Leases". Such assets are included as a receivable at an amount equal to the net investment in the lease.
zb.1.2 Initial direct costs incurred in respect of finance leases are recognized in the statement of profit and loss in the year in which such costs are incurred.
- zb.2 Assets taken on Lease**
zb.2.1 Assets taken on finance lease are capitalized and recognized at the lower of the fair value of the asset and the discounted value of the minimum lease installments. The lease payments are bifurcated into repayment and interest

- components, based on a fixed interest rate and installment as derived from the underlying agreement. The lease commitments are carried under liabilities exclusive of interest. The interest component is recognized in the statement of profit & loss in accordance with the lease installments.
- zb.2.2 Assets acquired on lease where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the statement of profit & loss on accrual basis.
- zc. Claims**
Claims/Surrenders on/to Petroleum Planning and Analysis Cell, Government of India are booked on 'in principle acceptance' thereof on the basis of available instructions/ clarifications subject to final adjustments, as stipulated. All other claims and provisions are booked on the merits of each case.
- zd. Provisions, Contingent Liabilities and Contingent Assets**
Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources embodying economic benefits. Contingent Assets are neither recognized nor disclosed in the financial statements. Contingent liabilities are disclosed by way of notes to accounts.
- ze. Accounting for derivatives**
Accounting for Derivatives, other than those covered under Accounting Standard (AS) 11, is done on mark to market basis and the losses are charged to statement of Profit & Loss. Unrealized gains are ignored.
- zf. Goodwill on Consolidation**
Goodwill arising on Consolidation of Companies having Hydrocarbon reserves are amortized based on "Unit of Production Method" considering the related Proved Reserves. Other goodwill on consolidation is not amortized

3. The consolidated financial statements represent consolidation of accounts of "Oil and Natural Gas Corporation Limited", its subsidiaries, Joint ventures entities and associate as detailed below:-

SI No.	Name of the Subsidiaries/ Joint Venture and Associates	Country of Incorporation	Proportion Ownership Interest As on		Status of Audit As on 31.03.2014
			31.03.2014	31.03.2013	
A Subsidiaries					
1	ONGC Videsh Limited (OVL)	India	100%	100%	Audited
1.1	ONGC Nile Ganga B.V. (ONGBV)	The Netherlands	Class A and Class B 100%	Class A and Class B 100%	Audited
1.1 (i)	ONGC Campos Ltda.	Brazil	100%	100%	Audited
1.1 (ii)	ONGC Nile Ganga (Cyprus) Ltd.	Cyprus	100%	100%	Audited
1.1 (iii)	ONGC Nile Ganga (San Cristobal) B.V.	The Netherlands	100%	100%	Audited
1.1 (iv)	ONGC Satpayev E&P B.V.	The Netherlands	100%	100%	Audited
1.1 (v)	ONGC Caspian E&P B.V.	The Netherlands	100%	100%	Audited
1.2	ONGC Nile Ganga B.V. (ONGBV)	The Netherlands	Class C 55% direct (balance 45% held by OMEL)	Class C 55% direct (balance 45% held by OMEL)	Audited
1.3	ONGC Narmada Limited (ONL)	Nigeria	100%	100%	Unaudited
1.4	ONGC Amazon Alaknanda Limited (OAAL)	Bermuda	100%	100%	Audited
1.5	Imperial Energy Limited (*)	Cyprus	100%	100%	Audited
1.5 (i)	Imperial Energy Tomsk Limited	Cyprus	100%	100%	Audited
1.5 (ii)	Imperial Energy (Cyprus) Limited	Cyprus	100%	100%	Audited
1.5 (iii)	Imperial Energy Nord Limited	Cyprus	100%	100%	Audited
1.5 (iv)	RK Imperial Energy (Kostanai) Limited (\$)	Cyprus	100%	100%	Unaudited
1.5 (v)	Freshspring Investments Limited (\$)	Cyprus	100%	100%	Unaudited
1.5 (vi)	Nefsilius Holdings Limited (\$)	Cyprus	100%	100%	Unaudited
1.5 (vii)	Biancus Holdings Limited	Cyprus	100%	100%	Audited
1.5 (viii)	Redcliffe Holdings Limited	Cyprus	100%	100%	Audited
1.5 (ix)	Imperial Energy Gas Limited (\$)	Cyprus	100%	100%	Unaudited
1.5 (x)	Imperial Frac Services (Cyprus) Limited	Cyprus	100%	100%	Audited
1.5 (xi)	San Agio Investments Limited	Cyprus	100%	100%	Audited
1.5 (xii)	LLC Sibinterneft (**)	Russia	47.52%	47.52%	Audited up to 31.12.13
1.5 (xiii)	LLC Alliancenerftegaz	Russia	100%	100%	Audited up to 31.12.13
1.5 (xiv)	LLC Nord Imperial	Russia	100%	100%	Audited up to 31.12.13
1.5 (xv)	LLC Imperial Trans service (\$\$)	Russia	100%	100%	Audited up to 31.12.13
1.5 (xvi)	LLC Rus Imperial Group	Russia	100%	100%	Audited up to 31.12.13
1.5 (xvii)	LLC Stratum (\$\$)	Russia	100%	100%	Audited up to 31.12.13
1.5 (xviii)	LLC Imperial Frac Services	Russia	50%	50%	Audited up to 31.12.13
1.6	Carabobo One AB	Sweden	100%	100%	Audited
1.6 (i)	Petro Carabobo Ganga B.V.	The Netherlands	100%	100%	Audited
1.7	ONGC (BTC) Ltd	Cayman Islands	100%	100%	Unaudited
1.8	Beas Rovuma Energy Mozambique Ltd	British Virgin island	60%	-	Audited
1.9	ONGC Hydrocarbons Ltd (#)	Mauritius	100%	-	Unaudited
1.10	Krishna Rovuma Energy Mozambique Ltd (#)	Mauritius	100%	-	Unaudited
2.	Mangalore Refinery and Petrochemicals Ltd. (MRPL)	India	71.63%	71.63%	Audited
B Joint Venture Entities					
1.	Petronet LNG Limited (PLL)	India	12.50%	12.50%	Audited
2.	Petronet MHB Ltd (PMHBL)	India	28.77%	28.77%	Audited
3.	Mangalore SEZ Ltd (MSEZ) (note 3.1)	India	26.46%	26.46%	Unaudited
4.	ONGC Mangalore Petrochemicals Ltd. (OMPL) (note 3.2)	India	48.15%	48.15%	Audited
5.	ONGC Petro Additions Ltd. (OPaL)	India	49.36%	49%	Audited
6.	ONGC Tripura Power Company Ltd. (OTPC)	India	49.52%	49.52%	Unaudited
7.	ONGC Teri Biotech Ltd. (OTBL)	India	49.98%	49.98%	Audited
8.	Dahej SEZ Limited (DSEZ)	India	50.00 %	50.00 %	Unaudited
9.	ONGC Mittal Energy Limited (OMEL) (through OVL)	Cyprus	49.98%	49.98%	Unaudited
10.	Shell MRPL Aviation Fuels & Services Pvt. Limited (SMASL)(through MRPL)	India	50%	50%	Audited
11.	North East Transmission Company Ltd. (NETC) (through OTPC)	India	30.00%	30.00%	Unaudited
12.	Mangalore STP Limited (through MSEZ)	India	70.00%	70.00%	Unaudited
C Associates					
1.	Pawan Hans Ltd. (PHL)	India	49.00 %	49.00 %	Unaudited

- (*) Jarpeno Limited has been rechristened as Imperial Energy Limited with effect from 19th April 2013.
- (**) Although the Company has 47.52 percent effective ownership interest, it has 55.9 percent of voting rights in LLC Sibinterneft. LLC Sibinterneft is therefore a subsidiary of the Company, in accordance with the Companies Act, 1956 of India and included in consolidation of accounts accordingly.
- (\$) These companies have been liquidated w.e.f. 23rd March, 2014
- (\$\$) These two companies have now merged with LLC Nord Imperial w.e.f. 29th November, 2013
- (#) These companies are under liquidation.
- 3.1 Includes holding of 0.96% by OMPL.
- 3.2 Includes holding of 3% by MRPL
- 3.3 In view of different sets of environment/prevalent laws in respect of respective countries in which the subsidiaries/JV are operating, the accounting policies followed (for treatment of depreciation of

Tangible Assets, sales revenue and royalty etc.) by the subsidiaries/JVs are different from the accounting policies of the Company. For consolidation of financial statement, the transactions reported which have been arrived using such different accounting policies by the group companies have been considered and disclosed at Note no. 9.2, 14.2, 14.5, & 14.6, 15.2, 16.2, 17.1(c), 17.1(d), 17.1(e), 17.1(f), 24.3, 24.4, 24.5, 28.2, 29.6, 29.7, 32.2, 32.6, 45.2.3 & 48.

3.4 During the period group has changed the accounting policies to align with the Guidance Note on Accounting for Oil and Gas Producing Activities (Revised) notified by the Institute of Chartered Accountants of India and Expert advisory opinion of ICAI on treatment of right of way. The impact of such changes in policies resulted in net increase of profit before tax by ₹10,128.20 million and same has been disclosed in note no. 5.8, 9.3, 15.3, 15.4, 16.1(c), 18.1(b), 18.1(c) & 18.1(d).

4. Share Capital

(₹ in million)

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Authorised:		
30,000,000,000 Equity Shares of ₹ 5 each (Previous Year 30,000,000,000 Equity Shares of ₹ 5 each)	150,000.00	150,000.00
Issued and Subscribed:		
8,555,528,064 Equity Shares of ₹ 5 each (Previous Year 8,555,528,064 Equity Shares of ₹ 5 each)	42,777.64	42,777.64
Paid up :		
8,555,490,120 Equity Shares of ₹ 5 each (Previous Year 8,555,490,120 Equity Shares of ₹ 5 each)	42,777.45	42,777.45
Add: Shares forfeited	0.15	0.15
Total	42,777.60	42,777.45

4.1 Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 st March, 2014		As at 31 st March, 2013	
	No. in million	₹ in million	No. in million	₹ in million
Outstanding at the beginning of the year	8,555.49	42,777.45	8,555.49	42,777.45
Changes during year	-	-	-	-
Outstanding at the end of the year	8,555.49	42,777.45	8,555.49	42,777.45

4.2 Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of ₹5 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

4.3 Details of shareholders holding more than 5% shares in the company are as under:-

Name of the share holder	As at 31 st March, 2014		As at 31 st March, 2013	
	No. in million	% holding	No. in million	% holding
President of India	5,897.76	68.94	5,922.55	69.23
Life Insurance Corporation of India	666.70	7.79	662.85	7.75
Indian Oil Corporation Limited	657.92	7.69	657.92	7.69

- 4.4 Pursuant to the approval of the members dated 28.01.2011, during the financial year 2010-11, one equity share having face value of ₹ 10/- each had been sub-divided into two equity shares of ₹ 5/- each and bonus shares in proportion of one new equity bonus share of ₹5/- each for every one fully paid up equity share of ₹ 5/- each held on 09.02.2011 (record date) had been allotted. The company has issued total ₹ 4,277.75 million equity shares of face value of ₹ 5 each issued as fully paid up by way of bonus shares during the period of five years immediately preceding the reporting date.

- 4.5 Shares reserved for issue under option : Nil (previous year Nil)

5 Reserves and Surplus

(₹ in million)

Particulars	As at 31 st March, 2014		As at 31 st March, 2013	
Capital Reserve (Note 5.1)				
a) As per last Balance Sheet	1,154.05		1,104.97	
b) Addition/(deduction) during the year	80.92	1,234.97	49.08	1,154.05
Capital Redemption Reserve (Note 5.3)				
a) As per Last Balance Sheet	91.95		46.02	
b) Add: Transfer from FE Translation Reserve	0.02		-	
c) Add: Transferred from P&L Account	-	91.97	45.93	91.95
Securities Premium Account				
a) As per last Balance Sheet	144.33		144.33	
b) Less: Bonus Share issued	-	144.33	-	144.33
Debenture Redemption Reserve (Note no. 5.4)				
a) As per Last Balance Sheet	14,088.91		9,781.27	
b) Add: Transferred from Surplus Account	10,399.95	24,488.86	4,307.64	14,088.91
Deferred Government Grant (Note 2.2.c)				
a) As per last Balance Sheet	27.53		30.82	
b) Addition during the year	17.07		-	
c) Less: Deduction during the year (note 5.5)	2.87	41.73	3.29	27.53
Foreign Exchange Translation Reserve (Note 5.6)				
a) As per Last Balance Sheet	37,554.33		24,639.98	
b) Addition/(deletion)	33,209.48		12,914.35	
c) Less: Transfer to Capital Redemption Reserve	0.02	70,763.79	-	37,554.33
Foreign Currency Monetary Item Exchange Account (note 5.7)		(3,925.56)		-
Hedging Reserve (note 32.6)		15.53		-
General Reserve				
a) As per last Balance Sheet	1,223,664.23		1,105,907.56	
b) Add: Adj. with opening reserve (Note no. 5.8)	(3,143.02)		-	
c) Add: Transferred from Surplus Accounts	132,250.48	1,352,771.69	117,756.67	1,223,664.23
Surplus				
a) As per last Balance Sheet	205,772.77		179,958.75	
b) Add: Transferred from Statement of Profit and Loss	265,065.33		242,196.44	
c) Add: Adjustment due to change in holding/other adjustment	36.06		58.45	
d) Less: Proposed Dividend (note 5.2)	2,138.87		4,277.75	
e) Less: Interim Dividend	79,138.31		76,999.41	
f) Less: Tax on Dividend	13,841.60		13,053.47	
g) Less: Transfer to Capital Redemption Reserve	-		45.93	
h) Less: Transfer to Debenture redemption Reserve	10,399.95		4,307.64	
i) Less: Transferred to General Reserve	132,250.48	233,104.95	117,756.67	205,772.77
Total		1,678,732.26		1,482,498.10

- 5.1 Includes ₹ 159.44 million (Previous year ₹ 159.44 million) being assessed value of assets received as gift and ₹ 4.18 million (Previous year ₹ 4.18 million) being Capital Reserve on Consolidation.
- 5.2 The Board of Directors have recommended a final dividend of ₹ 0.25 per share (previous year ₹ 0.50 per share) which is subject to the approval of the shareholders in the ensuing Annual General Meeting over and above the interim dividend of ₹ 9.25 per share (Previous year ₹ 9.00 per share).
- 5.3 Includes ₹ 91.86 Million (Previous year ₹ 91.86 million) Capital Redemption Reserve towards redemption of Preference share capital during 2011-12 and 2012-13 in respect of subsidiary, MRPL.

5.4 Debenture Redemption Reserve: -

Debenture Redemption Reserve includes ₹ 24,470.11 million in respect of subsidiary company OVL, as follows:

Particulars	(₹ in million)		
	Balance as on 31 st March, 2013	Addition during the period	Balance as on 31 st March, 2014
8.40 % 5 Years Unsecured Non-Convertible Redeemable Bonds in the nature of Debentures- Series I	12,892.38	3,937.84	16,830.22
8.54 % 10 Years Unsecured Non-Convertible Redeemable Bonds in the nature of Debentures- Series II	1,196.53	369.80	1,566.33
Total (A)	14,088.91	4,307.64	18,396.55
Unsecured 3.75% 10 years USD Bonds	-	3,312.85	3,312.85
Unsecured 2.50% 5 years USD Bonds	-	2,760.71	2,760.71
Total (B)	-	6,073.56	6,073.56
Total (A+B)	14,088.91	10,381.20	24,470.11

- 5.5 Represents the amount equivalent to depreciation transferred to the Statement of Profit and Loss.
- 5.6 **Foreign Exchange Translation Reserve:** The subsidiary, ONGC Videsh Limited has followed the Accounting Standard (AS) 11 - Effects of Changes in Foreign Exchange Rates (revised 2003) for incorporating in the consolidated financial statements following the principles for translation of the financial statements of Non-integral Foreign Operations. Accordingly, the foreign exchange difference of ₹ 33,209.48 Million (Previous year ₹ 12,914.34 Million) has been accounted as foreign currency translation reserve.
- 5.7 **Foreign Currency Monetary Item Exchange Account:** The subsidiary, ONGC Videsh Limited has foreign exchange difference on the foreign currency bonds till 31.03.2014 amounting to ₹ 4,616.00 million (refer note no. 6.3.2) has been amortized over the outstanding tenure of the loan as per the provision of paragraph 46A of AS 11 as below:-

Particulars	(₹ in million)	
	As at 31 st March, 2014	As at 31 st March, 2013
Opening Balance	-	-
Additions during the year	(4,616.00)	-
Amortized during the year	690.44	-
Closing Balance	(3,925.56)	-

- 5.8 The Company has implemented the Guidance note on Oil & Gas Producing activities (revised) issued by the Institute of Chartered Accountants of India w.e.f. 01.04.2013. The company has carried out impairment testing of assets in exploratory phase (Exploratory Wells in Progress) as on 01.04.2013 and accordingly, an amount of ₹ 3,143.01 million (net of deferred tax of ₹ 1,618.41 million) has been accounted as provision and adjusted against reserve as on 01.04.2013. (Refer note no. 18.1.b)
- 5.9 Above Reserve and Surplus includes ₹ (-) 3,575.69 million share of jointly controlled entities (Previous year ₹ (-) 3,532.52 million).

6 Long-term borrowings

Particulars	(₹ in million)	
	As at 31 st March, 2014	As at 31 st March, 2013
A. Secured		
(a) Zero Coupon Bond (note no. 6.2.1)	3.64	27.29
(b) Term Loan		
- From Banks	100,654.50	34,089.49
- From Others	42,450.65	18,323.14
B. Unsecured		
(a) Non Convertible Redeemable Bonds (Note 6.3.1)	48,423.00	-
(b) Non Convertible Redeemable Debentures	3,700.00	23,400.00
(c) Term Loan		
- From Banks	106,606.50	-
- From Others	8,000.00	6,999.98
(d) Non - Recourse deferred credit (Note 6.3.4)	-	134.98
(e) Non-current maturities of finance lease obligations (note 6.3.5)	4,811.12	2,759.08
(f) Sales Tax Deferment Loan (Note 6.3.7)	2,159.17	2,693.51
Total Long Term Borrowing (A+B)	316,808.58	88,427.47

- 6.1 Above include Secured long term borrowings of ₹ 112,385.66 million share of jointly controlled entities (Previous year ₹ 43,595.31 million) and Unsecured long term borrowings of ₹ 7,823.39 million share of jointly controlled entities (Previous year ₹ 6,881.69 million).
- 6.2 **Secured Loan**
- 6.2.1 **Zero coupon bond (ZCB):** The Joint Venture, PMHBL has issued Zero Coupon Bonds to Lenders as per Corporate Debt Restructuring (CDR) Approved Scheme, repayable in 36 quarterly installments commencing from Sept 2006 and ending on June, 2015. The ZCBs are secured by first mortgage on Immovable Properties- present & future, first charge on movable properties - present & future and charge on all receivables from the project on pari-passu basis. Balance outstanding as on 31st March, 2014 is ₹ 12.65 million (Previous year ₹ 94.88 million) out of which Group's share is ₹ 3.64 million (Previous year ₹ 27.29 million).
- 6.2.2 The Subsidiary, MRPL has external commercial borrowing (ECB) of ₹ 38,948.00 million (Previous year ₹ 16,293.00 million), secured by first pari-passu charge over immovable and movable fixed assets both present and future. The interest rate for ECB are based on 6 month LIBOR plus spread. The effective interest rate are 3.26%, 3.63%, 2.82%, 2.44% and 2.79% on ₹ 5,992.00 million, ₹ 8,988.00 million, ₹ 17,976.00 million, ₹ 2,996.00 million and ₹ 2,996.00 million respectively to be repaid by 2020-21.
- 6.2.3 The Joint Venture, PLL has outstanding loan from Banks, secured by first ranking mortgage and first charge on pari-passu basis on all movable and immovable properties, both present and future including current assets except on trade receivables on which second charge is created on pari-passu basis at an average interest rate of 10.02% p.a. applicable on 31st March, 2014. Balance outstanding as on 31st March, 2014 is ₹ 9,706.30 million (Previous year ₹ 10,941.10 million) out of which group's share is ₹ 1,213.29 million (Previous year ₹ 1,367.64 million)
- 6.2.4 The joint venture, OMPL has external commercial borrowing (ECB) arrangement from a consortium of banks for USD 310 million, secured by first charge on all fixed asset and second charge of the current assets. The rate of interest for ECB-I (USD 250 million) and ECB-II (USD 60 million) are LIBOR+3.13% and LIBOR+3.15% respectively. ECB-I & ECB-II are repayable in 14 equal half yearly installments commencing from 1st April, 2015 and 31st October, 2015 respectively. Balance outstanding as on 31st March 2014 is ₹ 18,618.60 million (Previous year ₹ 13,597.50 million) out of which group's share is ₹ 89,64.65 million (Previous year ₹ 6,547.05 million)
- 6.2.5 The Joint venture, OMPL has borrowed Rupee Term Loan from a Consortium of Banks at the interest rate which is "SBI base rate+1.25%" secured by first charge on all fixed assets and second charge on the current assets. The Rupee Term Loan is repayable in 36 equal quarterly installments from 31st December, 2014. Balance outstanding as on 31st March 2014 is ₹ 17,293.90 million (Previous year ₹ 10,000.00 million) out of which group's share is ₹ 8,326.82 million (Previous year ₹ 4,814.89 million).

- 6.2.6 The joint venture, OPaL has borrowed Secured term loan from a Consortium of Banks & External Commercial Borrowings (ECB), by first ranking pari-passu mortgage / charge on immovable and movable properties and assets both present and future and second ranking pari-passu charge on the current assets. The details of rate, repayable period & outstanding amount are as below:-

(₹ in million)

Type of loan	Effective Rate	Repayable period	Outstanding Amount as on		Group's share in outstanding on	
			31.03.2014	31.03.2013	31.03.2014	31.03.2013
Bank-Medium Term loan	11.00%	By 31.12.2014	-	16,740.00		8,262.86
Bank-Long Term Loan	11.75%	41 quarterly installments starting from Q4 FY 2015-16 to Q4 FY 2025-26	110,303.61	-	54,445.86	-
Sub Debt	Base rate+ spread 0.75% (11.00% effectively)	Repayable after 3 year from date of disbursement (i.e. Dec, 2016).	16,434.62	-	8,112.13	-
External commercial borrowings USD 50 Million	6 month USD LIBOR +324 basis points	9 half yearly installment starting from Q4 FY 2015-16 to Q4 FY 2019-20	3,024.50	-	1,492.89	-
External commercial borrowings USD 250 Million	6 month USD LIBOR +range 347 to 355 basis points	15 half yearly installments starting from Q4 FY 2015-16 to Q4 FY 2022-23	10,283.30	-	5,075.84	-
Total			140,046.03	16,740.00	69,126.72	8,262.86

- 6.2.7 The Joint Venture, MSEZ has term loan from a Consortium of Banks at the interest rate "base rate+agreed spread (i.e. at 11.25%) " secured by mortgage and hypothecation of immovable and movable assets repayable in 36 unequal quarterly installment commencing after moratorium period of 6 month from commercial operation date (COD is expected to be 1st April, 2015). Balance outstanding as on 31st March, 2014 is ₹ 5,546.62 million (Previous year ₹ 4,333.00 million) out of which group's share ₹ 1,467.76 million (Previous year ₹ 1,146.61 million).
- 6.2.8 The Rupee term loan (RTL) of the Joint Venture, OTPC executed with Power Finance Corporation Ltd (PFC) has been repaid by OTPC on 31st Jan, 2014 and has been taken over by the State Bank of India (SBI). The outstanding loan from SBI is secured by first rank pari-passu charge on all immovable properties - present and future, relating to the project and first charge by way of hypothecation on all moveable properties - present and future, relating to project and first charge on all the receivables, Letter of credit and Escrow Account. Interest on the RTL is at SBI base rate (floating)+ 0.50% (spread) and is repayable in 60 equal quarterly installments commencing from the 31st March, 2014. Balance outstanding for the same on 31st March, 2014 is ₹ 23,131.10 million (Previous year ₹ 20,142.65 million) out of which group's share is ₹ 11,455.49 million (Previous year ₹ 9,975.43 million). Further, the Joint venture company NETC of OTPC (NETC), still continue to avail loan from PFC by creating a first charge on its immovable properties acquired for the project along with the revenue and receivables from the project - present and future against which Group's share is ₹ 1,885.86 million (previous year ₹ 2,035.27 million) as on 31st March, 2014.
- 6.2.9 The Joint Venture, PLL has external commercial borrowings from International Finance

Corporation Washington D.C., USA, Proparco, France and Asian Development Bank at an average cost of 8.85% p.a. (inclusive of hedge cost) and loan from Bajaj Allianz Life Insurance Company Ltd (Indian lender) at an average interest rate of 10.02% p.a. as applicable as on 31st March, 2014. In respect of external commercial borrowings from International Finance Corporation Washington D.C., USA and Proparco, France, PLL, has entered into derivative contracts to hedge the loan including interest. Balance outstanding as on 31st March, 2014, is ₹ 13,771.10

million (Previous year ₹ 16,241.10 million) out of which group's share is ₹ 1,721.39 million (Previous year ₹ 2,030.14 million).

6.3 Unsecured Loan

6.3.1 Non-convertible redeemable debenture (Rupee Bonds):

During the financial year 2009-10, the subsidiary, OVL, had raised funds from the financial markets by issuance of non-convertible redeemable debenture (Rupee Bonds) in the nature of debentures as per following:-

Particulars	Amount (₹ in million)	Date of issue	Date repayable on
8.54 % 10 Years Unsecured Non-Convertible Redeemable Bonds in the nature of Debentures- Series II	3,700.00	6-Jan-2010	6-Jan-2020
8.40 % 5 Years Unsecured Non-Convertible Redeemable Bonds in the nature of Debentures- Series I (refer note no 12.3)	19,700.00	23-Dec-2009	23-Dec-2014
Total	23,400.00		

The above securities have been listed in National Stock Exchange of India Ltd. (NSE). Further the Company is required to maintain 100% asset cover as per SEBI guidelines. There is no put / call option on these bonds. The bonds are repayable in full (bullet repayment) on maturity date.

6.3.2 Foreign Currency Bonds

During the year 2013-14, the subsidiary, OVL, had raised funds from the international financial markets by issuance of non-convertible redeemable Reg-S foreign currency bonds as per following:

Particulars	Amount (₹ in million)	Date of issue	Date repayable on
USD 500Million Unsecured Non-Convertible Reg S Bonds (Coupon-3.75% payable semi-annually in arrears)	27,145.00	7-May-2013	7-May-2023
USD 300Million Unsecured Non-Convertible Reg S Bonds (Coupon-2.50% payable semi-annually in arrears)	16,287.00	7-May-2013	7-May-2018
Foreign Exchange difference (note 5.7)	4,616.00		
Total	48,048.00		

The above securities have been listed in Singapore Exchange (SGX). The USD 300 million Reg S bonds were issued at price of 99.655% and USD 500 million Reg S bonds were issued at price of 99.950% . The bonds have been issued in denomination of USD 200,000 and integral multiples of USD 1,000 in excess thereof. There is no periodical put/call option. The bonds are repayable in full (bullet repayment) on maturity date.

8.94%, 9.27%, 9.06%, 9.15% and 9.27% on ₹ 2,737.50 million, ₹ 262.50 million, ₹ 1,250.00 million, ₹ 2,750.00 million, ₹ 87.90 million, ₹ 1,537.50 million, ₹ 399.60 million, ₹ 282.50 million and ₹ 692.50 million respectively, repayment up to 2018-19.

- 6.3.3 The Subsidiary, MRPL has unsecured term loan from Oil Industry Development Board (OIDB) of ₹ 8,000.00 million (previous year ₹ 6,999.98 million). The interest rates on the same are 8.89%, 9.04%, 8.73%, 8.98%,

- 6.3.4 The Subsidiary, OVL has unsecured non-recourse deferred credit ₹ nil (previous year ₹ 134.98 million) from contractors of pipeline project executed in Sudan. The Non recourse deferred credit is repayable from the instalments of pipeline lease rentals from the Ministry of Energy and Mining (MEM), Sudan. The position of non-recourse deferred credit is as under:-

(₹ in million)		
Non - Recourse Deferred (unsecured)	As at 31 st March, 2014	As at 31 st March, 2013
Current (Note 12.3)	1,043.37	809.89
Non-Current (Note 6)	-	134.98
Total	1,043.37	944.87

- 6.3.5 The subsidiary, OVL has unsecured non-current maturity of finance lease obligation of ₹ 4,811.12 million (Previous year ₹ 2,759.08 million).
- 6.3.6 The subsidiary, OVL has availed a term loan from Bank amounting to ₹ 106,606.50 million (USD 1,775 million) (Previous year ₹ nil) for the purpose of acquisition of block in Mozambique.
- 6.3.7 The subsidiary, MRPL, has deferred payment liability on account of sale tax deferment liability of ₹ 2,159.17 million (Previous year ₹ 2,693.51 million) with nil interest rate, to be repaid by 2019-20.
- 6.3.8 The Joint Venture, PLL has raised the fund by issuing "Bonds- 8.35% Debenture - Series I" which are unsecured, non-convertible debentures repayable in financial year 2018-19. Balance outstanding as on 31st March, 2014 is ₹ 3,000.00 million (Previous year Nil) out of which group's share ₹ 375.00 million (Previous year Nil).

7. Deferred Tax Liabilities

The Deferred Tax Liability/Asset of the company, its subsidiaries and joint ventures as at 31st March, 2014 comprises of the major components of Deferred Tax Liabilities and Deferred Tax Assets under Accounting Standard-22 on 'Accounting for Taxes on Income' the details of the same given here under:

(₹ in million)		
Particulars	As at 31 st March, 2014	As at 31 st March, 2013
(i) Liabilities		
Depletion of Producing Properties	218,766.58	177,977.15
Depreciation Allocated to Wells in Progress & expenses relating to NELP	23,002.57	14,799.59
Deferred Revenue Expenditure written off	3,718.06	5,050.44
Development wells-in Progress	10,052.58	12,045.58
Depreciation	18,419.18	7,898.11
Others	7,300.79	3,707.51
Deferred tax liability of ONGBV, OAAL- Subsidiary of OVL	7,347.57	11,714.50
Total (i)	288,607.33	233,192.88
(ii) Assets		
Depreciation	22,690.58	13,710.90
Unabsorbed losses and allowances	(1,581.49)	-
Dry wells written off	18,340.46	10,650.76
Provision for Non-Moving Inventories	1,876.75	1,584.30
Provision for Doubtful Debts/ Claims /Advances/ Interest	4,270.17	9,501.06
Provision for Abandonment	38,633.84	24,029.48
Provision for Leave Encashment\PRBS	1.73	1.56
Provision toward Additional Profit Petroleum & interest	3,426.45	3,102.97
Statutory duties unpaid u/s 43B	778.74	14,894.44
Others (note no. 7.1)	14,649.07	7,227.40
Deferred tax asset of ONGBV - Subsidiary of OVL	6,885.93	6,238.82
Total (ii)	109,972.23	90,941.69

- 7.1 Includes deferred tax asset of ₹ 1,618.41 million (Previous Year Nil) created consequent to assessment of impairment during exploration phase as at 01.04.2013 in terms of the Guidance Note on Oil and Gas Producing Activities (Revised) as referred at note no. 5.8 & 18.1(b)
- 7.2 The above includes Deferred Tax Asset of ₹ 6,885.97 million (Previous year ₹ 6,238.88 million) and Deferred Tax Liability of ₹ 185,521.07 million (Previous Year ₹ 148,490.07 million) in respect of various components of entities consolidated as below:

(₹ in million)		
Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Net Deferred Tax Liability of ONGC	165,786.79	128,879.81
Net Deferred Tax Liability of OVL	6,921.94	3,649.86
Net Deferred Tax Liability of ONGBV	6,965.31	7,733.56
Net Deferred Tax Liability of OAAL	328.23	261.47
Net Deferred Tax Liability of Carabobo One AB	54.02	69.61
Net Deferred Tax Liability of MRPL	4,703.24	7,343.14
Net Deferred Tax Liability of PLL	691.25	488.75
Net Deferred Tax Liability of OTPC	70.29	63.87
Net Deferred Tax Liability of DSL	-	-
Consolidated Net Deferred Tax Liability	185,521.07	148,490.07
Net Deferred Tax Asset of ONGBV	6,763.69	5,840.86
Net Deferred Tax Asset of OAAL	-	230.79
Net Deferred Tax Asset of PMHBL	122.24	167.17
Net Deferred Tax Asset of OTBL	0.04	0.06
Consolidated Net Deferred Tax Asset	6,885.97	6,238.88

8. Other Long Term Liabilities

(₹ in million)		
Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Trade payables		
- Outstanding dues to Micro & Small Enterprises	-	-
- Outstanding dues to other than Micro & Small Enterprises	1,020.45	1,301.85
Others		
- Advance from customers	3,374.39	3,275.51
- Deposits from Suppliers and Contractors	31.23	52.49
- Liability for Capital Goods	1,773.16	1,662.97
- Liabilities for Liquidated Damages	9,904.05	9,250.07
- Other Liabilities	2,422.03	1,620.22
Total	18,525.31	17,163.11

- 8.1 Above other long term liabilities includes ₹ 7,261.96 million share of jointly controlled entities (Previous year ₹ 6,244.16 million).

9. Long Term Provisions		(₹ in million)	
Particulars	As at 31 st March, 2014	As at 31 st March, 2013	
Provision for Employee benefits			
- Unavailed Leave	386.24	18,509.05	
- Gratuity	3.52	3.85	
- Post Retirement Medical & Terminal Benefits	28,778.25	26,563.42	
Provision for Abandonment (Note no. 9.3 & 44)	274266.03	207,255.35	
Other Provisions (Note no. 44)	664.09	631.10	
Total	304,098.13	252,962.77	

- 9.1 Above long term provisions includes ₹ 15.73 million share of jointly controlled entities (Previous year ₹ 11.07 million).
- 9.2 Subsidiaries and the Joint Venture Companies of OVL provide for the retirement benefits in accordance with the laws of Countries of their respective jurisdictions. The net impact on account of the difference in accounting policy is not ascertainable.
- 9.3 Change in policy of accounting in respect of provision for abandonment net of salvage value to gross basis (refer accounting policy no. 2.2.k.1) has resulted in an increase in provision by ₹ 26,969.32 million with corresponding increase in producing property by ₹ 26,729.88 million, Exploratory well in Progress by ₹ 59.04 million, Development well in progress by ₹ 42.97 million as on 31.03.2014 and decrease in profit before tax amounting to ₹ 137.43 million for the year ended 31.03.2014.

10. Short Term Borrowings		(₹ in million)	
Particulars	As at 31 st March, 2014	As at 31 st March, 2013	
Secured			
Short Term Loans from Banks	810.75	738.30	
Unsecured			
Loans Repayable on demand from Bank	3,868.75	66,479.09	
Other Short Term Loans :			
From Banks	133,633.50	48,053.57	
From Others	759.72	-	
Total	139,072.72	115,270.96	

- Above Secured short term borrowing includes ₹ 810.75 million (Previous year ₹ 696.46 million) shares of jointly controlled entities and unsecured short term borrowing includes ₹ 3,868.75 million (Previous year ₹ 54,530.89 million) shares of jointly controlled entities.
- 10.1 **Short Term Loan - Secured**
- 10.1.1 The subsidiary, MRPL has outstanding secured short term Loan of ₹ 471.51 million (Previous year ₹ 158.95 million) from Bank secured by way of hypothecation of MRPL's stock of raw materials, finished goods, stock-in-process, stores, spares, components, book debts, outstanding moneys receivable, claim, bills, contracts, engagements, securities, both present and future and further secured by second ranking pari-passu charge
- 10.1.2 The Joint venture company, OTPC has borrowed short term loan from bank repayable within one year from date of first disbursement, that is by 30th September, 2014 unless otherwise extended further. The short term loan is secured by first rank pari-passu charge on all immovable properties, present and future relating to project and first charge on all the receivable, letter of credit and Escrow Account at interest rate SBI base rate (floating) + .75% (spread). The balance outstanding as on 31.03.2014 is of ₹ 685.00 million

(Previous year ₹ 1,169.84 million) out of which group's share is ₹ 339.24 million (Previous year ₹ 579.35 million).

10.2 Short term Loan-Unsecured

- 10.2.1 The Joint venture, OPaL has borrowed short term loan from bank repayable on demand of ₹ Nil (Previous year ₹ 104,003.95 million) out of which group's share is ₹ Nil (Previous year ₹ 50,961.94 million).
- 10.2.2 The Joint venture, OMPL has borrowed short term loan from bank repayable on demand of ₹ 7,389.26 million (Previous year ₹ 7,412.31 million) out of which group's share is ₹ 3,557.85 million (Previous year ₹ 3,568.95 million).

10.2.3 The Joint venture, PLL has borrowed short term buyers credit from bank repayable on demand of ₹ 2,487.20 million (Previous year ₹ Nil) out of which group's share is ₹ 310.90 million (Previous year ₹ Nil).

10.2.4 The Subsidiary, MRPL has availed ₹ Nil (Previous year ₹ 11,948.20 million) in the form of buyers credit from banks.

10.2.5 The subsidiary OVL has availed bridge/short term loan of ₹ 133,633.50 million (Previous year ₹ 48,053.57 million) for the purpose of participating interest in Area 1 offshore, Mozambique. Borrowings in previous year were taken for acquisition of participating interest in ACG fields and BTC pipeline, Azerbaijan which has been repaid in current year.

11. Trade Payables

Particulars		As at 31 st March, 2014	As at 31 st March, 2013
- Outstanding dues to Micro & Small Enterprises		82.20	3.60
- Outstanding dues to other than Micro & Small Enterprises (note 11.3)		291,894.47	185,848.16
- Deferred Credit on Gas Sale (note 11.2)		14,806.41	296.04
Total		306,783.08	186,147.80

11.1 Above trade payable includes ₹ 3,597.75 million share of jointly controlled entities (Previous year ₹ 5,109.40 million).

11.2 Deferred credit on gas sales represents amounts received from gas customers against "Take or Pay" obligations under relevant gas sales agreements. The amounts are to be utilized to supply gas in

subsequent year(s) free of charge to such customers.

11.3 In case of subsidiary MRPL, the trade payables includes ₹ 79,141.99 million being overdue amount payable to National Iranian Oil Company (NIOC) pending settlement due to non finalisation of remittance channel arising out of UN/US/EU backed sanctions.

12. Other Current liabilities

Particulars		As at 31 st March, 2014	As at 31 st March, 2013
Current Maturity of Long Term Borrowings (note 12.2 & 12.3)		34,028.47	2,268.60
Current Maturity of Finance Lease Obligations		1,217.72	889.04
Interest Accrued but not due on Borrowings		2,098.79	1,181.89
Interest Accrued and due on Borrowings		135.33	272.99
Advance from Customers		27,087.38	5,184.07
Unclaimed Dividend (note 12.4)		248.59	232.11
Liability for Capital Goods		28,044.22	40,037.21
Liability for Statutory Payments		19,634.39	19,954.87
Liability for Gratuity		18.22	155.98
Deposits from Suppliers and Contractors		7,061.07	4,024.10
Cash Call payable to JV Partners		31,299.06	22,186.46
Liability for Employees		9,641.61	6,586.84
Liability for Superannuation Benefits		427.31	20,204.79
Liabilities for Liquidated Damages		10,666.22	9,061.49
Other Liabilities (note 12.5)		46,585.52	38,628.69
Total		218,193.90	170,869.13

- 12.1 Above other current liabilities includes ₹18,812.81 million share of jointly controlled entities (Previous year ₹11,812.55 million). (unsecured) of ₹ 1,043.37 million (Previous year ₹809.89 million) (refer note 6.3.1 & 6.3.4).
- 12.2 Above includes, outstanding current maturity of unsecured Long Term Borrowings of ₹ 2,534.34 million (Previous year ₹ Nil) in respect of the subsidiary, MRPL. Refer note no. 6.3.3. 12.4 No amount is due for payment to Investor Education and Protection Fund.
- 12.3 Above includes, in respect of Subsidiary company, OVL, outstanding current maturity of non-convertible redeemable debentures amounting to ₹ 19,700 million (Previous year ₹ Nil), which are due for redemption on Dec 23, 2014 and current maturity of non-recourse deferred credit 12.5 The joint venture OTPC has transferred the equity share (16,456,000 no. of ₹ 10/- each fully paid-up) of North East Transmission Company Ltd (OTPC's JV Company) to the Govt of Nagaland during current year against amount received of ₹ Nil (Previous year ₹ 164.56 million) from Govt of Nagaland out of which group share included above is ₹ Nil (Previous year ₹ 81.66 million) as transfer of these shares were pending, under "other liabilities" above.

13. Short Term provisions (₹ in million)

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Provision for Employees Benefits		
Unavailed Leave	2,701.14	2,015.05
Gratuity	0.33	59.76
Post Retirement Medical & Terminal Benefits	2,142.42	1,677.22
Provision for Abandonment (note 9.3 & 44)	424.39	436.77
Provision for Others		
Proposed Dividend	2,138.87	4,277.75
Tax on Proposed Dividend	397.92	768.88
Provision for wealth Tax	126.00	102.00
Less: Paid	58.82	52.27
Provision for taxation	1.33	1.60
MAT Payable	72.32	44.81
Other Provisions (note no. 13.2 & 44)	1,524.00	1,201.35
Total	9,469.90	10,532.92

- 13.1 Above short term provisions includes ₹ 324.85 million share of jointly controlled entities (Previous year ₹ 206.76 million). based on substantial degree of estimation for excise duty payable on clearance of goods lying in stock as on 31st March, 2014 for ₹ 1,155.18 million (Previous year ₹ 961.75 million).
- 13.2 **Other provisions**
The subsidiary, MRPL, had recognized liability

14. Tangible Assets

Description	Gross Block			Accumulated Depreciation			Accumulated Impairment			Net Block	
	At 1 st April, 2013	Additions	Deletion/Adjustment	At 31 st March, 2014	For the year	Deletion/Adjustment	At 31 st March, 2014	For the year	Re classification	At 31 st March, 2014	At 31 st March, 2013
Land Freehold	3,260.44	1,077.86	18.10	4,320.20	-	-	-	-	-	4,320.20	3,260.44
Land Leasehold	17,733.63	191.68	(23.20)	17,948.51	331.20	(40.22)	1,517.65	-	-	16,430.86	16,587.40
Building & Bunk Houses	31,636.57	8,077.01	46.06	39,667.52	1,626.89	31.78	13,092.13	38.45	0.01	26,449.55	20,052.15
Plant & Equipment	1,154,129.54	156,257.62	2,529.90	1,307,857.26	111,272.35	2,489.52	902,743.26	38.70	(12.17)	403,186.82	358,253.42
Furnitures & Fixtures	15,361.76	707.29	(287.83)	16,356.88	860.06	(32.66)	11,541.45	0.59	0.35	4,803.56	4,701.22
Office Equipment	6,248.71	2,483.26	736.20	7,995.77	818.03	738.34	4,575.04	0.69	1.40	3,398.92	1,730.71
Vehicles includes Survey Ships, Crew Boats and Helicopters (note 14.1(k))	7,614.25	2,184.20	272.17	9,526.28	703.62	295.75	5,852.43	-	(0.16)	3,663.60	2,159.24
Total	1,235,984.90	170,978.92	3,291.40	1,403,672.42	115,612.15	3,482.51	939,321.96	76.43	(10.57)	462,253.51	406,744.58
Previous Year	1,114,091.87	193,130.20	71,237.17	1,235,984.90	92,761.78	71,848.85	827,192.32	755.35	2.75	2,048.00	406,744.58
The above includes the company's share in Joint Venture Assets	222,828.42	46,552.29	1,645.20	267,735.51	20,801.96	(948.56)	153,228.04	797.53	-	797.53	113,709.94
Previous Year	183,855.28	37,133.99	(751.50)	221,740.77	118,380.73	48.90	131,309.45	182.52	-	797.53	89,633.79

14.1 Above includes:-

- (a) Additions to Tangible Fixed Assets are net of ₹ 2,195.48 million on account of foreign currency translation adjustment during the year (Previous year ₹ 1,107.95 million). (h)
- (b) Land includes land in respect of certain projects for which execution of lease/conveyance deeds are in process. (i)
- (c) Registration of title deeds in respect of certain Buildings is pending execution. (j)
- (d) In respect of subsidiary MRPL, ₹ 249.66 million (Previous year ₹ 253.74 million) which has not been amortized in view of the fact that eventually the ownership will get transferred to the company on expiry of the lease period, of which ₹ 7.75 million (Previous year ₹ 11.52 million) is in the process being surrendered to competent Authority. Net Block ₹ 7.75 million (Previous year ₹ 11.52 million). (k)
- (e) Plant & Equipment includes an amount of ₹ 782.98 million (Previous year ₹ 782.98 million) being MRPL's share of an asset jointly owned with another company. Net Block ₹ 38.04 million (Previous year ₹ 79.39 million). (l)
- (f) In respect of subsidiary MRPL Lease land value ₹ 36.56 million (previous year ₹ 40.34 million) which is in possession of the company towards which formal lease deeds are yet to be executed. Net block ₹ 36.56 million (previous year ₹ 40.34 million). (m)
- (g) Net Tangible Assets include ₹ 30,606.58 million share of jointly controlled entities (Previous year ₹ 16,308.36 million). (n)
- (h) Depreciation for the year includes ₹ (-) 85.79 million pertaining to prior period (Previous year ₹ (-) 20.24 million).
- (i) Plant & Equipment includes Jetty & Trestle having Gross block of ₹ 8,368.90 million (Previous year ₹ 4,343.80 million) (Dahe) and ₹ 3,825.20 million (Previous year ₹ Nil) (Kochi) in the books of Joint Venture Company, Petronet LNG Ltd, out of which Group share is ₹ 1,046.11 million (Previous year ₹ 567.98 million) (Dahe) and ₹ 478.15 million (Previous year ₹ Nil) (Kochi). As per the agreement, ownership of Jetty & Trestle (Dahe) would be transferred to the Gujarat Maritime Board in the year 2035 and ownership of Jetty & Trestle (Kochi) would be transferred to the Cochin Port Trust in the year 2039.
- (j) Building includes cost of undivided interest in land.
- (k) Vehicles include Survey Ships, Crew Boats and Helicopters. Vehicles also include cost of 10 Immediate support vessels (ISV) amounting to ₹ 1,079.50 million (previous year ₹ Nil) handed over to Indian Navy for manning, maintenance and operations.
- (l) The subsidiary company, MRPL is in possession of certain land provisionally measuring 39.76 acres ceded by HPCCL for use by MRPL Phase III expansion and upgradation work. The consideration for such land is mutually agreed to be by way of swapping land in possession of MRPL. The final documentation in this regards is pending to be executed.

14.2 The accounting policies for treatment of depreciation of fixed assets by the subsidiaries/ Joint Venture/Associate Entities are different from the accounting policies of the Group. Such different policy of depreciation of Fixed Assets have been adopted in respect of the following:-

(₹ in million)

Name of Subsidiaries / JV/ Associate	Accounting Policies		Proportionate Depreciation		Proportionate Net block	
	Company	Subsidiaries/ JV	2013-14	2012-13	2013-14	2012-13
MRPL	Written Down Value Method at the rates specified in Schedule XIV.	Straight Line Method	7,044.75	6,008.29	59,929.42	57,776.45
Petronet LNG Ltd.			381.97	231.47	7,826.58	2,939.98
Petronet MHB Ltd.			144.37	140.35	306.25	443.46
Mangalore SEZ Ltd.			0.54	0.52	927.61	926.50
OMPL			30.78	27.95	1,230.69	1,252.98
OPaL			202.77	202.72	5,008.17	5,159.23
OTPC*			206.57	33.01	11,578.79	1,863.17
Total- Proportion			8,011.75	6,644.31	86,807.51	70,361.77
Group Total	115,612.15	92,804.83	462,303.70	406,857.57		

* Depreciation has been provided on the basis of CERC Tariff Regulations 2009 with effect from 1st April, 2009, as notified by Central Electricity Regulatory Commission.

14.3 Title to Fixed Assets under Production Sharing Agreements

The Subsidiary OVL and its subsidiaries and joint ventures, in consortium with other partners (Consortium) carries on its business in respect of exploration, development and production of hydrocarbons under agreements with the host governments. Several of these agreements, governing OVL's activities in the fields / projects, provide that the title to the fixed assets and other ancillary installations shall pass to host Government or its nominated entities either upon acquisition / first use of such assets or upon 100% recovery of such costs through allocation of "Cost Oil" and "Cost Gas" or upon relinquishment of the relevant contract areas or termination of the relevant agreement. However, as per the terms of the agreements, the Consortium and/ or Operator has the custody of all such assets and is entitled to use, free of charge all such assets for Petroleum Operations throughout the term of the respective agreements. The Consortium also has the custody and maintenance of such assets and bears all risks of accidental loss and damage and all costs necessary to maintain such assets and to replace or repair such damage or loss. Under the circumstances, such assets are kept in the records of the OVL during the currency of the respective agreements.

14.4 Apart from the above assets, the joint venture company, Petronet MHB Limited (PMHBL) has taken lease land from HPCL for its stations at Mangalore, Hassan and Devangonhi on a long term lease basis for the period of 30 years on annual rental basis. Also, there are six pieces of land acquired by PMHBL through KIADB for sectionalized valve stations for which absolute sale deeds are yet to be registered in the name of the PMHBL and the amount paid ₹ 0.28 million (Previous year ₹ 0.53 million) is shown as capital advance under note 21.

14.5 The Subsidiary of OVL "OAAI" and joint venture company of OVL "OMEL" provide depreciation on fixed assets using the straight line method. The amount involved is ₹ 1,132.80 million (Previous year ₹ 981.73 million) shown as depreciation under Note 33.

14.6 Due to different nature of their operation, PHL, an Associate of the Company, follows different accounting policies in respect to depreciation. Depreciation is charged by PHL on straight line method rates specified in Schedule XIV whereas the company provides Written Down Value Method rates specified in Schedule XIV. It is not practicable for the Company to make adjustment for the purposes of applying the equity method.

15 Producing Properties

(₹ in million)

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Gross Cost		
Opening Balance	1,486,412.69	1,298,462.89
Expenditure during year	56,865.77	32,418.91
Transfer from Exploratory Wells-in-Progress	12,159.44	5,417.69
Transfer from Development Wells-in-Progress	124,450.52	84,202.26
Depreciation on Facilities	64,756.79	59,741.63
Increase/(Decrease) in estimated Abandonment costs (note 9.3)	68,078.85	1,168.42
Foreign Currency Translation Adjustments (note 15.2)	10,825.86	5,000.89
Other Adjustments	(59.05)	-
	1,823,490.87	1,486,412.69
Less: Depletion & Impairment		
Depletion		
Opening Balance	777,720.44	687,904.12
Depletion for the year (note 15.5)	121,130.77	86,228.54
Foreign Currency Translation Adjustments	8,118.80	3,533.72
Other Adjustments (refer note no. 42.5.4)	241.72	54.06
	907,211.73	777,720.44
Impairment		
Opening Balance	3,296.81	2,554.40
Impairment provided for the period	417.20	742.41
Write back of Impairment	(116.34)	-
	3,597.67	3,296.81
NET PRODUCING PROPERTIES	912,681.47	705,395.44

15.1 Above includes ₹ Nil share of jointly controlled entities (previous year ₹ Nil)

15.2 In respect of subsidiary OVL, above includes Foreign currency translation differences in respect of sakhlian-1, in pursuance to para 46A of Accounting standard 11 (change in foreign exchange rate) as follows:-

(₹ in million)

Particulars	Year ended 31 st March, 2014	Year ended 31 st March, 2013
Exchange loss arising on reporting of long-term foreign currency monetary items relating to depreciable assets:		
Amount remaining to be amortized at the beginning of the year	1,120.37	-
Exchange loss/(gain) arising during the year	2,231.12	1,246.83
Less: Depletion charged to statement of profit and loss for the year	285.36	126.46
Amount remaining to be amortized at the end of the year	3,066.13	1,120.37

- 15.3 Change in policy of capitalizing the cost of side tracking of producing wells, only if it results in increased proved developed reserves, to capitalizing the cost if it results in increased proved developed reserves or future economic benefits therefrom beyond previously assessed standard of performance (refer accounting policy no. 2.2.i.3), has the impact of increase in profit before tax by ₹ 7,879.28 million with corresponding increase in Producing Properties by ₹ 7,328.59 million and Development Wells in Progress by ₹ 550.69 million during the year ended 31.03.2014.
- 15.4 Change in policy of transferring development wells to producing properties upon establishment of proved developed reserves and connectivity for production, to only upon establishment of proved developed reserves irrespective of connectivity, has the impact of decrease in profit before tax by ₹ 247.48 million on account of increase in depletion on Development wells in progress

- 15.5 (DWIP) capitalized to Producing Properties with corresponding decrease in DWIP by ₹ 5,444.14 million and increase in net Producing property by ₹ 5,196.66 million for the year ended 31.03.2014 (refer accounting policy no. 2.2.e.4.3).
- 15.5 During the year, in respect of Company's Joint Asset, PMT JV has downgraded reserves for the Mid and South Tapti fields due to geological surprises. As a result, the production profile is envisaged only up to 2015-16 and the sale realization (net of statutory levies) will be transferred to Site Restoration Fund pursuant to the Profit Sharing Contract. Under these circumstances, the field has been fully depleted and depletion aggregating to ₹ 9,090.44 million has been charged to the Statement of Profit and Loss. Similarly, a provision for impairment of ₹ 441.87 million representing the salvage value of Tapti field and Tapti Capital Work in Progress has been made in the financial statements.



16. Intangible Assets

Description	Gross Block			Accumulated Depreciation		Accumulated Impairment			Net Block	
	At 1 st April, 2013	Additions	Deletion/Adjustment	At 31 st March, 2014	At 1 st April, 2013	For the year	At 31 st March, 2014	At 1 st April, 2013	At 31 st March, 2014	At 31 st March, 2013
Computer Software	6,795.58	188.65	81.85	6,902.38	5,831.62	509.84	6,261.97	22.27	618.14	941.69
Copyrights & Patents	-	-	(56.50)	56.50	-	(56.50)	56.50	-	-	-
Goodwill (note 16.4)	20.13	-	-	20.13	12.07	2.01	14.08	-	-	8.06
Right of Way	142.10	9.93	5.49	146.54	50.60	14.45	16.37	-	-	91.50
Total	6,957.81	198.58	30.84	7,125.55	5,894.29	526.30	6,348.92	22.27	22.27	1,041.25
Previous Year	6,667.51	339.92	49.62	6,957.81	5,281.14	664.76	5,894.29	22.27	1,041.25	-
The above includes the Company's share in Joint Venture Assets	508.96	88.95	58.23	539.68	299.63	103.61	354.02	-	-	149.77
Previous Year	303.00	76.09	6.70	372.39	230.79	(6.68)	222.62	-	-	149.77

- 16.1 Above includes:-
- (a) Addition to Intangible Asset are net of ₹ (-) 24.28 million on account of foreign currency translation adjustment during the year (previous year ₹ (-) 24.28 million).
- (b) Net Intangible asset include ₹ 91.21 million shares of jointly controlled entities (previous year ₹ 101.72 million).
- (c) In respect of Joint Venture Company, Patronet MHB Ltd (PMHBL), Cost of Right of way for laying pipeline amounting to ₹ 38.86 million (previous year ₹ 38.86 million) as group share included above is capitalized as intangible asset and said amount is being amortized over period of 35 years being the estimated design life of pipeline. The company has changed its accounting policy on depreciation of intangible asset in case of right of way (refer revised accounting policy no. 2.2.p.6) in line with recent ICAI opinion on "Accounting of right of way". This change in policy has resulted in decrease in profit before tax by ₹ 11.84 million.
- 16.2 The Associate, Pawan Hans Ltd, is charging cost of software purchased/ developed in-house up to ₹ 0.50 million each to statement of profit & loss in the year of purchase.
- 16.3 The Joint Venture Company, OTPC has paid amount of ₹ 197.40 million (previous year ₹ 109.65 million) out of which group's share is ₹ 97.76 million (previous year ₹ 54.29 million) to take possession of Forest land which has been accounted as "right to use land" by the OTPC. The said amount is being amortized over a period of 25 years being the estimated operating life of the Project.
- 16.4 Represents consideration for purchase of business (Nitrogen Plant) in excess of book value of net assets acquired by subsidiary MRPL.

17 Capital Works in Progress (₹ in million)

Particulars	As at		As at	
	31 st March, 2014		31 st March, 2013	
A Tangible Assets In Progress				
Buildings	6,935.01		5,331.81	
Plant and Equipment	368,822.19		369,415.20	
Others	4,996.12		7,332.35	
Capital Stores (including in transit)	7,686.30		3,032.07	
Less: Provision for Non-Moving Items	77.51	388,362.11	117.65	384,993.78
B Less: Impairment				
Opening Balance	2,331.14		1,295.90	
Provided for the year	686.78		1,377.05	
Write back of Impairment	(616.69)		(319.68)	
Other adjustments	-	2,401.23	(22.13)	2,331.14
C Intangible Assets In Progress				
Acquisition Costs-E&P Asset (note no. 17.1.h & 17.1.g)	149,005.00		11,917.47	
Intangible Asset under Development	3,303.97	152,308.97	2,869.07	14,786.54
NET CAPITAL WORKS-IN-PROGRESS(A-B+C)		538,269.85		397,449.18

17.1 Above includes:-

- (a) Plant & Equipment includes an amount of ₹ 8,436.64 million (Previous Year ₹ 8,176.05 million) in respect of Capital Works in Progress (CWIP) for C2-C3 plant which is mechanically complete and will be capitalized on completion of test run. Further, C3-C4 blending facility and recycling facility of C2 is mechanically completed in February 2014 and pending test run the same has been carried forward as CWIP.
- (b) CWIP of ₹ 106,279.69 million share of jointly controlled entities (Previous year ₹ 91,845.88 million).
- (c) In respect of subsidiary company, MRPL, an amount of ₹ 1,710.35 million (previous year ₹(-) 56.88 million) has been capitalized under CWIP on account of exchange difference arising on reporting of long term foreign currency monetary items pursuant to Notification no. GSR (914)E dated 29th December, 2011 issued by MCA, from the financial year ending 31st March, 2012, to adjust exchange difference arising on reporting of long term foreign currency monetary items, in so far as, they relate to the acquisition of depreciable assets, against the cost of such assets and depreciate the said adjustment, over the balance life of the assets.
- (d) In respect of Joint Venture Company, OPaL, an amount of ₹ 10.28 million (Previous year ₹ 98.70 million) has been capitalized under CWIP on account of exchange difference arising on reporting of long term foreign currency monetary items instead of charging to Statement of profit & loss.
- (e) In respect of Joint Venture Company, OMPL, an amount of ₹ 825.05 million (Previous year ₹ Nil)
- has been capitalized under CWIP on account of exchange difference arising on reporting of long term foreign currency monetary items, pursuant to notification no. GSR(914)E dated 29th December, 2011 issued by Ministry of Corporate Affairs, Govt. of India.
- (f) In respect of Joint Venture Company, OTPC, an amount of ₹ 108.51 million (Previous year ₹ 181.87 million) has been capitalized under CWIP on account of exchange difference arising on reporting of long term foreign currency monetary items instead of charging to Statement of profit & loss, pursuant to notification no. GSR(914)E dated 29th December, 2011 issued by Ministry of Corporate Affairs, Govt. of India.
- (g) The subsidiary OVL computes acquisition cost relates to the cost for acquiring property or mineral right of proved or unproved oil and gas properties which are currently under exploration/Development stage, such cost will be transferred to producing property on commercial production from the project or written off in case of relinquishment of project. Accordingly, acquisition cost of ₹ 137,058.94 million (Previous year ₹ 11,917.47 million) has been capitalized during the year under CWIP.
- (h) The company has paid lump sum amount of ₹ 28.59 million (previous year nil) as commercial bonus to MoPNG, Govt. of India which is accounted as acquisition cost for acquiring the right of mining lease in CBM Block (NK-CBM-2001/1 & BK-CBM-2001/1).
- (i) In respect of Joint Venture Company, MSEZ, has an obligation vide Government order no. RD 309REH dated 20.06.2007 to provide various compensation to the Project Displaced Families (PDFs) including

one job per family and site for construction. The PDFs can opt for cash in lieu of site and cash in lieu of job.

The estimated provision in respect of various compensations is included in capital work in progress of ₹ 59.50 million (previous year ₹ 74.35 million) as group share. Capital work in progress includes of

₹ 168.34 million (previous year ₹ 165.82 million) as group share on account of mandatory and unavoidable expenditure incurred on creation of infrastructure at R&R colony, pursuant to Government of Karnataka Order no. KE309REH, 2006, Bangalore dated 20.06.2007. The expenditure will be transferred to the cost of land in the year in which the obligation is completed.

18 Exploratory/Development Wells In Progress (₹ in million)

Particulars	As at		As at	
	31 st March, 2014		31 st March, 2013	
A) EXPLORATORY WELLS-IN-PROGRESS				
Gross Cost				
Opening Balance	99,601.32		82,929.40	
Acquisition Cost	-		2,124.44	
Expenditure during the year	131,660.13		102,699.83	
Less : Sale proceeds of Oil and Gas (Net of levies)	470.54	131,189.59	123.05	102,576.78
Depreciation during the year		2,506.44		1,335.06
		233,297.35		188,965.68
Less :				
Transfer to Producing Properties	12,159.44		5,417.69	
Wells written off during the year	67,473.61		84,592.02	
Foreign Currency Translation Adjustments	(10,828.10)		(587.58)	
Other adjustments	(16.66)	68,788.29	(57.77)	89,364.36
		164,509.06		99,601.32
Less : Provision/Impairment (Note 18.1 (a), (b), (e) & (f))		27,935.56		20,579.93
EXPLORATORY WELLS-IN-PROGRESS (A)		136,573.50		79,021.39
B) DEVELOPMENT WELLS-IN-PROGRESS				
Opening Balance	57,845.32		44,775.19	
Expenditure during the year	109,654.09		94,175.85	
Depreciation during the year	1,871.16		2,842.41	
Foreign Currency Translation Adjustments	1,269.70		254.14	
Less: Transfer to Producing Properties	124,450.52	(11,655.57)	84,202.26	13,070.14
		46,189.75		57,845.33
Less: Impairment				
Opening Balance	465.78		260.73	
Provision for the year	264.49		205.05	
Write back during the year	(34.00)	696.27	-	465.78
DEVELOPMENT WELLS-IN-PROGRESS (B)		45,493.48		57,379.55
EXPLORATORY/DEVELOPMENT WELLS-IN-PROGRESS (A+B)		182,066.98		136,400.94

18.1 Above includes:-

- (a) During the Financial year 2004-05, the company had acquired 90% Participating Interest in Exploration Block KG-DWN-98/2 from M/s Cairn Energy India Ltd. for a lump sum consideration of ₹ 3,711.22 million which, together with subsequent exploratory drilling costs of wells had been capitalised under exploratory wells in progress. Initial in-place reserves have been established in this block and a conceptual development plan as

part of the proposal for Declaration of commerciality (DOC) had been submitted on 21.12.2009 for Southern Discovery Area and on 15.07.2010 for Northern Discovery Area to the Management Committee (MC) for review as per original time lines. The exploration period of this block has been restructured by Government upto 29.12.2013 in accordance with the Rig Holiday Policy and taking into account the delay in grant of PEL. Additional appraisal drilling along with

- exploratory drilling is in progress. During the financial year 2012-13, the company had acquired the remaining 10% participating interest in the block from M/s Cairn Energy India Ltd. on actual past cost basis for a consideration of ₹2,124.44 million. Revised DOC has been submitted on 26.12.2013 to Directorate General of Hydrocarbon (DGH) for review. Further, the Operator has applied to DGH for continuation of appraisal / drilling activities for a period of 2 years or till grant of ML. Pending final decision on the DOC by the MC, as a matter of abundant caution, the company has retained a provision of ₹ 17,210.82 million (Previous Year ₹ 17,169.79 million) towards acquisition costs and cost of exploratory wells.
- (b) In accordance with policy no. 2.2.j and as per the requirement of the Guidance Note on accounting for oil and gas producing activities (Revised), the company has carried out impairment testing of assets under exploratory phase (Exploratory Wells in Progress) as on 01.04.2013. Accordingly, an amount of ₹ 4,761.42 million has been accounted as provision for impairment with corresponding amount of ₹ 3,143.01 million (net of deferred tax of ₹ 1,618.41 million) adjusted against reserves as on 01.04.2013. Further, additional impairment testing of assets under exploratory phase (Exploratory Wells in Progress) has been carried out as on 31.03.2014, and an additional amount of ₹ 2,546.46 million has been provided during the year 2013-14 as impairment loss in the statement of profit & loss.
- (c) Change in policy of expensing the cost of stratigraphic test wells (expendable wells) on their completion irrespective of their status to carrying the cost of only those stratigraphic test wells having indications of sufficient quantity of reserves (refer accounting policy no. 2.2.e.4.1 & 2.2.e.4.2), has an impact of increase in profit before tax by ₹ 2,702.95 million with corresponding increase in Exploratory Wells in Progress during the year ended 31.03.2014.
- (d) Change in policy of expensing the cost of exploratory wells which are more than two years from date of completion of drilling to carrying the cost of only those exploratory wells having indications of sufficient quantity of reserves (refer accounting policy no. 2.2.e.4.2), has an impact of increase in profit before tax by ₹ 2,489.18 million with corresponding increase in Exploratory Wells in Progress during the year ended 31.03.2014.
- (e) In respect of Farsi Block, Iran, the Subsidiary company, OVL in consortium with other partners entered into an Exploration Service Contract (ESC) with National Iranian Oil Company (NIOC) on 25th December, 2002. After exploratory drilling, FB area of the block proved to be a gas discovery and was later rechristened as Farzad-B. NIOC announced the Date of Commerciality for Farzad-B as 18th August, 2008. However, the Development Service Contract is pending. Provision has been made in respect of the OVL's investment in exploration in the Farsi Block amounting to ₹ 1,502.56 million till 31.03.2014 (previous year ₹ 1,495.85 million).
- (f) The Subsidiary company OVL, has 60% PI in Block XXIV, Syria where the development is currently suspended. In view of deteriorating law and order situation in Syria, operations of the project are temporarily suspended since May 2012. In view of the same provision has been made in respect of cost of development wells in progress amounting to ₹ 83.74 million (Previous year: ₹ 83.74 Million) and successful exploratory wells amounting to ₹ 1,914.29 million (Previous year: ₹ 1,914.29 Million) in respect of the project.
- 18.2 Above Exploratory well in progress/ Development well in progress includes ₹ Nil share of jointly controlled entities (previous year ₹ Nil).

19. Goodwill on Consolidation:

(₹ in million)

Particulars	31.03.2014	31.03.2013
Gross Goodwill	244,982.36	136,424.74
Less : Accumulated Amortization	41,903.77	33,636.17
Less : Provision for Impairment	19,533.69	19,533.69
Total	183,544.90	83,254.88

- 19.1 The Subsidiary Company, OVL has carried out impairment assessment as on 31st March, 2014 as per Accounting Standard (AS) 28 viz. Impairment of Assets and no impairment provision was required to be created as the value in use of the Cash Generating Units (CGU) were higher than the carrying cost in respect of CGUs for which indication was noticed (Refer note no. 43.5).

20 Non-Current Investment

(₹ in million)

Particulars	No. of Shares/ Bonds/Units	Face Value per Share/ Bond/Unit (in ₹)	As at 31 st March, 2014	As at 31 st March, 2013
A TRADE INVESTMENTS				
Investment in Equity Instruments				
(i) Investment in Associate				
(a) Pawan Hans Limited- (Unquoted) Extent of holding 49% (previous year 49%) (Net of Capital reserve of ₹ 285.32 million) (note 20.3)	120,350	10,000.00	2,189.39	2,082.70
(ii) Investment in Others				
(a) Indian Oil Corporation Limited- (Quoted) (212,906,190)	334,303,814	10.00	40,427.97	13,720.49
(b) GAIL (India) Limited (Quoted)	61,259,323	10.00	2,451.06	2,451.06
(c) Oil Spill Response Ltd. (Unquoted)	100	(note 20.1)	0.01	0.01
(d) Adani Petronet (Dahej) Port Pvt. Ltd. (Unquoted) (note 20.5)	11,250,000	10.00	112.50	112.50
(e) Bharuch Dahej Railway Company Limited (BDRCL)-(Unquoted)	5,000,000	10.00	50.00	50.00
B NON-TRADE INVESTMENTS				
Investment in Government or Trust Securities (Unquoted)				
(i) 8.40% Oil Co. GOI Spl. Bonds 2025	197,370	10,000.00	1,973.70	1,973.70
(ii) Other Central Govt Securities			-	62.35
Total Non-current Investment			47,204.63	20,452.81
Total Quoted Investments			42,879.03	16,171.55
Total Unquoted Investments			4,325.60	4,281.26
Total			47,204.63	20,452.81
Total Market value of Quoted Investments			117,188.95	79,450.16

- 20.1 Shares of Oil Spill response limited valued at GBP one each at the time of issuance. Total value in INR at the time of issuance of shares was ₹ 6,885/-.
- 20.2 Above includes:-
(a) Figures in parenthesis relate to previous year.
(b) Long term investment includes ₹ 299.99 million share of jointly controlled entities (previous year ₹ 349.57 million).
(c) Long-term investments are valued at cost. Provision is made for any diminution, other than temporary, in the value of such investments.
- 20.3 In the financial year 2010-11, Company had acquired an additional number of 95,850 equity shares of ₹ 10,000/- each in its Associate Pawan Hans Ltd. (PHL) for ₹ 958.50 million resulting in increase in the holding to 49.00% from 21.54%. The above acquisition has resulted in Capital Reserve of ₹ 285.32 million, computed in accordance with Accounting Standard (AS) 23 on 'Accounting for Investments in Associates in Consolidated Financial Statements'.
- 20.4 In respect of PHL (Associate), the Audited Accounts for the Financial year 2013-14, have not been received. For the purpose of consolidation of PHL, the audited Annual Accounts for the year 2012-13 and unaudited accounts for the year 2013-14 have been considered. The difference in share of profit amounting to ₹ 19.57 million between audited Profit After Tax (PAT) and unaudited PAT for the year 2012-13 has been considered as share of profit in Associate. The share of profit (unaudited) for the year 2013-14 amounting to ₹ 98.58 million has also been considered as share of profit in Associate. During the year, dividend of ₹ 11.46 million has been received from Associate and same has been adjusted against carrying value of investment.
- 20.5 The joint venture company PLL has investment in its joint venture company "Adani Petronet (Dahej) Port Pvt. Ltd. This investment is under lock in for a period of 5 years from the date of commercial operation (i.e. 01.09.2010) of the investee as per the Dahej LNG Port Terminal Concession Agreement dated 20th December, 2005 with Gujarat Maritime Board.

21 Long - Term Loans And Advances

(₹ in million)

Particulars	As at		As at	
	31 st March, 2014		31 st March, 2013	
Secured and Considered good				
Loans & Advances to Associates	367.84		745.33	
Loans and Advances to Employees	7,612.28		7,253.06	
Loans and advances to Others	119.17	8,099.29	119.55	8,117.94
Unsecured (Considered Good unless otherwise stated)				
Capital Advances		19,332.69		22,227.16
Public Sector Undertakings				
Considered Good	-		-	
Considered Doubtful	240.50		240.50	
Less : Provision for doubtful Advances	240.50	-	240.50	-
Advances against Equity pending allotment		9,953.78		6,779.42
Loans and Advances to Employees				
Considered Good	739.16		688.79	
Considered Doubtful	1.73		7.75	
Less : Provision for Doubtful Loan/Advances	1.73	739.16	7.75	688.79
Adv Recoverable in Cash or in kind				
Considered Good (note no. 21.3)	8,220.40		10,378.73	
Considered Doubtful (Note 21.2)	13,141.40		13,044.32	
Less : Provision for Doubtful Claims/Advances	13,141.40	8,220.40	13,044.32	10,378.73
Loans & Advances to Others				
Considered Good	27.67		27.48	
Considered Doubtful (Note 21. 4)	1,687.30		1,022.10	
Less : Provision for Doubtful Loan/Advances	1,687.30	27.67	1,022.10	27.48
Cash Call Receivable from Jv partners				
Considered Good	340.27		257.27	
Considered Doubtful	6,245.07		5,920.29	
Less : Provision for Doubtful cash call	6,245.07	340.27	5,920.29	257.27
MAT Credit Entitlement		2,909.32		24.65
Advance payment of Tax	329,690.97		382,492.76	
Less : Provision for Taxation	281,031.74	48,659.23	345,969.76	36,523.00
Deposits				
With Customs/Port Trusts etc.	37.89		37.97	
Security Deposits	157.81		86.37	
Other Deposit				
Considered Good	3,730.94		4,080.23	
Considered Doubtful	629.88		608.06	
Less: Provision for Doubtful Deposits	629.88	3,926.64	608.06	4,204.57
Total		102,208.45		89,229.01

21.1 Above long term loan & advances includes ₹ 9,898.49 million share of jointly controlled entities (Previous Year ₹ 13,932.37 million).

21.2 In Ravva Joint Venture, the demand towards additional profit petroleum raised by the Government of India (GoI), due to differences in interpretation of the provisions of the Production Sharing Contract (PSC) in respect of computation of Post-Tax Rate of Return (PTRR), based on the decision of the Malaysian High Court setting aside an earlier arbitral tribunal award in favour of operator, was disputed by the operator M/s Cairn Energy India Pty Ltd. The company is not a party to the dispute but has agreed to abide by the decision applicable to the operator. The company had made a provision towards the claim made by the GoI in earlier years and the amount of provision outstanding as on 31st March, 2014 is ₹ 10,080.75 million (equivalent to USD 167.84 million) after adjustments for interest and exchange rate fluctuations. The GoI had recovered the above amount [including interest thereon USD 54.88 million (₹ 3296.09 million)] from the company in earlier years which has been carried as recoverable under Long Term Loans and advances in the Balance Sheet as at 31st March, 2014.

In subsequent legal proceedings, the Appellate Authority of the Honorable Malaysian High Court of Kuala Lumpur had set aside the decision of the Malaysian High Court and the earlier decision of arbitral tribunal in favour of operator was restored, against which the GoI had preferred an appeal before the Federal Court of Malaysia. The Federal Court of Malaysia, vide its order dated 11th October, 2011, had dismissed the said appeal of the GoI.

The company has taken up the matter regarding refund of the recoveries made in view of the favourable judgment of the Federal Court of Malaysia with MoP&NG. However, according to a communication dated 13th January, 2012 received, MoP&NG expressed the view that ONGC's proposal would be examined when the issues of ONGC carry under Ravva PSC is decided in its entirety by the Government along with other partners.

In view of the perceived uncertainties in obtaining the refund at this stage, the provision made in the books as above has been retained and netted off against the amount recoverable as above in the financial statements for the year ended 31st March, 2014.

21.3 During the financial year 2010-11, the Oil Marketing Companies, nominees of the GoI recovered USD 32.07 million (₹1,926.28 million), ONGC's share as per directives of GoI in respect of Jointly Controlled Assets-Panna, Mukta & Tapti. The recovery is towards certain observations raised by auditors appointed by the Director General of Hydrocarbons (DGH) under Production Sharing Contract (PSC) for the period 2002-03 to 2005-06 in respect of cost and profit petroleum share payable to GoI. BGEPIIL along with RIL ("Claimants") have served a notice of arbitration on the GoI in respect of dispute, differences and claims arisen in connection with the term of Panna, Mukta and Tapti PSC's. Since the company is not a party to the arbitration proceedings, it had requested MoP&NG that in case of an arbitral award, the same be made applicable to ONGC also, as a constituent of contractor for both the PSC's. Subsequently, vide letter dated July 4, 2011 MoP&NG has advised ONGC not to participate in the arbitration initiated by RIL & BGEPIIL under Panna, Mukta & Tapti PSC's. MoP&NG has also stated that in case of an arbitral award, the same will be applicable to ONGC also as a constituent of the contractor for both the PSC's. Pending final arbitral award, the same has been shown as Receivable from GoI under 'Advance Recoverable in Cash or kind or value to be received' under 'Long Term Loans and Advances. (Figures in INR is reinstated).

21.4 The subsidiary company OVL has 25% participating interest (PI) in the exploration Block Satpayev Area Kazakhstan, and 75% PI is hold by KMG the national oil company of Kazakhstan. As per the carry agreement, OVL is financing KMG's share of expenditure in the exploration block during the exploratory period (carry loan). The amount of carry loan will be refunded by KMG along with accrued interest in the event of commercial discovery and production from the project. The KMG's share of expenditure financed by OVL in the Block has been accounted for as loan to KMG. The interest on the carry loan has not been accounted for in view of uncertainty of recovery. Provision has been made towards the amount of carry loan of ₹ 1,687.30 million as on 31st March, 2014 (Previous year ₹ 1,022.10 million) to KMG in view of the block being under exploration as there is no certainty of commercial discovery and has been depicted as other loans and advances-Doubtful. (Refer note 35.2)

Particulars	As at		As at	
	31 st March, 2014		31 st March, 2013	
22 Other Non - Current Assets	(₹ in million)			
A Secured and Considered good				
Investment in Lease	-		675.83	
Interest accrued on loan & advances - Employees	<u>3,029.45</u>	<u>3,029.45</u>	<u>2,934.90</u>	3,610.73
Unsecured, Considered Good unless otherwise stated				
B Trade Receivables				
- Considered Good	<u>38,287.59</u>		10,638.68	
- Considered doubtful	<u>3,712.40</u>		16,666.44	
Less : Provision for doubtful receivables	<u>3,712.40</u>	<u>38,287.59</u>	<u>16,666.44</u>	10,638.68
C Other Receivables				
- Considered Good	<u>12,029.84</u>		5,283.30	
- Considered Doubtful	<u>4,932.46</u>		4,563.40	
Less : Provision for doubtful receivables	<u>4,932.46</u>	<u>12,029.84</u>	<u>4,563.40</u>	5,283.30
D Interest Accrued				
- On Deposits	<u>26.40</u>		23.58	
- On Loans & Advances				
- Considered Good	<u>100.32</u>		86.12	
- Considered doubtful	<u>41.89</u>		41.89	
Less : Provision for interest Accrued	<u>41.89</u>	<u>126.72</u>	<u>41.89</u>	109.70
E Unamortised Expenditure				
- Dry Docking Charges	<u>6,621.33</u>		9,026.80	
- Mobilisation charges	<u>764.21</u>	<u>7,385.54</u>	<u>1,016.09</u>	10,042.89
Total Other Non-current Assets		<u>60,859.14</u>		<u>29,685.30</u>

22.1 Above other non-current Asset includes ₹ 29.92 million share of jointly controlled entities (previous year ₹ 3.02 million).

Particulars	As at		As at	
	31 st March, 2014		31 st March, 2013	
23 Current Investments (Valued at the lower of Cost and Fair Value):	(₹ in million)			
Non Trade				
Current Maturity of Long Term Investment	-		-	
Other Investments				
Investments in Mutual Funds (Quoted)	-		421.21	
Investments in Govt. Securities (unquoted)	<u>62.35</u>		-	
Other Investments (unquoted)	<u>192.02</u>		407.81	
Total Current investments		<u>254.37</u>		<u>829.02</u>
Total Quoted Investments		-		421.20
Total Unquoted Investments		<u>254.37</u>		407.81

23.1 Above Current investment includes ₹ 254.37 million share of jointly controlled entities (previous year ₹ 829.02 million).

Particulars	As at		As at	
	31 st March, 2014		31 st March, 2013	
24 Inventories	(₹ in million)			
Raw Material	<u>26,856.29</u>		4,305.19	
Raw Material in transit	<u>13,515.24</u>	<u>40,371.53</u>	<u>26,029.22</u>	30,334.41
Stock in Process		<u>4,661.66</u>		2,351.30
Finished Goods (note 24.2)	<u>42,575.23</u>		39,624.96	
Less: Provision for Stock loss	<u>5.91</u>	<u>42,569.32</u>	<u>5.91</u>	39,619.05
Traded Goods		<u>0.61</u>		0.76
Stores and spare parts				
- on hand	<u>62,498.54</u>		57,642.41	
- in transit	<u>5,276.40</u>		<u>3,468.33</u>	
	<u>67,774.94</u>		<u>61,110.74</u>	
Less: Provision for non-moving Unserviceable Items	<u>7,490.28</u>	<u>60,284.66</u>	<u>5,864.99</u>	55,245.75
		<u>126.81</u>		174.64
Total		<u>148,014.59</u>		<u>127,725.91</u>

24.1 Above inventories includes ₹ 1,930.74 million share of jointly controlled entities (Previous year ₹1,354.56 million).

24.2 This includes an amount of ₹ 3.66 million (Previous year ₹ 0.56 million) in respect of Carbon Credits.

24.3 In respect of joint venture arrangements of OVL, where the property in crude oil produced does not pass on up-to a specific delivery point,

the stock of crude oil till such delivery point is not recognized.

24.4 The subsidiary company, MRPL has valued its finished good including sulfur at lower of cost or net realizable value of ₹ 19.99 million (previous year ₹ 25.02 million).

24.5 The subsidiary company, MRPL does not quantify or value the scrap and unserviceable items.

Particulars	As at		As at	
	31 st March, 2014		31 st March, 2013	
25 Trade Receivables	(₹ in million)			
(Unsecured, Considered Good unless otherwise stated)				
Trade Receivables - Outstanding for a period exceeding six months :				
- Considered Good	<u>10,054.53</u>		19,014.97	
- Considered Doubtful	<u>759.35</u>		666.86	
Less: Provision for Doubtful debts	<u>759.35</u>	<u>10,054.53</u>	<u>666.86</u>	19,014.97
Other:				
- Considered Good	<u>150,229.03</u>		134,941.12	
- Considered Doubtful	<u>126.56</u>		220.84	
Less: Provision for Doubtful debts	<u>126.56</u>	<u>150,229.03</u>	<u>220.84</u>	134,941.12
Total		<u>160,283.56</u>		<u>153,956.09</u>

25.1 Above trade receivable includes ₹ 3,942.17 million share of jointly controlled entities (Previous year ₹ 3,446.69 million).

26 Cash and Cash Equivalents			(₹ in million)	
Particulars	As at 31 st March, 2014	As at 31 st March, 2013		
Balance with Bank on Current Accounts	8,533.78	11,655.54		
Cash on hand	4,529.90	17.31		
Short Term Investment in Mutual Funds	12,372.59	19.75		
Bank Deposit	218,904.03	183,322.00		
Deposit towards margin money against guarantees issued	66.51	62.44		
On Deposit Accounts for more than 12 months maturity	4.76	724.79		
Unclaimed Dividend Account (Note 26.2 & 26.3)	389.69	388.68		
Total	244,801.26	196,190.51		

26.1	Amount deposited in unclaimed dividend account is earmarked for payment of dividend and cannot be used for any other purpose	26.3	Above Cash and Bank balance include ₹ 7,769.03 million share of jointly controlled entities (Previous year ₹ 3,389.43 million).
26.2	Unpaid dividend includes ₹ 140.91 million (previous year ₹ 156.38 million) is pertaining to minority shares in subsidiary company MRPL.	26.4	The deposits maintained by the company with banks comprise time deposit, which can be withdrawn by the company at any point without prior notice or penalty on the principal

27 Short Term Loans And Advances			(₹ in million)	
Particulars	As at 31 st March, 2014	As at 31 st March, 2013		
(Secured, Considered Good)				
Loan & Advances to Associate	350.45	310.84		
Loans and Advances to Employees	2085.35	1966.37	2,277.21	
(Unsecured, Considered Good unless otherwise stated)				
Loan to Public Sector Undertakings	2,367.70	-		
Loan & advances to Employees	517.38	429.94		
Balance with Tax Authorities	228.73	319.21		
Cash Call Receivable from JV Partners	8,359.22	10,153.00		
Prepaid expenses for underleft	1,667.24	262.94		
Adv Recoverable in Cash or in kind				
Considered Good	35,263.56	30,807.31		
Considered Doubtful	3,030.84	3,476.94		
Less: Provision for doubtful	3,030.84	3,476.94	30,807.31	
Advance payment of Tax	20,419.24	22,227.91		
Less : Provision for Taxation	12,833.84	12,987.79	9,240.12	
MAT Credit	28.21	-		
Deposits				
With Customs/Port Trusts etc.	3,295.19	3,063.91		
Other Deposits (note no. 27.2)	6,450.98	3,212.45	6,276.36	
Total	68,199.41	59,766.09		

27.1	Above, short term loans And advances includes ₹ 362.28 million share of jointly controlled entities (Previous year ₹ 748.92 million).		royalty being deposited by the company from 1 st February, 2014 as per the interim order of the Hon'ble Supreme Court of India. (also refer Note no. 45.2.4).
27.2	Includes ₹ 2,092.23 million towards differential		

28 Other Current Assets			(₹ in million)	
Particulars	As at 31 st March, 2014	As at 31 st March, 2013		
Secured and Considered good				
Interest Accrued on Loans & Advances				
- Employee	246.15	216.65		
- Associates	-	9.86	226.51	
(Unsecured, Considered Good unless otherwise stated)				
Interest Accrued				
- On Investments	1.38	1.38		
- On Deposits	2,214.85	4,023.11		
- On Loans & Advances	793.02	769.13	4,793.62	
Other Current Assets (note 28.3)	3,103.32	4,011.55		
Cost of Ongoing Project (note 28.2)	62.87	49.97		
Unamortised Expenditure				
- Dry Docking Charges	2,933.68	3,783.05		
- Mobilisation charges	640.69	1,032.64	4,815.69	
Total	9,995.96	13,897.34		

28.1	Above other current assets includes ₹ 335.08 million share of jointly controlled entities (Previous year ₹ 237.40 million).		recognized on full completion or substantial completion. Till the time of completion of project same are being carried as costs of ongoing project.
28.2	In respect of Joint venture Company OTBL, revenue from projects based on execution and costs attributable and allocable thereto are	28.3	The subsidiary company, OVL has lease investment in Khartoum-Port Sudan Pipeline Project. (refer note 41.1).

29 Revenue From Operations			(₹ in million)	
Particulars	2013-14	2012-13		
A. Sale of Products				
Own Product				
Less :				
Transfer to Exploratory Wells in Progress	522.58	164.55		
Government of India's (Gol's) share in Profit Petroleum	38,526.99	32,586.55	32,751.10	
	1,769,686.66	1,649,073.47		
Traded Products Revenue	44.42	43.16		
B. Other Operating Revenue				
Pipeline Transportation Receipts	4,170.92	1,057.92		
Contractual Short Lifted Gas Receipts	80.21	51.72		
Surplus from Gas pool Account (note 29.8)	3,720.47	3,597.73		
North-East Gas Subsidy (note 29.7)	2,366.91	2,122.91		
SEZ Lease Income	234.77	209.06		
Other Operation Income	1,276.16	1,556.35		
Processing Charges	414.03	621.69		
Production Bonus	57.29	147.90	9,365.28	
Total	1,782,051.84	1,658,481.91		

- 29.1 In terms of the decision of Government of India (GOI), the company has shared under-recoveries of Oil Marketing Companies (OMCs) on price sensitive products viz. Diesel, Domestic LPG and PDS Kerosene for the year 2013-14 by extending the discount in the prices of Crude Oil, Domestic LPG and PDS Kerosene based on the rates of discount communicated by Petroleum Planning and Analysis Cell (PPAC) and Ministry of Petroleum and Natural Gas (MoP&NG). The impact of discount is as under:

	(₹ in million)	
Decrease in	2013-14	2012-13
Gross Revenue	563,842.85	494,206.50
Less: Value Added Tax (VAT)	17,841.84	14,114.40
Sales Revenue	5,46,001.01	480,092.10
Less: Statutory Levies	68,440.26	59,502.49
Profit Before Tax	4,77,560.75	420,589.61

- 29.2 For Crude Oil produced in Assam, sales revenue is based on the pricing formula provided by MoP&NG. Revenue from rest of nominated crude is accounted in terms of Crude Oil Sales Agreements (COSAs) already signed and made effective from 1st April, 2010.
- 29.3 Based on the directives issued by MoP&NG and Petroleum Planning and Analysis Cell (PPAC) vide letters dated 31st May, 2012 and 1st June, 2012 respectively, w.e.f. 1st April, 2012, refineries started making deductions from ONGC payments towards Octroi/ VAT/ CST on discounts allowed by ONGC to refineries on supplies of crude oil. Total deduction made by refineries on this account from 1st April, 2012 to 30th September, 2013 amounting to ₹ 25,032.60 million (includes ₹15,846.70 million for the year 2012-13) was provided for. During the year, the company has decided to revise the sales revenue and corresponding statutory levies w.e.f. 1st April, 2012 onwards, considering deductions made by refineries based on MoP&NG directives. Aforesaid provision made by the Company till 30th September, 2013 has also been written back.
- 29.4 Recognition of revenue on account of Short Lifted Gas amounting to ₹ 1,253.74 million (Previous Year ₹ 571.42 million) has been postponed. This will be recognized when there is reasonable certainty regarding ultimate collection.
- 29.5 For APM consumers in North-East, consumer price is 60% of the producer price, i.e., US\$ 2.52/ mmbtu inclusive of royalty and the difference between producer price and consumer price is paid to the company through Gol Budget up to allocated quantity and shown as 'North-East Gas Subsidy'.
- 29.6 In respect of Joint venture company PLL, revenue from services of ₹ 253.83 million (previous year ₹ 213.10 million) are net of service tax.
- 29.7 The OVL's Subsidiary- ONGBV follows the entitlement method for revenue recognition associated with sale of crude oil and liquids for its share of petroleum production as specified in the Exploration Production Sharing Agreement (EPSA) and Crude Oil Pipeline Agreement (COPA). The amount reported using such method is ₹ 39,747.98 Million (previous year ₹ 28,534.95 million).
- 29.8 The company is supplying majority of Natural gas to Gas Authority of India Limited (GAIL) which also purchases gas from other sources and sells to APM and non-APM consumers. Based on the Government directives, excess in Gas Pool Account at the end of financial year is transferred to ONGC/ OIL in accordance with their contribution. Based on the details received from GAIL, an amount of ₹ 3,508.10 million (Previous year ₹ 3,700.00 million) for Gas Pool Receipts for the current year, ₹ 212.37 million (Previous year ₹ 339.23 million) on account of interest on Gas Pool Account and a reversal of nil (Previous year ₹ 441.50 million) has been considered as 'Surplus from Gas Pool Account'.
- 29.9 Above revenue from operation includes ₹ 50,232.74 million share of jointly controlled entities (previous year ₹ 42,411.52 million).

30 Other Income (₹ in million)

Particulars	2013-14		2012-13	
Interest Income				
Long Term Investments	169.59		439.76	
Deposits with Banks/PSUs	18,388.08		20,333.50	
Loans and Advances to Associate	493.81		144.62	
Loans and Advances to Employees	100.92		450.84	
Income Tax Refund	2,395.65		95.00	
Site Restoration Fund Deposit	9,432.74		8,303.24	
Delayed Payment from Customers and Others	523.60	31,504.39	1,250.16	31,017.12
Dividend Income				
Long Term Investments	1,938.74		1,658.74	
Short Term -Debt Mutual Funds	2,444.30	4,383.04	1,644.53	3,303.27
Other Non Operating Income				
Excess Provisions written back (note 29.3)	16,343.62		5,340.34	
Liabilities no longer required written back	2,873.23		5,663.20	
Profit on sale of investment	38.09		-	
Contractual Receipts	1,486.27		650.06	
Miscellaneous Receipts	12,308.47	33,049.68	8,932.92	20,586.52
Total		68,937.11		54,906.91

- 30.1 Above other income includes ₹345.06 million share of jointly controlled entities (previous year ₹ 302.11 million).

31 (Increase)/Decrease Inventories (₹ in million)

Particulars	2013-14		2012-13	
Closing Stock				
- Stock in Process	4,661.66		2,351.30	
- Finished Goods and Stock in trade	44,471.54	49,133.20	39,625.72	41,977.02
Opening Stock				
- Stock in Process	2,351.30		3,525.35	
- Finished Goods and Stock in trade	39,625.72		28,838.12	
Less: Adjustment	36.45	41,940.57	1,591.46	30,772.01
NET (INCREASE)/DECREASE IN INVENTORIES		(7,192.63)		(11,205.01)

- 31.1 Above includes ₹ (-) 26.59 million share of jointly controlled entities (previous year ₹ (-) 2,303.21 million).

32 Production, Transportation, Selling and Distribution Expenditure		
(₹ in million)		
Particulars	2013-14	2012-13
Royalty (Note 32.2)	150,101.83	137,209.63
Cess	99,733.91	99,970.75
Motor Spirit Cess	2.83	-
Natural Calamity Contingent Duty	1,097.40	1,101.05
Excise Duty on stock (Net) (Note 32.3)	150.76	275.09
Sales Tax	3,122.96	3,834.14
Service Tax	438.76	352.81
Education cess	2,348.31	3,111.09
Octroi and Port Trust Charges	4,896.60	4,057.30
Staff Expenditure	25,308.78	24,579.93
Workover Operations	20,944.08	19,135.41
Water Injection, Desalting and Demulsification	11,794.01	12,854.60
Consumption of Raw Materials, Stores and Spares	682,767.17	617,263.53
Pollution Control	6,133.59	5,810.33
Transport Expenses	9,419.99	8,891.83
Insurance	2,516.25	1,653.25
Power and Fuel	2,865.98	2,182.51
Repairs and Maintenance	10,787.12	9,603.95
Contractual payments including Hire charges etc.	14,407.07	9,418.05
Other Production Expenditure	35,608.46	27,205.00
Transportation and Freight of Products	11,559.67	11,821.98
Research and Development	6,014.37	6,002.02
General Administrative Expenses	38,401.83	33,369.51
Exchange Loss (Net)	(2,894.69)	2,599.04
Provision for mark to market loss on derivative contracts (note-32.7)	2,244.85	1,606.76
Adjustments for overlift/(underlift)	503.46	546.00
Loss on sale of investment	16.12	28.79
Other Expenditure	21,401.06	23,060.70
Total	1,161,692.53	1,067,545.05

- 32.1 Above production, transportation, selling and distribution expenditure includes ₹ 43,919.03 million, share of jointly controlled entities (previous year ₹ 36,997.64 million).
- 32.2 The Subsidiary of OVL- ONGBV conducts its operations in Sudan jointly with Sudapet the national oil company of Sudan among others. All government stakes other than income taxes are considered to be royalty interest. Royalties on production represent the entitlement of the government of Sudan to a portion of ONGBV's share of crude oil and liquid production and are recorded using the rates in effect under the terms of the contract at the time of production. Royalties / taxes in Syrian concession are accounted similarly by ONGBV. The amount of royalty reported in respect of Sudan and Syrian concession is ₹15,863.65 Million under Royalty above (previous year ₹ 11,833.19 million).
- 32.3 Excise duty on sale of product has been deducted from Sales revenue and Excise duty shown above represents the difference between excise duty on opening and closing stock of finished goods.
- 32.4 During the previous year, the Company had recognised additional liability of ₹ 5,079.53 million towards revision in Long Service Rewards Scheme. Further, in terms of DPE guidelines, the company had also recognized liability of ₹ 18,504.79 million towards superannuation benefits to employees. These had been allocated to activities as per the policy of the company.
- 32.5 An amount of ₹ 16,108.86 million has been provided during quarter ended 30th June, 2013 (Cumulative ₹ 16,108.86 million till 31st March, 2014) towards contribution for conversion of Post Retirement Benefit Scheme (PRBS) from Defined Benefit Scheme to Defined Contributory Scheme based on guidelines of Department of Public Enterprise. The said amount has been allocated to different activities as per the policy of the Company.

32.6 Derivative Contracts

The Joint venture company (SMASL) through subsidiary company MRPL, in line with its risk management policy, the financial risks mainly relating to changes in the exchange rates are hedged by using forward contracts.

The Joint venture company (SMASL) through subsidiary company MRPL has adopted, during the year under review, the principles of hedge

accounting as per the Accounting Standard(AS) 30 "Financial instruments: Recognition and Measurement" in respect of those derivative transactions which are not covered by the existing Accounting Standard (AS) 11. This treatment has resulted in net gain of ₹15.53 million (group share) (previous year ₹ Nil) arising out of fair valuation of outstanding derivative contracts which has been recognized in "Hedging Reserve" under "Reserve and Surplus".

Particulars of derivative contracts entered into for hedging foreign currency exchange risks, which are outstanding as at 31st March, 2014 are as under:-

(₹ in million)

Category of derivative Instruments	Group share as on 31 st March, 2014
Forward contracts for receivables including firm commitments and highly probable forecasted transactions	389.45

Un-hedged foreign currency exposures as at 31st March, 2014 are as under :-

(₹ in million)

Particulars	Group share as on 31 st March, 2014
Receivables, including firm commitments and highly probable forecasted transactions	3.24

32.7 Derivative instruments and un-hedged foreign currency exposure:

The subsidiary company, OVL has entered into cross currency swap transactions with various

banks whereby it has swapped the principal and interest amounts payable towards Bonds issued in domestic markets into USD liability as follows:

Underlying	Notional Principal Amount (₹ in Million)	Notional Principal Amount (USD in Million)	Termination Date
8.40% 5 Years Unsecured Non-Convertible Redeemable Bonds in the nature of Debentures- Series I	15,000.00	299.23	23 rd Dec., 2014
8.54% 10 Years Unsecured Non-Convertible Redeemable Bonds in the nature of Debentures- Series II	3,700.00	73.93	6 th Jan., 2020
Total	18,700.00	373.16	

The business of the subsidiary company, OVL is carried out entirely outside India. The revenues of the OVL are received entirely in foreign currency and substantially all the expenses are incurred in foreign currency. Accordingly, the Company has swapped the Bonds issued in Indian Rupees into USD so as to align the currency of its liabilities and assets, thereby hedging the resulting exposure.

The above swap positions were outstanding on 31st March, 2014 and have been revalued on that date based on Mark-to-market positions reported by counter-party banks. During the year ended 31st March, 2014 Mark-to-market loss amounting to ₹ 2,244.85 Million (Previous period ₹ 1606.76 Millions) has been charged in the Statement of Profit and Loss.

33 Depreciation, Depletion, Amortization And Impairment (₹ in million)

Particulars	2013-14	2012-13
Depletion (refer note 15.5)	121,160.69	86,228.54
Amortisation of Goodwill	4,544.99	4,161.72
Depreciation	115,896.63	93,227.56
Less : Allocated to :		
Exploratory Drilling	2,506.43	1,335.06
Development Drilling	1,871.16	2,842.40
Depreciation on Facilities	64,756.79	59,741.63
Others	9,845.15	4,323.72
	36,917.10	24,984.75
Impairment Loss (note 18.1(b) & 43)		
During the year	3,993.34	3,014.50
Less: Reversal during the period	807.08	756.47
	3,186.26	2,258.03
Total	165,809.04	117,633.04

33.1 Above depreciation, depletion, amortization and impairment, includes ₹ 832.44 million share of jointly controlled entities. (previous year ₹ 522.82 Million).

34 Finance Costs (₹ in million)

Particulars	2013-14	2012-13
i) Interest expenses	4,776.07	3,492.98
ii) Other borrowing costs	392.66	175.55
iii) Lease Finance Charges	411.55	388.73
iv) Foreign Exchange Fluctuation considered as Borrowing Cost	663.07	780.71
Total	6,243.35	4,837.97

34.1 Above finance Costs includes ₹ 765.03 million share of jointly controlled entities (previous year ₹ 494.19 Million).

35 Provisions And Write Offs (₹ in million)

Particulars	2013-14	2012-13
PROVISIONS		
For Doubtful Debts (note-35.2)	3,305.11	16,940.14
For Doubtful Advances	4,483.48	2,461.97
For Non-Moving Inventory	1,780.50	1,066.51
For Others	102.88	2,079.73
Sub-Total	9,671.97	22,548.35
WRITE-OFFS		
Disposal/Condemnation of Fixed Assets (Net)	157.79	56.80
Claims/Advances	1.22	2.18
Inventory	55.31	84.83
Bad debts	129.96	1,101.31
Less: Provisions	129.96	1,101.31
Acquisition Cost Written off	-	254.37
Others	676.76	(702.94)
Sub-Total	891.08	(304.76)
Total	10,563.05	22,243.59

35.1 Above provisions and write offs includes ₹ 26.68 million shares of jointly controlled entities (previous year ₹ 5.97 million).

35.2 In respect of subsidiary company OVL, provision for doubtful debts/claims includes carry loan of ₹ 665.20 million (previous year ₹ 487.94 million) to KMG in view of the block being under exploration and there is no certainty of commercial discovery and hence the recovery of the loan. (refer note 21.4)

36 Adjustments Relating to Prior Period (Net) : (₹ in million)

Particulars	2013-14	2012-13
A. EXPENDITURE		
Statutory levies	-	51.86
Other production, selling & distribution expenditure	(188.93)	(434.96)
Excess Abandonment Provision written back (note no.44)	(2,353.23)	-
Interest -Others	343.82	12.43
Exchange Fluctuation	-	(58.47)
Survey	(6.30)	0.47
Dry Wells	82.55	455.38
Depletion	164.56	82.55
Depreciation	(85.79)	(20.24)
Sub-Total	(2,043.32)	89.02
B. INCOME		
Sales	(104.88)	(193.96)
Interest -Others	0.23	3.22
Other Income	484.70	280.90
Sub-Total	380.05	90.16
Total (Net)	(2,423.37)	(1.14)

36.1 Above adjustments relating to prior period include ₹ 64.28 million share of jointly controlled entities (Previous year ₹ 22.04 million).

37 Earnings Per Equity Share

Particulars	2013-14	2012-13
Net Profit after Tax (₹ in million)	265,065.33	242,196.44
Weighted Average Number of Shares (Nos. in million)	8,555.49	8,555.49
Basic & Diluted earnings per equity share(₹)	30.98	28.31
Face Value per equity Share (₹)	5.00	5.00

38 Disclosure under Accounting Standard-16 on "Borrowing Costs" :

Borrowing cost capitalized during the period is ₹13,659.16 million (previous year ₹ 8,413.24 million).

(₹ in million)

Particulars	2013-14						2012-13																	
	In India			Grand Total	Outside India		In India			Grand Total	Outside India													
	Offshore	Onshore	Refining		Offshore	Onshore	Refining	Offshore	Onshore		Refining													
Revenue																								
External Sales	525,036.94	239,788.50	752,463.76	1,781,946.96	46,886.24	217,771.52	1,781,946.96	499,727.85	254,709.05	688,329.15	1,755,778.25	39,943.65	1,755,778.25	688,329.15	254,709.05	30.61	1,755,778.25	39,943.65	1,755,778.25	688,329.15	254,709.05	30.61	1,658,287.95	
Inter Segment Sales	74,365.85	239,788.50	39.58	74,405.43	-	-	74,405.43	76,915.36	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	76,945.97
Total Revenue	599,402.79	239,788.50	752,503.34	1,856,352.39	46,886.24	217,771.52	1,856,352.39	576,643.21	254,709.05	688,359.76	1,755,778.25	39,943.65	1,755,778.25	688,359.76	254,709.05	30.61	1,755,778.25	39,943.65	1,755,778.25	688,359.76	254,709.05	30.61	1,735,233.92	
Results																								
Segment Result Profit (+)/Loss(-)	266,862.14	33,957.36	6,603.10	380,414.26	-	72,991.66	380,414.26	243,196.92	40,217.27	(1,600.02)	88,136.20	-	88,136.20	243,196.92	40,217.27	(1,600.02)	88,136.20	-	88,136.20	243,196.92	40,217.27	(1,600.02)	-	349,950.37
Unallocated Corporate Expenses	266,862.14	33,957.36	6,603.10	15,580.67	(15,580.67)	72,991.66	364,833.59	243,196.92	40,217.27	(1,600.02)	88,136.20	11,118.12	(11,118.12)	243,196.92	40,217.27	(1,600.02)	88,136.20	4,850.40	4,850.40	243,196.92	40,217.27	(1,600.02)	338,832.25	
Operating Profit	266,862.14	33,957.36	6,603.10	6,587.18	35,887.65	127,603.86	364,833.59	243,196.92	40,217.27	(1,600.02)	88,136.20	4,850.40	4,850.40	243,196.92	40,217.27	(1,600.02)	88,136.20	33,439.77	33,439.77	243,196.92	40,217.27	(1,600.02)	33,439.77	
Interest Expenses	266,862.14	33,957.36	6,603.10	6,587.18	35,887.65	127,603.86	364,833.59	243,196.92	40,217.27	(1,600.02)	88,136.20	4,850.40	4,850.40	243,196.92	40,217.27	(1,600.02)	88,136.20	33,439.77	33,439.77	243,196.92	40,217.27	(1,600.02)	33,439.77	
Interest/Dividend Income	266,862.14	33,957.36	6,603.10	6,587.18	35,887.65	127,603.86	364,833.59	243,196.92	40,217.27	(1,600.02)	88,136.20	4,850.40	4,850.40	243,196.92	40,217.27	(1,600.02)	88,136.20	33,439.77	33,439.77	243,196.92	40,217.27	(1,600.02)	33,439.77	
Income Taxes	266,862.14	33,957.36	6,603.10	6,587.18	35,887.65	127,603.86	364,833.59	243,196.92	40,217.27	(1,600.02)	88,136.20	4,850.40	4,850.40	243,196.92	40,217.27	(1,600.02)	88,136.20	33,439.77	33,439.77	243,196.92	40,217.27	(1,600.02)	33,439.77	
Profit from Ordinary Activities	266,862.14	33,957.36	6,603.10	6,587.18	35,887.65	127,603.86	364,833.59	243,196.92	40,217.27	(1,600.02)	88,136.20	4,850.40	4,850.40	243,196.92	40,217.27	(1,600.02)	88,136.20	33,439.77	33,439.77	243,196.92	40,217.27	(1,600.02)	33,439.77	
Extraordinary Gain	266,862.14	33,957.36	6,603.10	6,587.18	35,887.65	127,603.86	364,833.59	243,196.92	40,217.27	(1,600.02)	88,136.20	4,850.40	4,850.40	243,196.92	40,217.27	(1,600.02)	88,136.20	33,439.77	33,439.77	243,196.92	40,217.27	(1,600.02)	33,439.77	
Net Profit	266,862.14	33,957.36	6,603.10	6,587.18	35,887.65	127,603.86	364,833.59	243,196.92	40,217.27	(1,600.02)	88,136.20	4,850.40	4,850.40	243,196.92	40,217.27	(1,600.02)	88,136.20	33,439.77	33,439.77	243,196.92	40,217.27	(1,600.02)	33,439.77	
Other Information																								
Segment Assets	941,100.53	469,170.12	377,393.24	2,730,650.81	-	942,986.92	2,730,650.81	843,120.65	410,709.23	254,979.85	594,095.28	431,668.36	594,095.28	843,120.65	410,709.23	254,979.85	594,095.28	431,668.36	431,668.36	2,534,573.37	2,534,573.37	2,534,573.37	2,534,573.37	
Unallocated Corporate Assets	941,100.53	469,170.12	377,393.24	2,730,650.81	-	942,986.92	2,730,650.81	843,120.65	410,709.23	254,979.85	594,095.28	431,668.36	594,095.28	843,120.65	410,709.23	254,979.85	594,095.28	431,668.36	431,668.36	2,534,573.37	2,534,573.37	2,534,573.37	2,534,573.37	
Total Assets	941,100.53	469,170.12	377,393.24	2,730,650.81	-	942,986.92	2,730,650.81	843,120.65	410,709.23	254,979.85	594,095.28	431,668.36	594,095.28	843,120.65	410,709.23	254,979.85	594,095.28	431,668.36	431,668.36	2,534,573.37	2,534,573.37	2,534,573.37	2,534,573.37	
Segment Liabilities	325,744.15	101,389.08	299,210.81	1,200,515.21	-	474,171.17	1,200,515.21	291,247.23	100,824.29	184,961.53	182,509.89	249,750.38	182,509.89	291,247.23	100,824.29	184,961.53	182,509.89	249,750.38	249,750.38	1,009,293.32	1,009,293.32	1,009,293.32	1,009,293.32	
Unallocated Corporate Liabilities	325,744.15	101,389.08	299,210.81	1,200,515.21	-	474,171.17	1,200,515.21	291,247.23	100,824.29	184,961.53	182,509.89	249,750.38	182,509.89	291,247.23	100,824.29	184,961.53	182,509.89	249,750.38	249,750.38	1,009,293.32	1,009,293.32	1,009,293.32	1,009,293.32	
Total Liabilities	325,744.15	101,389.08	299,210.81	1,200,515.21	-	474,171.17	1,200,515.21	291,247.23	100,824.29	184,961.53	182,509.89	249,750.38	182,509.89	291,247.23	100,824.29	184,961.53	182,509.89	249,750.38	249,750.38	1,009,293.32	1,009,293.32	1,009,293.32	1,009,293.32	
Capital Expenditure	151,060.11	137,423.11	19,205.29	556,834.48	34,257.28	214,888.69	556,834.48	177,525.61	91,283.07	28,079.41	73,537.67	42,819.52	73,537.67	177,525.61	91,283.07	28,079.41	73,537.67	42,819.52	42,819.52	413,245.28	413,245.28	413,245.28	413,245.28	
Depreciation*	87,194.91	21,326.18	7,063.03	165,887.81	1,561.29	48,742.40	165,887.81	66,550.20	16,393.35	6,140.16	27,367.22	1,244.42	27,367.22	66,550.20	16,393.35	6,140.16	27,367.22	1,244.42	1,244.42	117,695.35	117,695.35	117,695.35	117,695.35	
Other Non-cash Expenses	1,595.17	645.85	164.54	10,563.02	(52.55)	8,210.01	10,563.02	10,138.48	8,694.15	92.42	2,912.30	406.22	2,912.30	10,138.48	8,694.15	92.42	2,912.30	406.22	406.22	22,243.57	22,243.57	22,243.57	22,243.57	

* Also Includes Depletion, Amortization and Impairment Loss.

39.2 Notes :

39.2.1 The annexed matrix presentation depicts the geographical segments based on assets as primary segments and business segments as secondary segments.

39.2.2 Segments have been identified and reported taking into account the differing risks and returns, the organization structure and the internal reporting systems. These have been organized into the following main geographical and business segments:

Geographical Segments

- a) In India - Offshore
- Onshore
b) Outside India.

Business Segments

- a) Exploration & Production
b) Refining

39.2.3 Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amount allocated on reasonable basis. Un-allocated includes common expenditure incurred for all the segments and expenses incurred at the corporate level.

39.2.4 Inter Segment Sales have been priced at prevailing market rates.

39.2.5 Segment Assets includes ₹ 754.36 million of Intangible Assets (Previous year ₹ 1,041.25 million).

39.2.6 Reconciliation of the Segment Revenue with the Revenue as per note 29 & 36 is given below:

Particulars	Note	2013-14	2012-13
Revenue from operation (Gross)	29	1,782,051.84	1,658,481.91
Prior period Sales	36	(104.88)	(193.96)
Total		1,781,946.96	1,658,287.95
Segment Revenue as per note no. 39.1		1,781,946.96	1,658,287.95

40 Disclosure under Accounting Standard -18 on "Related Party Disclosure" :**40.1 Name of related parties and description of relationship :****40.1.1 Joint Ventures/Jointly Controlled Entities :**

Sl No.	Name	Relationship
A	Jointly Controlled Entities in India	
i	ONGC Mangalore Petrochemicals Ltd	Jointly Controlled Entity in India
ii	Petronet LNG Limited	Jointly Controlled Entity in India
iii	ONGC Teri Biotech Limited	Jointly Controlled Entity in India
iv	Mangalore SEZ Limited	Jointly Controlled Entity in India
v	ONGC Petro-additions Limited	Jointly Controlled Entity in India
vi	ONGC Tripura Power Co. Limited	Jointly Controlled Entity in India
vii	Dahej SEZ Limited	Jointly Controlled Entity in India
viii	North East Transmission Company Ltd. Limited (NETC) (through OTPC)	Jointly Controlled Entity in India
ix	Mangalore STP Limited (through MSEZ)	Jointly Controlled Entity in India
x	Adani Petronet (Dahej) Port Pvt. Ltd	Jointly Controlled Entity in India
xi	Shell MRPL Aviation Fuels & Services Pvt. Limited (through MRPL)	Jointly Controlled Entity in India
xii	Mangalam Retail Services Limited (through MRPL)	Jointly Controlled Entity in India
B	Joint Ventures/Associates of Subsidiary	
i	ONGC Mittal Energy Limited, Cyprus	Joint Venture (Outside India) through OVL

40.2 Key Management Personnel:

Sl No.	Whole-time Functional Directors:
A	Parent Company
i)	Shri. D K Sarraf, Chairman and Managing Director from 01.03.2014.
ii)	Shri. K.S. Jamestin
iii)	Shri. A K Banerjee
iv)	Shri. Shashi Shankar
v)	Shri. N K Verma
vi)	Shri. T K Sengupta from 01.02.2014
vii)	Shri. Sudhir Vasudeva, Chairman and Managing Director up to 28.02.2014.
viii)	Shri. P K Borthakur, up to 31.01.2014.
B	Subsidiaries and Joint Ventures
i)	Shri. D K Sarraf, Managing Director , OVL (up to 28.02.2014)
ii)	Shri. S P Garg, Director (Finance)& Managing Director, OVL
iii)	Shri. S Bhattacharya, Director (Operations) OVL
iv)	Shri. Anil Bhandari, Director (Exploration) from 6 th March, 2014
v)	Shri. P.P.Upadhya, Managing Director , MRPL
vi)	Shri. Vishnu Agarwal, Director (Finance), MRPL
vii)	Shri. V.G.Joshi, Director (Refinery), MRPL from 04.04.2013
viii)	Ir. A R Baron Mackay Holding B.V., Director, ONGC Nile Ganga B.V.
ix)	Mr. Costas Christoforou, Director, Imperial Energy Limited
x)	Ms. Arlene Nahikian, Director, Imperial Energy Limited
xi)	Ms. K. Antoniadou, Director, Imperial Energy Limited
xii)	Ms. E. Chrysanthou, Director, Imperial Energy Limited
xiii)	Mr. A. Loizou, Director, Imperial Energy Limited
xiv)	Mr. Roland Göransson, Director, Carabobo One AB
xv)	Mr. Richard Chindt, Director, Carabobo One AB
xvi)	Dr. A.K. Balyan, (Managing Director & CEO), PLL
xvii)	Shri. R K Garg, Director - Finance, PLL
xviii)	Shri. Rajendra Singh, Director(Technical), PLL
xix)	Shri. Rajiv Banga, Managing Director & CEO, MSEZ
xx)	Shri. Anil Khurana, Managing Director, PMHBL
xxi)	Shri. Sudhindra Kumar Dube, Managing Director, OTPC
xxii)	Dr. P.S. V. Rao, CEO, OPaL

40.3 Details of Transactions

40.3.1 Joint Ventures/ Jointly Controlled Entities :

Details	2013-14	2012-13
(₹ in million)		
Sale of Products to		
a) Shell MRPL Aviation Fuels & Services Pvt. Limited	5,877.10	4,022.24
b) ONGC Mangalore Petrochemicals Ltd	2,564.58	-
c) ONGC Tripura Power Co. limited	1236.49	184.79
Services Received from :		
a) ONGC Teri Biotech Ltd	112.42	182.34
b) Dahej SEZ Ltd.	9.12	9.33
c) ONGC Mangalore Petrochemicals Ltd.	1.01	1.03
d) Petronet MHB Ltd	62.57	-
e) Mangalore SEZ Ltd.	13.68	1.42
f) Petronet LNG Ltd	-	0.78
Services Provided to :		
a) ONGC Petro-additions Ltd.	117.63	117.50
b) ONGC Teri Biotech Limited	0.12	-
c) Mangalore SEZ Ltd.	-	5.80
d) ONGC Tripura Power Co. Ltd.	235.96	220.35
e) ONGC Mangalore Petrochemicals Limited	7.16	11.75
f) Petronet MHLtd	29.18	-
g) Petronet LNG Ltd	-	1.32
h) Shell MRPL Aviation Fuels & Services Pvt. Limited	0.33	0.29
Advance against Equity during year :		
a) ONGC Petro-addition Ltd	6,985.60	-
b) Dahej SEZ Ltd	-	-
c) ONGC Tripura Power Co. Limited	2,925.10	103.32
Dividend Income		
a) Petronet LNG Limited	234.38	234.38
b) Shell MRPL Aviation Fuels & Services Pvt. Limited	12.00	-
Amount Receivable :		
a) ONGC Petro-additions Limited	54.69	42.96
b) ONGC Tripura Power Co. Ltd	373.80	-
c) Mangalam Retail Services Limited	-	0.05
d) Mangalore SEZ Ltd.	119.37	134.19
e) ONGC Mangalore Petrochemicals Limited	685.32	17.42
f) Shell MRPL Aviation Fuels & Services Pvt. Limited	622.96	406.91
g) Petronet MHLtd	6.59	-
Amount Payable :		
a) ONGC Teri Biotech Ltd	51.55	115.98
b) Petronet MHLtd	-	1.83
c) Dahej SEZ Ltd.	7.54	7.00
d) ONGC Tripura Power Co. Ltd	0.02	-
e) Mangalore SEZ Ltd	0.09	-
Advance against Equity outstanding :		
a) ONGC Petro-addition Limited	6709.24	3,328.69
b) ONGC Tripura Power Co. Ltd	2925.10	-
c) ONGC Mangalore Petrochemicals Ltd.	9,799.76	9,799.76
d) Mangalam Retail Services Ltd	0.50	0.50

40.3.2 Key Management Personnel

Remuneration Paid to Key Management Personnel ₹ 69.08 million (previous year ₹ 70.86 million).

41 Disclosure under Accounting Standard - 19 on 'Leases'
41.1 Khartoum - Port Sudan Pipeline Project:

The subsidiary company, OVL had completed the 12"X741 Kms multi-product pipeline from Khartoum refinery to Port Sudan for the Ministry of Energy and Mining of the Government of Sudan (GOS) on Build, Own, Lease and Transfer (BOLT) basis and handed over the same to GOS during the financial year 2005-06. The project was implemented in consortium with Oil India Limited, Company's share being 90%.

The payment under the contract with GOS were scheduled to be received over a period of 10 years including a moratorium of one year from the date of the contract (30th June, 2004) in 18 equal semi-annual installments along with lease rental. The lease period commenced from the date of handing over of the pipeline system and will continue till all payments by GOS are completed. All titles in the works and the transportation system shall vest in the Company and the title shall pass to GOS in proportion to the payments made by GOS against total payments due to Company under the contract. Further, subject to regular payments on

due dates by GOS to the Company, GOS shall have the exclusive right to use and operate the pipeline system and the Company shall not assign, transfer, sub-let, sub-contract, mortgage or create any rights to any third party or encumbrances or make any disposition to any third party. Accordingly, the amount of net investment in the lease (i.e. aggregate of Minimum Lease Payments minus unearned Finance Income) is recognized and recorded as receivables under the lease. The finance income thereon has been recognized based upon the pattern reflecting the constant periodic rate of return on the outstanding net investment in the lease.

The first 11 installments under the contract due till 30th December, 2010 have been received. The 12th, 13th, 14th, 15th, 16th and 17th installment of ₹ 5,091.89 Million (Company's share ₹ 4,582.70 Million) due on 30th June, 2011, 30th December, 2011, 30th June, 2012, 30th December, 2012, 30th June, 2013, 30th December, 2013 respectively have not yet been received. As per an insurance policy, the company has received the claim for the 12th and 13th installments from ECGC. No insurance is available for further installments (14th to 18th).

The EPC contractor executing the project claimed additional costs aggregating to ₹ 2,231.23 million (Previous year ₹ 2,020.59 million), Company's 90% share being ₹ 2,008.11 million (Previous year ₹ 1,818.53 million), which have not been accepted by the Company. The Company, in turn has filed a claim as per the contract with GOS for their approval of an aggregate amount of ₹ 2,773.57 million (Previous year ₹ 2,511.73 million), Company's share being ₹ 2,496.21 million (Previous year ₹ 2,260.56 million). No revenue in respect of the claim on GOS has been recognized since the claim has not been accepted by GOS. OVL has served a pre-arbitral notice on GOS which is a requirement prior to initiating any legal proceedings in Sudan. The EPC contractor has initiated arbitration with a claim for ₹ 1,530.93 million (Previous year ₹ 1,386.40 million) plus interest against the Company. Pending settlement with the EPC contractor, an amount of ₹ 1,377.84 million (Previous year ₹ 1,247.76 million), being the Company's 90% share out of total claim of ₹ 1,530.93 million (Previous year ₹ 1,386.40 million) has been accounted as liability in the relevant year of claim. The arbitration award has been pronounced on 27th March, 2014. The award provides for the payment of ₹ 204.88 million (US\$ 3.31 million) and interest ₹ 15.78 million (US\$ 0.26 million). The parties have option to go to court within 90 days of the arbitration award. Since the company has already accounted for the claim amount as expenditure for ₹ 2,008.11 million (Previous year ₹ 1,818.53 million). The differential of the amount accounted for and award will be adjusted subject to further action on the expiry of 90 days period. The estimated reversal of expenditure is ₹ 1,334.23 million (US\$ 22.21

million). The interest amount would be treated on clarity of further action by either parties within 90 days of the arbitration award.

41.2 Financial Lease for BC-10 Project

ONGBV owns 15% equity shares in Tamba B.V. The Netherlands; with the balance held by Shell E & P Offshore Services B.V., The Netherlands ("SEPBV"), and Petrobras Netherlands B.V. The Netherlands ("PNBV"). Tamba B.V. has been established to facilitate the development and production of hydrocarbons in the BC-10 concession, Campos Basin area in Brazil. Tamba B.V. has a third party lease for a major oil field equipment (FPSO) and constructed other sub-sea assets for onwards lease to BC-10 Project. Both financial leases commenced on 31st December, 2008.

Tamba B.V. leases part of its assets from a third party, Brazilian Deepwater and re-leased these to BC-10 joint venture operated by Shell Brasil Ltda. The risks and rewards incidental to ownership are largely transferred to the lessee. These assets are capitalised and recognized in the balance sheet of BC-10 as from the date the lease contract is concluded, at the lower of the fair value of the asset and the discounted value of the minimum lease installments. The lease installments payable are broken down into repayment and interest components, based on a fixed interest rate and installments as derived from the underlying agreement. The lease commitments are carried under long-term liabilities exclusive of interest. The interest component is recognized in the profit and loss account in accordance with the lease installments.

Revenue of finance lease contracts represents the transfer of economic ownership from Tamba B.V. (lessor) to the lessee of the asset, being an affiliate. Cost of sales represents the costs associated with the finance lease contracts.

The disclosure in accordance with the Accounting Standard (AS) 19 viz. Leases is as under:

(₹ in million)

Particulars	31 st March, 2014		31 st March, 2013	
	Gross	Net	Gross	Net
a) Reconciliation between the total gross investment in the lease and the present value of minimum lease payments as at year end				
- Not later than one year	1,516.48	1,504.53	4,119.95	4,035.15
- Later than one year and not later than five years	-	-	686.65	675.83
- Later than five years	-	-	-	-
Total	1,516.48	1,504.53	4,806.60	4,710.98
b) Unearned Finance Income	11.95		95.62	
c) Unguaranteed residual value accruing to OVL's benefit	Nil		Nil	
d) Accumulated provision for uncollectible minimum lease payments receivable	Nil		Nil	
e) Contingent rents recognised in the statement of profit and loss for the period	Nil		Nil	
f) General description of the significant leasing arrangement	As described in para above		As described in para above	
g) Accounting Policy followed in respect of initial direct costs	As per note no. 2.2.zb.1		As per note no. 2.2.zb.1	

The Company's share of the lease liability (at USD 1 = ₹ 61.84) are is tabulated below:-

(₹ in million)

Lease liability	
Opening balance as at 01.04.2013	3,648.12
Interest	399.19
Lease Payments	1,161.14
Addition of Lease Liabilities due to increase of Shares by 12%	2,776.34
Foreign Currency Translation Adjustment	820.38
Closing balance as at 31.03.2014	6,028.83

The Company's 27% share of future estimated minimum lease expenses in the year and their present values are scheduled to be as follows:

(₹ in million)

Particulars	< 1Year	1-5 Years	>5Years	Total
Future minimum lease payments	1,258.65	4,827.72	1,994.30	8,080.68
Present value of minimum lease payments	1,217.72	3,768.86	1,042.26	6,028.84

- 41.3 Tamba B.V., JV company of ONGBV (27%) has entered into a 15-year lease contract for the supply of the FPSO with a third party. The lease contract contains priced termination options for each of the 15 years and priced extension options for the 4 years following the initial 15-year term. The Company can exercise a priced purchase option during the term of the lease. The interest rate implicit in the lease is 9.5% (Previous year 9.5%).
- 41.4 The company has certain office/residential premises on Operating Lease which are cancellable by giving appropriate notice as per the respective agreements. During the year ₹ 1,020.78 million (Previous year ₹ 1,011.83 million) had been paid towards cancellable Operating Lease.
- 41.4 The Joint venture company, OTPC, has certain office premises under operating lease non-cancellable agreements. The lease rental expense recognized in the Statement of Capital Work-in-Progress for the period ended 31st March, 2014 is ₹ 9.24 million (previous year ₹ 9.24 million) as group share. Liability amounting to ₹ 3.73 million (previous year ₹ 2.79 million) as group share has been provided for rent equalization reserve till 31st March, 2014.

The group share in future minimum lease payments and payment profile under the non-cancelable operating leases are as follows: (₹ in million)

Particulars	As at 31.03.2014	As at 31.03.2013
Not later than one year	11.55	9.24
Later than one year and not later than five years	43.91	46.22
Later than five years	-	6.93
Total	55.46	62.39

42. Disclosure under Accounting Standard - 27 on Financial Reporting of Interest in Joint Ventures:

42.1 Jointly Controlled Assets in India

In respect of certain blocks, the Company's Joint Ventures (JV) with certain body corporates have entered into Production Sharing Contracts (PSCs) with GoI. Details of these blocks and JVs as on 31.03.2014 are as under:

Sl. No.	Blocks	Company's PI *	Others Partners and their PI in the JV/Operatorship***
A	Jointly Operated JVs		
1	Panna, Mukta and Tapti	40% (40%)	BGEPIL 30%, RIL 30%
2	AN-DWN-2009/3	60% (60%)	OIL 40%
B	ONGC Operated JVs		
3	CB-OS/1 Development Phase**	55.26% (55.26%)	TPL 6.7%, HOEC 38.04%
4	MN-DWN-98/3**	100% (60%)	(PIBBV 40%)
5	MN-OSN-2000/2	40% (40%)	GAIL 20%, IOC 20%, OIL 20%
6	AA-ONN-2001/2	80% (80%)	IOC 20%
7	AA-ONN-2001/3	85% (85%)	OIL 15%
8	KK-DWN-2002/2	80% (80%)	HPCL 20%
9	CY-ONN-2002/2	60% (60%)	BPRL 40%
10	AA-ONN-2002/4	90% (90%)	OIL 10%
11	CY-DWN-2004/3	70% (70%)	GSPC 10%, HPCL 10%, GAIL 10%
12	CY-PR-DWN-2004/1	70% (70%)	GSPC 10%, HPCL 10%, GAIL 10%
13	CB-ONN-2004/1**	60% (50%)	GSPC 40%, (HERA-MEC LTD 10%)
14	CB-ONN-2004/2	55% (55%)	GSPC 45%
15	CB-ONN-2004/3	65% (65%)	GSPC 35%
16	CY-ONN-2004/1	80% (80%)	BPRL 20%

Sl. No.	Blocks	Company's PI *	Others Partners and their PI in the JV/Operatorship***
17	CY-ONN-2004/2	80% (80%)	BPRL 20%
18	MB-OSN-2005-1	80% (80%)	GSPC 20%
19	MB-OSN-2005-5	70% (70%)	GSPC 30%
20	MB-OSN-2005-6	80% (80%)	GSPC 20%
21	KG-DWN-2005/1	70% (70%)	IOC 20%, GSPC 10%
22	KK-DWN-2005/2	90% (90%)	GSPC 10%
23	KG-OSN-2005/1	60% (60%)	HMEL 20%, GSPC 20%
24	KG-OSN-2005/2	80% (80%)	HMEL 20%
25	Raniganj	74% (74%)	CIL 26%
26	Jharia	90% (90%)	CIL 10%
27	NK-CBM-2001/1	80% (80%)	IOC 20%
28	BK-CBM-2001/1	80% (80%)	IOC 20%
29	CB-ONN-2005/4	51% (51%)	GSPC 49%
30	CB-ONN-2005/10	51% (51%)	GSPC 49%
31	PR-ONN-2005/1	80% (80%)	TPL 20%
32	WB-ONN-2005/4	75% (75%)	OIL 25%
33	AA-ONN-2005/1	60% (60%)	OIL 30%, ACIL -10%
34	GV-ONN-2005/3	80% (80%)	TPL 20%
35	AN-DWN-2009/2	60% (60%)	OIL 40%
36	AN-DWN-2009/1	70% (70%)	OIL 30%
37	AN-DWN-2009/5**	100% (90%)	(GSPC 10%)
38	AN-DWN-2009/13**	80% (70%)	GAIL 10%, NTPC 10%, (GSPC 10%)
39	AN-DWN-2009/18	60% (60%)	OIL 30%, GAIL 10%
40	GK-OSN-2009/1	40% (40%)	AWEL 20%, GSPC 20%, IOC 20%
41	GK-OSN-2009/2	40% (40%)	AWEL 30%, IOC 30%
42	KG-OSN-2009/1	80% (80%)	APGIC 10%, NTPC 10%
43	KG-OSN-2009/2	90% (90%)	APGIC 10%
44	KG-OSN-2009/4	50% (50%)	APGIC 10%, OIL 30%, NTPC 10%
45	AA-ONN-2009/3	50% (50%)	OIL 50%
46	CB-ONN-2009/4	50% (50%)	GSPC 50%
47	GK-OSN-2010/1	60% (60%)	OIL-30%, GAIL-10%
48	GK-OSN-2010/2	90% (90%)	GAIL- 10%
49	CB-ONN-2010/6	80% (80%)	IOC- 20%
C.	Operated by JV Partners		
50	Ravva	40% (40%) 25%, ROPL 12.5%	Cairn India (Operator) 22.5% , VIL
51	CY-OS-90/1 (PY3)	40% (40%) TPL 21%	HEPI (operator) 18%, HOEC 21%
52	RJ-ON-90/1	30% (30%) CEHL 35%	Cairn India (Operator) 35%,
53	CB-OS/2 -Development Phase	50% (50%) TPL 10%	Cairn India (operator) 40% ,
54	CB-ON/7 -Development Phase	30% (30%)	HOEC (Operator) 35%, GSPC 35%
55	CB-ON/3 - Development Phase	30% (30%)	EOL (Operator) 70%
56	AA-ONN-2002/3	70% (70%)	OIL (Operator) 30%
57	AN-DWN-2003/2	45% (45%)	ENI (Operator) 40% GAIL 15%
58	KG-ONN-2003/1	51% (51%)	Cairn India 49% (Operator)

Sl. No.	Blocks	Company's PI *	Others Partners and their PI in the JV/Operatorship***
59	PR-OSN-2004/1	35% (35%) TPL 30%	Cairn India (Operator) 35%,
60	CB-ON/2- Development phase	30% (30%)	GSPC (Operator) 56%, Geo-Global Resources 14%
61	RJ-ONN-2005/3	40% (40%)	GSPC (Operator) 60%
62	AA-ONN-2009/4	50% (50%)	OIL(Operator) 50%
63	CY-OSN-2009/2	50% (50%)	OIL 50% (Operator)
64	KG-DWN-2009/1	45% (45%) APGIC 10%	BGEPIL 30%(Operataor), OIL 15%,
65	RJ-ON/6 - Development phase	30% (30%) 45.5%,	Focus Energy Ltd (Operator) 7% I services Investment Ltd, Mauritius Newbury Oil Co. Ltd, Cyprus 17.5%
66	AA-ONN-2010/2	30% (30%)	OIL-40%, GAIL-20%, EWP-10%
67	AA-ONN-2010/3	40%(40%)	OIL-40%, BPRL-20%

* PI - Participating Interest

** Approval towards assignment of PI is awaited from GoI

*** There is no change in previous year details unless otherwise stated.

Abbreviations:-ACL- Assam Company (India) Ltd, APGIC- AP Gas Infrastructure Corporation Ltd, AWEL- Adani Welspun Exploration Ltd, BGEPIL- British Gas Exploration & Production India Ltd, BPRL- Bharat Petro Resources Ltd, Cairn India-Cairn India Ltd, CEHL- Cairn Energy Hydrocarbons Ltd, CIL- Coal India Ltd, ENI Ente Nazional eldrocarburi, Ensearch- Enserach, EWP- East west Petroleum Canada, GAIL- Gas Authority of India Ltd, GGR- Geo Global Resources, GSPC- Gujarat State Petroleum Corporation Ltd, HEPI- Hardy Exploration & Production India Ltd, Heramec- Heramec Ltd, HEPI-

Hardy Exploration & Production (India), HEIBV-Hydro Oil & Energy India BV, HMEL- HPCL Mittal Energy Ltd, HOEC- Hindustan Oil Exploration Company Ltd, HPCL- Hindustan Petroleum Corporation Ltd, IOC- Indian Oil Corporation Ltd, INPEX- INPEX Offshore East India Ltd, NTPC- National Thermal Power Corporation Ltd, OIL- Oil India Ltd, PIBBV-Petrobras International Braspero BV, VIL- Videocon Industries Ltd, RIL- Reliance Industries Ltd, ROPL- Ravva Oil (Singapore) Private Ltd, SRL- Sunterra Resources Ltd, TPL- Tata Petrodyne Ltd.

42.2 List of the blocks surrendered during the year are given below:

Sl. No.	Joint Ventures / PSCs	Company's PI *
1	PA-ONN-2004/1	100% (100%)
2	CB-ONN-2004/4	60%(60%)
3.	CY-DWN-2004/1	70% (70%)
4.	CY-DWN-2004/2	70% (70%)
5.	CY-DWN-2004/4	70% (70%)
6.	CY-PR-DWN-2004/2	70% (70%)
7.	GV-ONN-2004/1	100%(100%)
8.	KG-DWN-2004/1	70% (70%)
9.	KG-DWN-2004/2	60% (60%)
10.	KG-DWN-2004/3	70% (70%)
11.	KG-DWN-2004/5	50% (50%)
12.	KG-DWN-2004/6	34% (34%)
13.	AN-DWN-2005/1	90% (90%)

* PI - Participating Interest

42.3 The Financial position of the JV/NELP blocks are as under :

(₹ in million)

Particulars	No. of Jvs/ NELP Blocks	Assets	Liabilities	Income	Expenditure	Profit / (-) Loss before tax
NELP Block-100% PI*	19 (21)	37,773.90 (15,654.33)	341.84 (368.09)	96.45 (71.51)	20,154.93 (26,243.39)	-20,058.48 (-26,171.88)
Blocks with other partners	67 (78)	103,668.42 (92,348.44)	44,450.57 (28,134.96)	182,462.92 (170,084.17)	142,405.71 (106,303.27)	40,057.21 (63,780.91)
Surrendered	49 (41)	5,209.85 (3,346.44)	9,565.83 (8,979.16)	0.37 (613.22)	2,045.23 (8,646.73)	-2,044.86 (-8,033.51)
Total	135 (140)	146,652.16 (111,349.21)	54,358.23 (37,482.21)	182,559.73 (170,768.90)	164,605.87 (141,193.38)	17,953.87 (29,575.52)

42.3.1 The financial statements of 124 (previous year 129) out of 135 (previous year 140) JVs/NELP have been incorporated in the accounts to the extent of Company's participating interest in assets, liabilities, income, expenditure and profit / (loss) before tax on the basis of statements certified

in accordance with production sharing contract and in respect of balance 11 (previous year 11) JVs/NELP, the figures have been incorporated on the basis of uncertified statements prepared under the production sharing contracts. Both the figures have been adjusted for changes as per Note No. 2.1.1.

The financial positions of JV/NELP are as under:

(₹ in million)

Particulars	No. of JVs/ NELP Blocks	Assets	Liabilities	Income	Expenditure	Profit / (-) Loss before tax
Audited	124 (129)	145,807.09 (110,369.47)	51,823.77 (34,943.33)	182,255.94 (170,599.99)	163,656.37 (139,865.63)	18,599.58 (30,734.36)
Unaudited	11 (11)	845.07 (979.74)	2,534.46 (2,538.89)	303.79 (168.91)	949.50 (1,327.76)	-645.71 (-1,158.85)
Total	135 (140)	146,652.16 (111,349.21)	54,358.23 (37,482.21)	182,559.73 (170,768.90)	164,605.87 (141,193.38)	17,953.87 (29,575.52)

42.3.2 In respect of 12 NELP blocks (previous year 16) which have expired as on 31st March, 2014, the Company's share of Unfinished Minimum Work Programme (MWP) amounting to ₹ 18,014.12 million (previous year to ₹ 19,560.95 million) has not been provided for since the company has already applied for further extension of period in these blocks as 'excusable delay/ special dispensations citing technical complexities, within the extension policy of NELP Blocks, which are under active consideration of GoI. The delays have occurred generally on account of pending statutory clearances from various Govt. authorities like Ministry of Defense, Ministry of Commerce, environmental clearances, State Govt. permissions etc. The above MWP amount of ₹ 18,014.12 million (previous year ₹ 19,560.95 million) is included in MWP commitment under note no. 45.1.2.

42.3.3 As per the Production Sharing Contracts signed by the Company with the GoI, the Company is required to complete Minimum Work Programme (MWP) within stipulated time. In case of delay in completion of the MWP, Liquidated Damages (LD) is payable for extension of time to complete MWP. Further, in case the Company does not complete the MWP, the estimated cost of completing balance work programme is required to be paid to the GoI. LD amounting to ₹ 245.65 million (Previous year ₹ 293.30 million) and cost of unfinished MWP (net of reversal) ₹ (-) 59.14 million (Previous year ₹ 217.14 million), paid/payable to the GoI is included in survey and wells written off expenditure.

42.3.4 The company had acquired Participating Interest (PI) (BGEPIIL) in the following blocks, effective from the of British Gas Exploration & Production India Ltd following dates as approved by the board of directors.

Name of the Block	PI	Date of Transfer of PI
KG OSN 2004/1	45%	25.11.2011
KG DWN 98/4	30%	18.05.2011
MN DWN 2002/2	25%	01.12.2011

British Gas has agreed to pay a lump sum amount of USD 50 Million, towards full and final settlement of carry costs/cash calls due in all the above blocks, subject to government approval for transfer of PI in all the above blocks. Since the government approval in respect of MN DWN 2002/2 is pending, no adjustment is made in the accounts towards the lump sum amount due as above.

42.4 Company's share in Joint Ventures (Outside India) through Subsidiary - OVL

Sl. No.	Name of the Project and Country of Operation	Company's participating share (%)	Other Consortium Members	Operator	Status
1	Block 06.1 Vietnam, Offshore	45%	TNK Vietnam B.V. -35% Petrovietnam - 20%	TNK Vietnam B.V.	The project is under development and production
2	Block 2a, 2b & 4, GNPOC. Sudan, Onshore (Through ONGC Nile Ganga B.V.) Onshore	25%	CNPC - 40% Petronas - 30% Sudapet - 5%	Joint Operatorship (GNPOC)	The project is under production.
3	Block 1a, 1b, & 4, GPOC South Sudan, Onshore (Through ONGC Nile Ganga B.V.) Onshore	25%	CNPC - 40% Petronas - 30% Nilepet - 5%	Joint Operatorship (GPOC)	The project is under production. Currently under temporary shutdown due to security situation
4	Block 5A South Sudan, Onshore	24.125%	Petronas - 67.875% Nilepet - 8%	Joint Operatorship (SPOC)	The project is under development and production. Currently under temporary shutdown due to security situation.
5	Sakhalin -1 Project, Russia, Offshore	20%	ENL - 30% SODECO - 30% SMNG - 11.5% R N Astra - 8.5%	ENL	The project is under development and production
6	AFPC Project Syria, Onshore (Through ONGC Nile Ganga B.V.) *	38.75%	Fulin - 50% Mittals - 11.25%	SSPD *	The project is under production.
7	MECL Colombia, Onshore (Through ONGC Amazon Alaknanda Limited)	50%	Sinopec - 50%	Joint Operatorship	The project is under exploration, development and production
8	Block BC-10 Brazil, Offshore (Through ONGC Nile Ganga B.V.) **	27%	Shell - 73%	Shell	The project is under development and production
9	OOO Imperial Frac Service (Through Imperial Energy Ltd)	50%	Mr. Vladimir Aleksandrovich Borisov - 50%	OVL	The company provides Fracing Services
10	San Cristobal Project Venezuela, Onshore (Through ONGC Nile Ganga B.V.)	40%	CVP- 60%	Joint Operatorship	The project is under development and production

Sl. No.	Name of the Project and Country of Operation	Company's participating share (%)	Other Consortium Members	Operator	Status
11	Block A-1 Myanmar, Offshore	17%	Daewoo - 51% MOGE- 15% KOGAS - 8.5% GAIL - 8.5%	Daewoo	The project is under production.
12	Block A-3 Myanmar, Offshore	17%	Daewoo - 51% KOGAS - 8.5% GAIL - 8.5% MOGE- 15%	Daewoo	The project is under production.
13	Farsi Block Project Iran, Offshore	40%	IOC - 40% OIL - 20%	OVL	The project 's exploration period ended on 24 June 2009. Agreement on MDP and Development service contract is pending.
14	Block XXIV Syria, Onshore	60%	IPRMEL - 25% Trioccean-15%	IPR MEL	IPRMEL the Operator declared Force Majeure effective 29 April 2012
15	Khartoum-Port Sudan Pipeline Project Sudan, Onshore	90%	OIL - 10%	OVL	The pipeline has been completed and is under lease.
16	Block RC-8 Colombia, Offshore	40%	Ecopetrol - 40% Petrobras - 20%	OVL	The project is under exploration
17	Block RC-9 Colombia, Offshore	50%	Ecopetrol - 50%	Ecopetrol	The project is under exploration
18	Block RC-10 Colombia, Offshore	50%	Ecopetrol - 50%	OVL	The project is under exploration
19	Block BM-SEAL-4, Brazil, Offshore (Through ONGC Nile Ganga B.V)	25%	Petrobras- 75%	Petrobras	The project is under exploration
20	LLA - 69 (Through MECL)	50%	SINOPEC- 50%	Joint Operatorship	The project is under exploration
21	Block SSJN-7 Colombia, Onshore	50%	Pacific - 50%	Pacific	The project is under exploration
22	Block CPO-5 Colombia, Onshore	70%	Petro Dorado - 30%	OVL	The project is under exploration
23	SHWE Offshore Pipeline Project, Myanmar, Offshore	17%	Daewoo - 51% KOGAS - 8.5% GAIL - 8.5% MOGE - 15%	Daewoo	Pipeline is completed and transportation of Block Myanmar A1/A3 Gas
24	Onshore Gas Pipeline Project (SEAGPCL), Myanmar, Onshore (Through ONGC Nile Ganga B.V.)	8.35%	CNPC-SEAP- 50.9% Daewoo - 25.04% KOGAS- 4.17% GAIL - 4.17% MOGE - 7.37%	CNPC-SEAP	The project is under operation.
25	Carabobo Project, Venezuela Onshore (Through Carabobo One AB)	11%	CVP - 60% Petronas Ve-11% Repsol Exp-11% INDOIL-7%	Joint operatorship	The project is under development and production.
26	Satpayev Contract Area 3575, Kazakhstan, Offshore	25%	KMG - 75%	SOLLP	The project is under Exploration

Sl. No.	Name of the Project and Country of Operation	Company's participating share (%)	Other Consortium Members	Operator	Status
27	Azeri, Chirag, Guneshli fields Azerbaijan, Offshore	2.72%	BP - 35.79% SOCAR - 11.65% Chevron - 11.27% Inpex - 10.96% Statoil - 8.56% Exxon-Mobil - 8.00% TPAO - 6.75% Itochu - 4.30%	BP	The project is under development and production
28	BTC Pipeline Azerbaijan, Onshore (Through ONGC (BTC))	2.36%	BP - 30.1% SOCAR - 25% Chevron - 8.9% Statoil - 8.71% TPAO - 6.53% Eni - 5% Total - 5% Itochu - 3.40% Inpex - 2.5% Conoco Phillips -2.5%	BP	The project is under operation
29	Area 1 offshore Block, Mozambique***	16.00%	Anadarko- 26.5% Mitsui-20% PTTEP-8.5% BPRL-10% OIL-4% ENH-15%	Anadarko	The project is under development
30	Block SS 04, Bangladesh offshore	45.00%	OIL-45% BAPEX-10%	OVL	The project is under exploration
31	Block SS 09, Bangladesh offshore	45.00%	OIL-45% BAPEX-10%	OVL	The project is under exploration

Abbreviations used: CNPC - China National Petroleum Corporation; CNPC-SEAP-CNPC South-East Asia Pipeline Co Ltd; CVP - CorporacionVenezolana Del Petroleo S.A.; Daewoo - Daewoo International Corporation; ENL - Exxon Neftegas Limited; Fulin - Fulin Investments Sarl; GAIL - GAIL (India) Limited; GNPOC - Greater Nile Petroleum operating Company; GPOC - Greater Pioneer Operating Company; SPOC - Sudd Petroleum Operating Company; IOC - Indian Oil Corporation Limited; INDOIL- Indoil Netherlands B.V.; IPRMEL - IPR Mediterranean Exploration Limited; KMG KazMunayGas; KOGAS - Korea Gas Corporation; B.V; Mittals - Mittal Investments Sarl; MOGE- Myanmar Oil and Gas Enterprise; Nilepet - Nilepet Limited, South Sudan; OCL - ONGC Campos Ltda.. OIL - Oil India Limited; Pacific - Pacific Stratus Energy, Colombia; Petrobras - PetroleoBrasileiro S.A.; Petro-Dorado - Petro-Dorado South America S.A.; Petronas - Petronas Carigali Overseas Sdn Bhd; PetronasVe: PC Venezuela Ltd; Petrovietnam - Vietnam Oil and Gas Group; Repsol - Repsol YPF Cuba SA; Repsol Exp- Repsol Exploracion S.A.; SEAGPCL - South East Asia Gas Pipeline Company Ltd.; Shell - Shell Brazil Ltda; Sinopec - Sinopec Overseas Oil and Gas Limited; SMNG -

Sakhalinmorneftegas Shelf; SODECO - Sakhalin Oil Development Company Limited; SOLLP - Satpayev Operating Company LLP (100% subsidiary of KMG); SSPD: Syria Shell Petroleum Development B.V.; Sudapet - Sudapet Limited; Triocean: Tri-Ocean Mediterranean; SOCAR: State Oil Company of Azerbaijan Republic; TPAO - Turkish Petroleum Corporation; BREML - Beas Rovuma Energy Mozambique Ltd; ENH - Empresa Nacional De Hidrocarbonates, E.P

Ovl holds 60% shares in BREML

* OVL has effectively 38.75% interest in Himalaya Energy Syria B.V. (HESBV) with Mittals and Fulin effectively holding 11.25% and 50% interest respectively. HESBV, through its subsidiaries, holds 33.33%, 37.5% and 36% interest in Ash Sham (including deep and lateral) concession, Deir-Ez-Zor and Annexure-IV (including deep and lateral) concessions and a gas utilization agreement in Syria; the balance interest in the concessions being held by SSPD- the Operator.

**In case of Block BC-10 Brazil, Offshore additional 12% stake was acquired on 30th December, 2013.

***In case of Area 1 offshore Block, Mozambique, 10% is directly held by ONGC Videsh Ltd. and 6% through subsidiary BREML.

42.5 Company's share in Joint Ventures

The Company, its Subsidiaries' and the Joint Venture Company's share of assets, liabilities, income and expenses in the Joint Ventures as furnished by the Operator has been incorporated in the financial statements as given below:

(₹ in million)

Project	Asset	Liabilities	Income	Expenditure* (Including depreciation)	Profit/(-) Loss before Tax
A. Audited as of 31st March, 2014					
Block 06.1, Vietnam	10,194.97	1,571.18	8,951.34	5,698.91	3,252.43
Farsi Block, Iran	(0.30)	62.23	0.24	12.59	(12.35)
Sudan Pipeline, OVL's Share (90%)	689.96	4,618.35	93.21	3,372.35	(3,279.14)
LLC Imperial Frac Service-Jarpeno	310.96	11.22	465.95	332.51	133.44
Block 2a, 2b & 4, Sudan	24,736.09	5,967.80	31,872.39	25,491.99	6,380.40
Block 1a, 1b, & 4, South Sudan	6,785.99	1,032.52	8,752.55	6,395.05	2,357.50
Block BC-10 & Exploratory Blocks, Brazil	73,934.48	37,064.75	14,853.02	12,764.99	2,088.03
PIVSA (San Cristobal), Venezuela	22,570.80	38,054.57	27,615.66	17,070.72	10,544.94
Pipeco 1 onshore Project, Myanmar (SEAGP)	5,923.11	681.28	403.30	413.40	(10.10)
Tamba B.V.	26,685.63	7,653.40	7,373.96	5,363.00	2,010.96
AFPC, Syria	5,166.20	742.90	-	202.82	(202.82)
MECL, Colombia	27,344.03	4,916.66	20,104.51	10,143.26	9,961.25
Petro Carabobo, Venezuela**	11,641.94	2,078.81	699.71	851.77	(152.06)
BREML, Mozambique	16,776.06	2,666.60	-	29.00	(29.00)
Total (A)	232,759.93	107,122.28	121,185.84	88,142.36	33,043.48
B. Audited as of 31st December, 2013					
Sakhalin 1 Russia	169,247.67	46,714.49	69,417.10	32,601.99	36,815.11
Block RC-8, Colombia	(0.48)	583.08	-	124.29	(124.29)
Block RC-10, Colombia	0.98	789.72	-	183.31	(183.31)
Block RC-9, Colombia	40.49	6.26	0.34	122.76	(122.42)
Blocks 25-29, & 36, Cuba	2.39	(470.59)	0.02	(70.23)	70.25
Block A-1, Myanmar	13,950.01	3,212.85	331.53	1,097.98	(766.45)
Block A-3, Myanmar	4,824.51	745.03	2,091.78	1,270.92	820.86
CPO 5 Block, Colombia	1,004.02	386.55	0.37	718.44	(718.07)
SHWE Offshore Pipeline Myanmar	2,006.39	(35.31)	453.92	1,967.31	(1,513.39)
Total (B)	191,075.98	51,932.08	72,295.06	38,016.77	34,278.29
C. Unaudited					
Block XXIV, Syria	28.68	498.93	-	403.21	(403.21)
Block GUA offshore, Colombia	6.71	59.81	-	51.60	(51.60)
Block SSJN-7, Colombia	-	7.58	0.35	56.46	(56.11)
Block 81 (1), Libya	0.03	125.96	-	0.02	(0.02)
Block Area 1, Mozambique	163,373.85	453.82	-	3.91	(3.91)
Block 128, Vietnam	165.41	286.34	-	36.66	(36.66)
Block 6 North Ramadan, Egypt	-	71.49	-	(2.12)	2.12
Block 5A, South Sudan	10,426.66	805.80	744.99	1,464.73	(719.74)
Block NC-188, Libya	1.89	(0.81)	-	3.55	(3.55)
Block NEMED, Egypt	-	(2.21)	-	0.07	(0.07)
Satpayev Block, Kazakhstan	4,838.79	6.83	-	740.61	(740.61)
ACG, Azerbaijan	50,274.72	262,308.30	18,480.13	5,539.22	12,940.91
Total (C)	229,116.74	264,621.84	19,225.47	8,297.92	10,927.55
Grand Total	652,952.65	423,676.20	212,706.37	134,457.05	78,249.32

* Represents expenditure as per joint venture statement. In the accounts of the Company, the amount is reflected after netting off as per the Accounting Standard (AS) 27 viz. Financial Reporting of interests in Joint Ventures.

** Excludes signature bonus paid by Subsidiary and classified under capital work-in-progress

42.5.1 The OVL's share of assets, liabilities, income and expenses has been converted into the reporting currency at the average exchange rate over the period for which the details are provided by the Operators. Generally the details are provided by the operators on monthly basis except in respect of Sakhalin-1, Russia, where the details are provided by the Operator on quarterly basis.

42.5.2 Block 5A, Blocks 1,2 & 4 in Republic of South Sudan

The subsidiary company, OVL has 24.125% participating interest in Block 5A, South Sudan. The project is jointly operated by the partners Petronas Carigali Nile Ltd, ONGC Videsh Limited and Nilepet, the national oil company of South Sudan..

In view of security situation due to internal conflict in the country all petroleum operation in Block 5A is temporarily shut down from 22nd December, 2013. However recently ceasefire agreement has been signed by the warring parties & the negotiations is under progress under the mediation of African union countries and inter government authorities on development (IGAD). All actions are taken by the partners to resume production swiftly on security clearance by the host government. In view of above there is an indication of impairment in the project & impairment test was conducted considering 2 years deferment of production. Based on the impairment evaluation as per the procedure of the company in accordance with the requirement of Accounting Standard-28 (AS-28), no impairment provision is required.

42.5.3 Satpayev Block, Kazakhstan:

Effective 12th October, 2011, the subsidiary Company, OVL has acquired 25% Subsoil use rights from National Company JSC KazMunayGas (KMG) in the Contract for Exploration and Production of Hydrocarbon (Contract) in Satpayev Area which was signed on 15 June, 2010 between Ministry of Oil and Gas (MOG), Kazakhstan and KMG. KMG now holds subsoil use rights of 75% in the Block. The amounts paid toward initial payment and signature bonus amounting to ₹ 4,753.53 million (Previous year: ₹ 4,753.53 million) are disclosed as Capital-Work-in-Progress in Note 19, as part of acquisition cost to be treated as per the final status of the project.

42.5.4 AFPC, Syria

ONGC Nile Ganga BV (ONGBV) and Fulin Investments Sarl, a subsidiary of China National Petroleum Company International (CNPCI), hold 50% shareholding each in the Dutch joint venture company, named Himalaya Energy Syria B.V. (HESBV). HES B.V. in turn through three German entities i.e. HES Sham, HES Dez and HES Gas Syria holds 33.33% to 37.5% Participating Interest (PI) in four Production Sharing Contracts (PSCs) in Syria. The Syria business for the above PSC of ONGBV is structured as separate class of business (Class C).

Effective 1st December 2011, Al Furat Petroleum Company (AFPC) an Operating Company jointly held by the Syria Shell Petroleum Development B.V. (SSPD) a company acting as an operator for the Contractor and HESBV (collectively the Contractor) and General Petroleum Company (GPC), Syria, which represents Government of Syria in the Operating Company, were included in the list of sanctioned enterprises by the European Union (EU) as part of the strengthening of the sanctions on Syria. Due to the sanctions, HESBV, as an EU company, has been forbidden to directly or indirectly make funds or resources available to or for the benefit of AFPC and GPC

On the 16th May, 2012, the Syrian court (the 1st degree court) ruled in favour of "single management", provided that Contractor will be kept informed of all transactions. In addition the court considered that Contractor's share of profits should be set aside in a separate bank account. AFPC Chairman appealed for three motives (i) to challenge the above two court-determined measures that allows Contractor to monitor the Chairman powers; (ii) to exercise all powers required for running AFPC and solely operate the bank accounts; and to (iii) challenge the requirement to set aside profits. On 28th of November, 2012, the Court of appeal in Syrian Court rejected the appeal of the Chairman. As a result, the first degree court judgment became final.

As per the financials prepared by HESBV for the year ended 31st March, 2014, ONGBV's share of net fixed assets in HESBV is USD 40.97 million (Previous year USD 38.05 million) and net trade receivables of USD 31.01 million (Previous year USD 30.28 million). Due to the prevailing political situation in Syria and the EU sanction, this Cash Generating Unit (CGU), including the above mentioned assets and receivables was tested for impairment by comparing the carrying value with the recoverable value as on 31st March, 2014. No

impairment provision was required in view of the recoverable value being higher than the carrying value. Although there is no production due to Force Majeure, a provision towards depletion amounting to USD 3.99 million (₹ 241.72 million) has been made based on the estimated % of depletion for previous year.

42.5.5 Blocks SS-04 & SS-09, Bangladesh:

The subsidiary company, OVL in consortium with Oil India Ltd. (OIL) was awarded two shallow water Blocks SS-04 and SS-09 located in the offshore area in People's Republic of Bangladesh on 20th August, 2013 and the Production Sharing Contracts (PSCs) of the Blocks were signed by Government of People's Republic of Bangladesh represented by Ministry of Power, Energy and Mineral Resources, Bangladesh Oil and Gas & Mineral Corporation (PETROBANGLA), consortium of OVL & OIL and Bangladesh Petroleum Exploration and Production Company Limited (BAPEX) on 17th February, 2014. PSCs envisage the exploration, appraisal, development and production of petroleum in contract area of the Blocks SS-04 and SS-09 measuring 7,269 square kilometers and 7,026 square kilometers respectively. The exploration term consists of 8 (eight) consecutive contract years comprising 5 (five) years as Initial exploration term and 3 (three) years as Subsequent exploration term. OVL will act as the Operator of the Blocks and has PI of 45%, OIL holds 45% PI and BAPEX 10% PI. BAPEX's 10% PI shall be carried by OVL and OIL in proportion to their respective interests in respect of all expenditure up to the date of first commercial discovery and shall be re-paid from the first available cost recover Petroleum.

42.5.6 ACG Abandonment Cost:

The subsidiary company, OVL, has provided Abandonment Provisions for ACG project as on 31.03.2014 based on the total Capital Cost incurred on the project since inception till 31.03.2014. The Total Capital Cost till 31.03.2014 is USD 28,397.70 million for the AIOC joint venture. OVL's share of the cost (@ 2.7213 %) is USD 772.78 million. Accordingly, maximum provision of 10 % i.e. USD 77.28 million towards Abandonment Fund as per PSA provisions has been made on 31.03.2014.

42.5.7 Mozambique Offshore Area 1:

(a) The company has acquired 10% participating interest (PI) in the Rovuma Area 1 offshore Block, Mozambique from Anadarko Moçambique Area 1 Limitada (Anadarko) during the year. The transaction has been completed on 28th February, 2014 and total purchase consideration was USD 2,640 Million (₹ 163,944.00 Million).

The Rovuma Area 1 offshore Block is in development stage. As per Note No 2.2.e.2 of the significant accounting policies, the net assets less liabilities pertaining to Company's 10% PI in Area 1 offshore block as on 28th February, 2014 was accounted for in the respective assets and liabilities. The difference between the purchase consideration and net book value of assets less liabilities has been accounted as acquisition cost as per the significant accounting policy 2.2.e.2.

Details	(USD in Million)	(₹ in Million)
Purchase Price	2,640.00	163,944.00
Less: Net share of assets as on closing date (28 th February 14)	316.75	19,670.22
Acquisition Cost	2,323.25	144,273.78

(b) Capitalization of borrowing cost:

The consideration amount of USD 2,640 million was financed by way of USD 725 million one year term bridge loan, USD 1,775 million five year term Loan and balance through the Company's internal resources. The total borrowing cost upto to 31st March 2014 with respect to the loans, amounts to ₹ 2,140.58 million. As per Note No. 2.2.x of the accounting policy of the group, borrowing cost of ₹ 2,092.85 million directly related to the assets under construction has been capitalised to the related assets.

(c) Foreign exchange variation on long term foreign currency monetary items:

The subsidiary company, OVL, the exchange difference amounting to ₹ 3,543.16 million arising on the USD 1,775 million five year term loan has been capitalised to the related assets.

(d) The subsidiary Company, OVL, in joint venture with Oil India Limited (OIL) acquired 6% PI in the Rovuma Area 1 offshore Block, Mozambique from Videocon Mauritius Energy Limited (Videocon) by acquiring 60% shares and OIL acquiring 40% shares of Videocon Mozambique Rovuma 1 Limited (renamed as Beas Rovuma Energy Mozambique Limited (BREML) with effect from 30th January, 2014). BREML holds 10% PI in the Rovuma Area 1 offshore Block, Mozambique. The transaction was completed on 7th January, 2014.

(e) As per the condition of sale and purchase agreement with Videocon for acquiring the shares of BREML, the consideration is subject to adjustment for the seller's final statements of accounts which will be submitted within 120 days from the date of closing i.e. by 7th May, 2014.

Closing Statement has been received from Videocon on 2nd May, 2014. The adjustment to the purchase price of USD 31.457 million payable to seller was received from seller on 2nd May, 2014. The same is under review and the response has to be submitted within 30 days from the date of receipt

of statements. Adjustment to the consideration, if any, shall be accounted on finalization of seller's final statement of accounts.

42.6 Jointly Controlled Entities:

42.6.1 Group ownership interests in Jointly Controlled Entities are as mentioned in note 3.B.

42.6.2 The Group's share in assets, liabilities, income, expenses, contingent liabilities and capital commitments of Jointly Controlled Entities:

Particulars	₹ in million	
	As at 31.03.2014	As at 31.03.2013
i) Assets		
Fixed Assets	136,977.47	108,255.96
Other Non Current Asset	19,929.43	20,815.01
Deferred Tax Assets	256.91	168.92
Current Asset	15,196.41	10,124.66
ii) Liabilities		
Long Term Borrowings	112,760.66	43,595.31
Other Non Current liabilities and provisions	7,431.17	6,369.02
Deferred Tax Liability	896.72	554.18
Current liabilities and provisions	28,271.87	72,775.81
iii) Income	52,520.52	42,832.21
iv) Expenses	50,824.14	40,508.05
v) Contingent liabilities	8,868.61	7,749.88
vi) Capital commitments	18,372.56	29,017.22



43 Disclosure under Accounting Standard-28 and Guidance note on Accounting for Oil and gas producing Activities (Revised) on "Impairment of Assets"

43.1 The Company is engaged mainly in the business of oil and gas exploration and production in On-shore and Offshore. In case of onshore assets, the fields are using common production/transportation facilities and are sufficiently economically interdependent to constitute a single cash generating unit (CGU). Accordingly, impairment test of all onshore fields are performed in aggregate of all those fields at the Asset Level. In case of Offshore Assets, a field is generally considered as CGU except for fields which are developed as a Cluster, for which common facilities are used, in which case the impairment testing is performed in aggregate for all the fields included in the cluster.

43.2 The Value in Use of producing/developing CGUs is determined under a multi-stage approach, wherein future cash flows are initially estimated based on Proved Developed Reserves. Under circumstances where the further development of the fields in the CGUs is under progress and where the carrying value of the CGUs is not likely to be recovered through exploitation of proved developed reserves alone, the Proved and probable reserves (2P) of the CGUs are also taken for the purpose of estimating future cash flows. In such cases, full estimate of the expected cost of evaluation/development is also considered while determining the value in use.

43.3 In assessing value in use, the estimated future cash flows from the continuing use of the assets and from its disposal at the end of its useful life are discounted to their present value. The present value of cash flows are determined by applying discount rates of 19.10% (previous year 20.10 %) for Rupee transactions and 13.00% (previous year 14.00 %) for crude oil and value added products revenue, which are measured in USD. Future cash inflows from sale of crude oil and value added products are computed using the future prices, on the basis of market-based average prices of the Dated Brent crude oil as per assessment by 'Platt's Crude Oil Marketwire' and its co-relations with benchmark crudes and other petroleum products. Future cash flows from sale of natural gas is also

computed based on the expected future prices on the basis of the notification issued by the Government of India.

43.4 During the year ₹ 1,025.48 million (Previous Year ₹ 3,014.50 million) is provided as impairment loss. Out of this, an amount of ₹ 355.97 million (Previous Year ₹ 45.36 million) has been provided as additional impairment in respect of onshore CGUs - Jodhpur and Silchar. ₹ 91.25 million (Previous Year ₹ 38.00 million) has been provided for already impaired offshore CGU- Ratna, D18, B 121 due to increase in the estimate of abandonment cost has been provided. In addition, ₹ 30.42 million (Previous Year ₹ 23.40 million) pertaining to block CY-OS-90/1 (PY-3) has been provided as presently the field does not have any potential to produce. An amount of ₹ 79.40 million (Previous Year ₹ 453.11 million) mainly represents additional impairment charge in respect of certain onshore Pre- NELP joint venture blocks (RJ ON 6, CB ON 2 and CB ON 3) due to adjustment of cost recovery from revenue and sharing of 100% royalty. Balance amount of ₹ 441.87 million, ₹ 15.90 million and ₹ 10.68 million has been provided for Tapti, Hazira Plant and CBX respectively.

Further, ₹ 806.08 million (Previous Year ₹ 756.47 million) impairment loss has been reversed based on the impairment test carried out as at the balance Sheet date. The reversal as at 31.03.2014 is in respect of offshore CGU G1-GS15 and Hazira SBM

The following 2P reserves for the respective CGU are considered as a basis for the impairment assessment:-

Name of the CGU	Quantity of Reserves used for Impairment Assessment (in MMT)
G1-GS 15	6.13
Jodhpur Onshore Asset	1.99
Silchar Onshore Asset	0.80
RJ-ON-06 (Pre NELP PSC Block)	0.88
CB-ON-02 (Pre NELP PSC Block)	0.08
Cluster B-193	13.36

43.5 The subsidiary company OVL, has assessed indicators for impairment and carried out impairment test in respect of Cash Generating Units (CGUs) based on value in use method as on 31st March, 2014 where indicators were observed. However, no impairment in any of the CGU was required since the value in use of the CGU's is higher than their respective carrying value. In respect of the projects Imperial Energy, Russia, AFPC, Syria, GPOC and Block 5A, South Sudan operations are carried out with common production and transportation facilities, catering the various fields in the project which are sufficiently economically interdependent and hence constitute a single cash generating unit for the purposes of Accounting Standard 28 (AS-28) -Impairment of Assets and impairment test is performed in aggregate for all the fields in the respective project which are

considered as single cash generating unit. The following 2P reserves for the respective CGU considered as a basis for the impairment assessment:-

Projects (CGU)	Proved and Probable Reserves (MMT)
Imperial Energy , Russia	90.063
AFPC, Syria	3.108
Block 5A, South Sudan	4.774
GPOC, South Sudan	5.705

44 Disclosure under Accounting Standard - 29 on "Provisions, Contingent Liabilities and Contingent Assets": Movement in Provisions - Abandonment liability & others

For Court cases, arbitration and others, where the timing of expected outflows is upon settlement of the proceedings and in case of provision for abandonment expected out flow after end of :

(₹ in million)

Particulars	Provision for Abandonment		Others	
	2013-14	2012-13	2013-14	2012-13
Opening Balance	207,692.12	204,138.82	1,832.45	1,942.45
Add: Provision made during the year	69,351.54	3,553.30	355.64	351.25
Less: Provision written back/ reclassified/ reduction during the year	2,353.23	-	-	461.25
Closing Balance	274,690.43	207,692.12	2,188.09	1,832.45

45 Disclosures under Schedule VI to the Companies Act, 1956:

45.1 Capital Commitment not provided for:-

45.1.1 Estimated amount of contracts remaining to be executed on capital account:-

- In respect of the Company, its subsidiaries and Joint Venture Entities- ₹260,496.14 million (previous year ₹ 146,670.94 million).
- In respect of Joint Ventures - ₹ 27,708.70 million (previous year ₹ 27,834.64 million).

45.1.2 Estimated amount of Minimum Work Programme (MWP) committed under various 'Production Sharing Contracts':-

- In respect Nominated Blocks ₹ 441.59 million (previous year ₹ 958.54 million).
- In respect of NELP blocks in which the Company has 100% participating interest of ₹ 9,600.47million (previous year ₹12,305.38 million) .
- In respect of NELP blocks in Joint Ventures, company's share is ₹ 62,247.39 million (previous year ₹ 62,127.36 million).

45.2 Contingent Liabilities:

Claims against the Company/ disputed demands not acknowledged as debt:-

(₹ in million)

Sl. No.	Particulars	As at 31 st March, 2014	As at 31 st March, 2013
I. In respect of Company :			
i.	Income tax matters	63,951.09	39,121.76
ii.	Excise Duty matters	9,702.14	8,840.67
iii.	Custom Duty matters	2,319.33	2,219.95
iv.	Royalty	117,301.90	90,178.00
v.	Cess	6.57	6.57
vi.	Sales Tax	46,118.72	45,853.77
vii.	Octroi	68.54	68.54
viii.	AP Mineral Bearing Land (Infrastructure) Cess	2,211.27	1,986.94
ix.	Specified Land Tax (Assam)	3,528.89	3,194.73
x.	Claims of contractors in Arbitration/Court.	55,814.99	30,583.20
xi.	In respect of other matters	73,906.78	54,182.76
xii.	Service Tax	53,768.09	44,859.97
xiii.	EPF	66.35	66.35
Sub Total		428,764.66	321,163.21
II In respect of Joint Ventures :			
i.	Income tax matters	8.91	8.91
ii.	Excise Duty matters	4.17	-
iii.	Custom Duty matters	3,798.73	3744.00
iv.	Cess	-	-
v.	Sales Tax	2,649.81	2,950.00
vi.	Claim of Gol for additional profit petroleum	4,732.63	4286.17
vii.	Claims of contractors in Arbitration/Court	363.31	333.24
viii.	Service Tax	230.02	165.13
ix.	In respect of other matters	854.74	907.67
Sub Total		12,642.32	12,395.12
Total (I+II)		441,406.98	333,558.32

45.2.1 The above claims / demands are at various stages of appeal and in the opinion of the Company are not tenable.

45.2.2 In addition, in respect of the company, liability for payment to contractual workers for regularization of their services is pending with labour court under civil suit. The amount of liability is not ascertainable.

45.2.3 In respect of subsidiary company OVL, all known contingent liabilities have been indicated. The contingent liabilities, if any, in respect of joint ventures, where the Company is the non-operator are not ascertainable except Sakhalin-1 where the Operator has intimated that the status of contingent liability is Nil.

45.2.4 In terms of the statutory provisions of Oilfields (Regulation and Development) Act, 1948 (ORDA), Petroleum & Natural Gas (PNG) Rules 1959 and Notifications issued thereunder; the Company is liable to pay royalty to Central Government and State Governments, on production of Crude Oil and Natural Gas from offshore fields and onshore fields, respectively. Since 2008-09, the company has been paying royalty on crude oil at realized price which is net of under-recovery of the OMCs shared by the Company as per Gol directives. On an application filed by the State of Gujarat, the

Hon'ble High Court of Gujarat in its order dated 30.11.2013 has directed the company to pay the shortfall of royalty on crude oil produced from the onshore fields in the State of Gujarat on pre-discount prices from 01.04.2008 onwards. Based on the Special Leave Petition filed by the Company, pending further orders, Hon'ble Supreme Court vide order dated 13.02.2014 stayed the operation of the impugned judgment subject to the condition that the company pays royalty to the State of Gujarat on pre-discounted price of crude oil w.e.f. 01.02.2014 onwards. Accordingly, possible obligation on this account for the period from April 2008 to March 2014 has been disclosed as Contingent Liability for ₹ 1,16,326.96 million. Differential royalty (royalty on pre-discount price minus royalty on post-discount price) being deposited w.e.f. Feb'14 in terms of court order has been shown as deposit.

45.2.5 In respect of joint venture company, Petronet MHB Limited, there are 127 cases (previous year 127 cases) regarding enhancement of land compensation pending with Karnataka High Court against Order of Principal Judge Bangalore Rural District Court. 34 Cases for enhancement of land and malkies Compensation was dismissed by Hassan District Court, against 15 dismissed cases

- the petitioners filed their Writ petition in High Court of Karnataka. Out of 3 cases for enhancement of land and malkies compensation & damage outside the ROU pending with Mangalore District Court, one case is dismissed and 02 cases are in progress. In the dismissed case petitioner filed the writ petition in Hon'ble High Court of Karnataka of which the proceedings is in progress. The contingent liability are not ascertainable at present in above cases.
- 45.2.6 In respect of joint venture company, Petronet MHB Limited, had submitted onetime settlement (OTS) Proposal for payment of balance outstanding Zero Coupon Bond (ZCB) to lenders as per CDR. The Lender Banks have raised the issue of payment of recompense amount. As per Legal Opinion, the liability for the recompense amount has triggered. The liability on this amount is ascertainable only at the time of final acceptance of the proposal.
- 45.2.7 In respect of joint venture company, Petronet MHB Limited, party "Petronet India Ltd (PIL)" has initiated Arbitration proceedings for recovery of their Operationalization Fees. The company has contested the liability on this account.
- 45.2.8 Performance Guarantees executed under the contracts:**
- i. The Company has given an undertaking to State bank of India (SBI), for an additional funding up to ₹ 2,223.50 million (previous year ₹ 2,234.00 million) in respect of joint venture company "ONGC Tripura Power Co. Limited (OTPC)" for cost overrun, if any.
- ii. The subsidiary, OVL has given a Performance Guarantee on behalf of Petro Carabobo Ganga B.V. to Government of Venezuela in respect of Carabobo 1 Project. The total investment commitment is estimated at USD 1,333 million. The outstanding guarantee obligation of the OVL was ₹ 80,059.98 million as at 31st March, 2014 (previous year ₹ 72,501.87 million) The Company is confident that Petro Carabobo Ganga B.V. will be able to honor its obligations.
- iii. The OVL subsidiary, ONGBV has given counter guarantee to the State Bank of India for the issue of performance bonds in favour of Nigerian National Petroleum Corporation, on behalf of ONGC Mittal Energy Limited, with a maximum of 51% of the guaranteed amounts. The outstanding guarantee obligation of the company was ₹ 4,594.59 million (USD 76.50 million) (previous year ₹ 4,160.84 million (USD 76.50 million) as at 31.03.2014.
- iv. The subsidiary company OVL, has issued Performance Guarantee in respect of concessionary contract for Block BC-10, Brazil and Blocks BM-S-73 and BM-ES-42 on behalf of ONGC Campos Ltda (OCL). The Company is confident that OCL will be able to honor its obligations.
- v. The OVL subsidiary, ONGBV has given performance guarantee to ANP, the regulatory authority in Brazil, favoring ONGC Campos Ltda (OCL) for BC-10 Project where OCL has a 27% participating interest (previous year 15%) and Shell Brazil is the operator.

46 Disclosure under Guidance Note on "Accounting for Oil & Gas Producing Activities" (approved by Reserve Estimates Committee):

46.1 Company's share of Proved Reserves on the geographical basis is as under:

Details	Crude Oil (MMT)		Gas (Billion Cubic Meter)		Total Oil Equivalent (MMTOE) (note 46.2.1)		
	As at 31.03.14	As at 31.03.13	As at 31.03.14	As at 31.03.13	As at 31.03.14	As at 31.03.13	
A. In India							
Offshore	Opening	222.98	215.77	203.245	208.179	426.22	423.95
	Addition	4.71	22.79	18.652	14.917	23.36	37.71
	Production	15.54	15.58	19.174	19.851	34.71	35.43
	Closing	212.16	222.98	202.723	203.245	414.87	426.22
Onshore	Opening	190.81	190.46	155.897	156.074	346.71	346.53
	Addition	7.94	9.87	0.020	5.170	7.96	15.04
	Production	9.44	9.51	5.321	5.348	14.76	14.86
	Closing	189.31	190.81	150.595	155.897	339.90	346.71
Total in India	Opening	413.79	406.23	359.142	364.253	772.93	770.48
	Addition	12.65	32.66	18.671	20.087	31.33	52.75
	Production	24.97	25.10	24.496	25.199	49.47	50.29
	Closing	401.47	413.79	353.318	359.142	754.78	772.93

Details	Crude Oil (MMT)		Gas (Billion Cubic Meter)		Total Oil Equivalent (MMTOE) (note 46.2.1)		
	As at 31.03.14	As at 31.03.13	As at 31.03.14	As at 31.03.13	As at 31.03.14	As at 31.03.13	
B. Outside India							
GNOP, Sudan	Opening	9.956	16.971	-	-	9.956	16.971
	Addition	0.286	0.176	-	-	0.286	0.176
	Ded/Adj	-	6.595	-	-	-	6.595
	Production	0.741	0.596	-	-	0.741	0.596
	Closing	9.501	9.956	-	-	9.501	9.956
GPOC, South Sudan	Opening	6.595	-	-	-	6.595	-
	Addition	-	-	-	-	-	-
	Ded/Adj	-	(6.595)	-	-	-	(6.595)
	Production	0.218	-	-	-	0.218	-
Closing	6.377	6.595	-	-	6.377	6.595	
Block 5A, South Sudan	Opening	5.921	6.348	-	-	5.921	6.348
	Addition	-	(0.428)	-	-	-	(0.428)
	Ded/Adj	-	(0.001)	-	-	-	(0.001)
	Production	0.034	-	-	-	0.034	-
Closing	5.887	5.921	-	-	5.887	5.921	
Sakhalin-1, Russia	Opening	32.894	34.261	70.531	71.182	103.425	105.443
	Addition	5.499	0.003	3.399	(0.001)	8.898	0.002
	Ded/Adj	-	-	-	-	-	-
	Production	1.488	1.370	0.576	0.650	2.064	2.020
Closing	36.905	32.894	73.354	70.531	110.259	103.425	
Block 06.1, Vietnam	Opening	0.598	0.635	6.414	8.518	7.012	9.153
	Addition	-	-	-	-	-	-
	Ded/Adj	-	-	0.001	-	0.001	-
	Production	0.032	0.037	1.851	2.104	1.883	2.141
Closing	0.566	0.598	4.562	6.414	5.128	7.012	
AFPC, Syria	Opening	2.581	2.707	-	-	2.581	2.707
	Addition	-	-	-	-	-	-
	Ded/Adj	-	-	-	-	-	-
	Production	-	0.126	-	-	-	0.126
Closing	2.581	2.581	-	-	2.581	2.581	
BC-10, Brazil	Opening	4.717	4.778	0.334	0.399	5.051	5.177
	Addition	3.342	0.230	0.335	(0.053)	3.677	0.177
	Ded/Adj	-	-	-	-	-	-
	Production	0.318	0.291	0.013	0.012	0.331	0.303
Closing	7.741	4.717	0.656	0.334	8.397	5.051	
MECL, Colombia	Opening	3.453	3.504	-	-	3.453	3.504
	Addition	0.626	0.501	-	-	0.626	0.501
	Ded/Adj	(0.001)	-	-	-	(0.001)	-
	Production	0.597	0.552	-	-	0.597	0.552
Closing	3.483	3.453	-	-	3.483	3.453	

Details		Crude Oil (MMT)		Gas (Billion Cubic Meter)		Total Oil Equivalent (MMTOE) (note 46.2.1)	
		As at 31.03.14	As at 31.03.13	As at 31.03.14	As at 31.03.13	As at 31.03.14	As at 31.03.13
IEC, Russia	Opening	14.970	15.530	4.721	4.683	19.691	20.213
	Addition	-	-	-	0.109	-	0.109
	Ded/Adj	-	-	-	-	-	-
	Production	0.387	0.560	0.036	0.071	0.423	0.631
	Closing	14.583	14.970	4.685	4.721	19.268	19.691
PIVSA, Venezuela	Opening	10.966	11.766	-	-	10.966	11.766
	Addition	-	-	-	-	-	-
	Ded/Adj	-	-	-	-	-	-
	Production	0.767	0.800	-	-	0.767	0.800
	Closing	10.199	10.966	-	-	10.199	10.966
Carabobo - 1, Venezuela	Opening	0.022	-	-	-	0.022	-
	Addition	3.795	0.023	-	-	3.795	0.023
	Ded/Adj	-	-	-	-	-	-
	Production	0.021	0.001	-	-	0.021	0.001
	Closing	3.796	0.022	-	-	3.796	0.022
BLOCK-XXIV, Syria	Opening	1.803	1.804	-	-	1.803	1.804
	Addition	-	-	-	-	-	-
	Ded/Adj	-	-	-	-	-	-
	Production	-	0.001	-	-	-	0.001
	Closing	1.803	1.803	-	-	1.803	1.803
BLOCK-A1 & A3, Myanmar	Opening	-	-	10.297	10.297	10.297	10.297
	Addition	-	-	1.595	-	1.595	-
	Ded/Adj	-	-	-	-	-	-
	Production	-	-	0.201	-	0.201	-
	Closing	-	-	11.691	10.297	11.691	10.297
ACG, Azerbaijan	Opening	9.646	-	-	-	9.646	-
	Addition	-	9.656	-	-	-	9.656
	Ded/Adj	-	-	-	-	-	-
	Production	0.883	0.010	-	-	0.883	0.010
	Closing	8.763	9.646	-	-	8.763	9.646
Total Outside India	Opening	104.122	98.304	92.297	95.079	196.419	193.383
	Addition	13.548	10.161	5.329	0.055	18.877	10.216
	Ded/Adj	(0.001)	0.003	0.001	0.001	-	0.004
	Production	5.486	4.343	2.677	2.837	8.163	7.180
	Closing	112.185	104.119	94.948	92.296	207.133	196.415

46.2 Company's share of Proved Developed Reserves on the geographical basis is as under:

Details		Crude Oil (MMT)		Gas (Billion Cubic Meter)		Total Oil Equivalent (MMTOE) (note 46.2.1)	
		As at 31.03.14	As at 31.03.13	As at 31.03.14	As at 31.03.13	As at 31.03.14	As at 31.03.13
A. In India							
Offshore	Opening	160.62	153.50	110.254	114.690	270.87	268.19
	Addition	13.90	22.70	41.630	15.431	55.53	38.13
	Production	15.54	15.58	19.174	19.867	34.71	35.45
	Closing	158.99	160.62	132.710	110.254	291.70	270.87
Onshore	Opening	150.81	148.73	110.010	110.364	260.81	259.09
	Addition	5.18	11.57	2.225	4.933	7.40	16.50
	Production	9.39	9.49	5.251	5.287	14.64	14.78
	Closing	146.60	150.81	106.984	110.010	253.58	260.81
Total in India	Opening	311.43	302.23	220.264	225.055	531.69	527.28
	Addition	19.09	34.27	43.855	20.364	62.93	54.63
	Production	24.93	25.07	24.425	25.154	49.36	50.22
	Closing	305.58	311.43	239.694	220.264	545.28	531.69
B. Outside India							
GNOP, Sudan	Opening	2.784	6.707	-	-	2.784	6.707
	Addition	0.413	1.203	-	-	0.413	1.203
	Ded/Adj	-	4.530	-	-	-	4.530
	Production	0.741	0.596	-	-	0.741	0.596
	Closing	2.456	2.784	-	-	2.456	2.784
GPOC, South Sudan	Opening	4.530	-	-	-	4.530	-
	Addition	-	-	-	-	-	-
	Ded/Adj	-	(4.530)	-	-	-	(4.530)
	Production	0.218	-	-	-	0.218	-
	Closing	4.312	4.530	-	-	4.312	4.530
Block 5A, South Sudan	Opening	2.599	2.599	-	-	2.599	2.599
	Addition	-	-	-	-	-	-
	Ded/Adj	-	-	-	-	-	-
	Production	0.034	-	-	-	0.034	-
	Closing	2.565	2.599	-	-	2.565	2.599
Sakhalin-1, Russia	Opening	13.391	9.122	10.163	10.794	23.554	19.916
	Addition	-	5.638	0.689	0.019	0.689	5.657
	Ded/Adj	-	(0.001)	-	-	-	(0.001)
	Production	1.488	1.370	0.576	0.650	2.064	2.020
	Closing	11.903	13.391	10.276	10.163	22.179	23.554

Details	Crude Oil (MMT)		Gas (Billion Cubic Meter)		Total Oil Equivalent (MMTOE) (note 46.2.1)		
	As at 31.03.14	As at 31.03.13	As at 31.03.14	As at 31.03.13	As at 31.03.14	As at 31.03.13	
Block 06.1, Vietnam	Opening	0.598	0.626	6.414	4.963	7.012	5.589
	Addition	-	0.009	-	3.555	-	3.564
	Ded/Adj	-	-	-	-	-	-
	Production	0.032	0.037	1.851	2.104	1.883	2.141
	Closing	0.566	0.598	4.563	6.414	5.129	7.012
AFPC, Syria	Opening	2.206	2.332	-	-	2.206	2.332
	Addition	-	-	-	-	-	-
	Ded/Adj	-	-	-	-	-	-
	Production	-	0.126	-	-	-	0.126
	Closing	2.206	2.206	-	-	2.206	2.206
BC-10, Brazil	Opening	1.626	1.437	0.137	0.155	1.763	1.592
	Addition	2.016	0.480	0.120	(0.006)	2.136	0.474
	Ded/Adj	-	-	-	(0.001)	-	(0.001)
	Production	0.318	0.291	0.013	0.012	0.331	0.303
	Closing	3.324	1.626	0.244	0.138	3.568	1.764
MECL, Colombia	Opening	3.000	3.371	-	-	3.000	3.371
	Addition	0.787	0.181	-	-	0.787	0.181
	Ded/Adj	-	-	-	-	-	-
	Production	0.597	0.552	-	-	0.597	0.552
	Closing	3.190	3.000	-	-	3.190	3.000
IEC, Russia	Opening	4.831	5.391	1.131	-	5.962	5.391
	Addition	-	-	-	1.202	-	1.202
	Ded/Adj	-	-	-	-	-	-
	Production	0.387	0.560	0.036	0.071	0.423	0.631
	Closing	4.444	4.831	1.095	1.131	5.539	5.962
PIVSA, Venezuela	Opening	1.660	1.019	-	-	1.660	1.019
	Addition	1.154	1.440	-	-	1.154	1.440
	Ded/Adj	-	(0.001)	-	-	-	(0.001)
	Production	0.767	0.800	-	-	0.767	0.800
	Closing	2.047	1.660	-	-	2.047	1.660
Carabobo - 1, Venezuela	Opening	0.022	-	-	-	0.022	-
	Addition	0.534	0.023	-	-	0.534	0.023
	Ded/Adj	-	-	-	-	-	-
	Production	0.021	0.001	-	-	0.021	0.001
	Closing	0.535	0.022	-	-	0.535	0.022

Details	Crude Oil (MMT)		Gas (Billion Cubic Meter)		Total Oil Equivalent (MMTOE) (note 46.2.1)		
	As at 31.03.14	As at 31.03.13	As at 31.03.14	As at 31.03.13	As at 31.03.14	As at 31.03.13	
BLOCK-XXIV, Syria	Opening	0.049	0.050	-	-	0.049	0.050
	Addition	-	-	-	-	-	-
	Ded/Adj	-	-	-	-	-	-
	Production	-	0.001	-	-	-	0.001
	Closing	0.049	0.049	-	-	0.049	0.049
BLOCK-A1 & A3, Myanmar	Opening	-	-	-	-	-	-
	Addition	-	-	2.815	-	2.815	-
	Ded/Adj	-	-	-	-	-	-
	Production	-	-	0.201	-	0.201	-
	Closing	-	-	2.614	-	2.614	-
ACG, Azerbaijan	Opening	4.267	-	-	-	4.267	-
	Addition	-	4.277	-	-	-	4.277
	Ded/Adj	-	-	-	-	-	-
	Production	0.883	0.010	-	-	0.883	0.010
	Closing	3.384	4.267	-	-	3.384	4.267
Total Outside India	Opening	41.563	32.654	17.845	15.912	59.408	48.566
	Addition	4.904	13.251	3.624	4.770	8.528	18.021
	Ded/Adj	-	-	-	(0.001)	-	(0.001)
	Production	5.486	4.343	2.677	2.837	8.163	7.180
	Closing	40.981	41.562	18.792	17.846	59.773	59.408



46.2.1 MMTOE denotes "Million Metric Tone Oil Equivalent" and for calculating Oil equivalent of Gas, 1000 M3 of Gas has been taken to be equal to 1 MT of Crude Oil. Variations in totals, if any, are due to internal summation and rounding off.

46.2.2 The year-end reserves of the company and its subsidiary, OVL have been estimated by the Reserves Estimation Committee (REC) which follows international reservoir engineering procedures consistently.

The company and its subsidiary, OVL has adopted deterministic approach for reserves estimation and is following Society of Petroleum Engineers (SPE) - 1997 guidelines which defines reserves as "estimated volumes of crude oils, condensate, natural gas, natural gas liquids and associated substances anticipated to be commercially recoverable from known accumulations from a given date forward, under existing economic conditions, by established operating practices, and under current Government regulations."

Volumetric estimation is the main procedure in estimation, which uses reservoir rock and fluid properties to calculate hydrocarbons in-place and then estimate that portion which will be recovered from it. As the field gets matured with reasonably good production history is available then performance method such as material balance, simulation, decline curve analysis are applied to get more accurate assessments of reserves.

The Company uses the services of third party agencies for due diligence and it gets the reserves of its assets audited by third party periodically by internationally reputed consultants who adopt latest industry practices for their evaluation.

The annual revision of estimates is based on the yearly exploratory and development activities and results thereof. New In place Volume and Ultimate Reserves are estimated for new field discoveries or new pool discoveries in already discovered fields. Also, appraisal activities lead to revision in estimates due to new subsurface data. Similarly, reinterpretation exercise is also carried out for old fields due to necessity of revision in petro-physical parameters, updating of static & dynamic models and performance analysis leading to change in reserves. Intervention of new technology, change in classifications and contractual provisions also necessitates revision in estimation of reserves.

47. The figures in respect of the company, Subsidiaries/Joint Venture Companies have been

regrouped/rearranged based upon the details obtained from the management as part of consolidation process, Audited/unaudited accounts of respective group companies.

48. In view of the several subsidiaries and Joint Ventures of the company, with each entity operating under different regulatory requirements in different countries and adopting different policies and disclosure, the information required under Accounting Standard (AS) -15 on Employee Benefit is not disclosed in Consolidated Financial statement due to impracticability.

49. Disclosure on Foreign currency exposures at year end that have not been hedged by derivative instrument or otherwise:

The Company has receivables and payables in foreign currency as at the balance sheet date. These foreign currency exposures are not hedged by any derivative instruments or otherwise (Refer note 32.6 & 32.7).

50. Some balances of Trade/Other Receivables, Trade/Other Payables and Loans & Advances are subject to confirmation/ reconciliation. Adjustments, if any, will be accounted for on confirmation/ reconciliation of the same, which will not have a material impact.



Electronic Clearing Services (ECS) Request Form

The Company extends the ECS facility to shareholders so as to enable them to receive dividend through electronic mode to their bank. This facility will be available in the following centres: Ahmedabad, Bangalore, Bhubaneswar, Chandigarh, Chennai, Delhi, Guwahati, Hyderabad, Jaipur, Kanpur, Kolkata, Mumbai, Nagpur, Patna, Thiruvananthapuram, Agra, Allahabad, Amritsar, Aurangabad, Baroda, Bhopal, Calicut, Cochin, Coimbatore, Dehradun, Erode, Gorakhpur, Gwalior, Hubli, Indore, Jabalpur, Jalandhar, Jammu, Jamshedpur, Jodhpur, Kolhapur, Lucknow, Ludhiana, Madurai, Mangalore, Mysore, Nasik, Panjim, Pune, Raipur, Rajkot, Salem, Shimla, Surat, Trichur, Trichy, Udaipur, Varanasi, Vijayawada, Visakhapatnam. Those who wish to avail the facility may fill up the ECS form given below and send the same to the Share Transfer Agent of the Company - M/s Karvy Computershare Private Limited in case of shares held in physical form and to their respective Depository Participant in case of shares held in Electronic/Demat form.

Electronic Clearing Services (ECS) Request form

(Note: If you are already receiving through ECS, please ignore this form)

SHAREHOLDERS IN PHYSICAL FORM	SHAREHOLDERS IN DEMAT FORM
Karvy Computershare Pvt. Ltd Unit - ONGC, 17-24, Vittal Rao Nagar Madhapur, Hyderabad - 500 081 Andhra Pradesh - India Tel: 040 23420818 Fax: 040 23420814	To be sent to your Depository participant (DP)

Dear Sir,

Subject : ECS Mandate/ Bank form for Dividend Payment

I the undersigned, shareholder of Oil and Natural Gas Corporation Limited (ONGC), wish to opt for ECS facility for payment of dividend. The following is a confirmation of my details and I hereby confirm my choice to opt for payment of dividend payable to me by a physical dividend warrant/demand draft, on account of any circumstances beyond the control of ONGC, that may affect payment of dividend through ECS.

1) For shares held in physical form

Folio No:

2) For shares held in Electronic form

[Shareholders holding shares in electronic form should forward this form to their respective Depository Participant (DP)].

DP ID

Client ID

3) Name & Address :

4) Bank Particulars :
Bank Name
Branch Name & Address
Account No. (as appearing in cheque book)
Account type
9 digit MICR code as appearing on the cheque



OIL AND NATURAL GAS CORPORATION LIMITED
CIN: L74899DL1993GOI054155
Reg. office: JEEVAN BHARATI, 124 INDIRA CHOWK, NEW DELHI- 110001
Website: www.ongcindia.com email: secretariat@ongc.co.in Tel: 011-23301277/1299

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member (s):
 Registered address:
 E-mail Id:
 Folio No/ Client Id:
 DP ID:

I/We, being the member (s) of shares of the above named company, hereby appoint

1. of having e-mail Id..... or failing him
2. of having e-mail Id..... or failing him
3. of having e-mail Id..... or failing him

And whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 21st Annual General Meeting of the company, to be held on **Friday, 19th September, 2014 at 10.00 A.M. at NDMC Indoor Stadium, Talkatora Garden, New Delhi** and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl No.	RESOLUTIONS
ORDINARY BUSINESS	
1	To receive, consider and adopt the Audited Financial Statement of the Company for the Financial Year ended 31st March, 2014, together with the Reports of the Directors and the Auditors' thereon and comments of the Comptroller & Auditor General of India, in terms of Section 143(6) of the Companies Act, 2013.
2	To confirm the payment of two interim dividends and declare final dividend on equity shares for the year 2013-14.
3	To appoint a Director in place of Shri A K Banerjee (DIN-05287459) who retires by rotation and being eligible, offers himself for re-appointment.
4	To authorise Board of Directors of the Company to fix the remuneration of the Joint Statutory Auditors of the Company for the Financial Year 2014-15, in terms of the provisions of section 139(5) read with section 142 of the Companies Act, 2013.
SPECIAL BUSINESS	
5	To appoint Shri Tapas Kumar Sengupta (DIN-06802877) as Director of the Company.
6	To appoint Shri Dinesh Kumar Sarraf (DIN-00147870) as Director of the Company.
7	To appoint Dr. Subhash C. Khuntia (DIN-05344972) as Director of the Company.
8	To appoint Shri Ashok Varma (DIN-06909494) as Director of the Company.
9	To appoint Shri Desh Deepak Misra (DIN-06926783) as Director of the Company.
10	To ratify the remuneration of the Cost Auditors for the financial year ending 31st March, 2015.

Signed this day of 2014

Signature of shareholder

Signature of first Proxy holder Signature of second Proxy holder Signature of third Proxy holder

Affix revenue stamp of ₹1

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

OIL AND NATURAL GAS CORPORATION LIMITED
CIN: L74899DL1993GOI054155
Reg. office: JEEVAN BHARATI, 124 INDIRA CHOWK, NEW DELHI- 110001
Website: www.ongcindia.com email: secretariat@ongc.co.in Tel: 011-23301277/1299

Attendance Slip

Please fill in this attendance slip and hand it over at the entrance of the meeting venue.

D.P ID*		Folio No.	
Client ID*		No. of share(s) held	

I certify that I am a member/proxy for the member of the Company.
 I hereby record my presence at the 21st Annual General Meeting of the Oil And Natural Gas Corporation Limited held on **Friday, 19th September, 2014 at 10.00 A.M. at NDMC Indoor Stadium, Talkatora Garden, New Delhi.**

Members/proxy's name in Block Letters

*Applicable for investor holding Share(s) in electronic form.

Signature of Member/Proxy

