

UNAUDITED FINANCIAL RESULTS (PROVISIONAL) FOR THE QUARTER ENDED 31ST DECEMBER, 2006

30th January, 2007, ONGC News

(Rs. in crore)						
Sl.No.	Particulars	Unaudited For the Quarter ended		Unaudited For the Nine Months ended		Audited For the Year ended
		31.12.2006	31.12.2005	31.12.2006	31.12.2005	31.03.2006
1	Gross Sales/Income from Operations	15631.34	12547.30	44454.23	36228.58	48200.87
	Less: Excise Duty Recovered	66.82	71.66	218.39	204.08	278.00
	Net Sales/Income from Operations	15564.52	12475.64	44235.84	36024.50	47922.87
2	Other Income	704.49	562.37	2064.15	1725.13	2354.99
3	Total Expenditure	6655.25	5114.98	20177.32	15404.07	20577.02
	a) (Increase)/Decrease instock-in-trade	(51.38)	(4.84)	(1.21)	(2.49)	(211.58)
	b) Purchases (Trading)	1378.84	526.64	4685.85	2676.66	3433.79
	c) Consumption of rawmaterials*	161.75	49.44	303.39	136.63	373.17
	d) Staff expenditure	502.04	254.01	1426.92	769.95	1272.66
	e) Statutory levies	3058.22	2706.36	9153.84	7868.16	9695.67
	f) Other expenditure	1605.78	1583.37	4608.53	3955.16	6013.31
4	Interest	7.67	6.97	15.05	14.66	46.97
5	Depreciation**	2557.59	2011.82	6635.71	5299.90	8457.28
6	Profit before Tax and Extraordinary Items (1+2-3-4-5)	7048.50	5904.24	19471.91	17031.00	21196.59
7	Extraordinary Items-Excess of Insurance Claims over book value					640.54
8	Profit before Tax (6+7)	7048.50	5904.24	19471.91	17031.00	21837.13
9	Provision for taxation					
	a) Current Year	2465.00	2030.35	6981.60	5636.15	6348.10
	b) Earlier Years	0.00	0.00	0.00	92.77	92.61
	c) Deferred Tax Liability(Asset)	(105.91)	(35.93)	(511.38)	(86.13)	911.29
	d) Fringe Benefit Tax	21.10	22.06	40.41	43.32	54.35
	Sub Total (a+b+c+d)	2380.19	2016.48	6510.63	5686.11	7406.35
10	Net profit (6-7)	4668.31	3887.76	12961.28	11344.89	14430.78
11	Paid-up equity sharecapital (Face value of share Rs. 10)	2138.87	1425.93	2138.87	1425.93	1425.93
12	Reserves excluding revaluation reserves***					51917.40
13	Earning per share excl. extraordinary Items - Basic & Diluted (Rs.)	21.83	18.17	60.60	53.04	65.48
14	Earning per share incl. extraordinary Items - Basic & Diluted (Rs.)	21.83	18.17	60.60	53.04	67.47
15	Aggregate of non-promoter shareholding					
	-Number of shares	553131854	368773541	553131854	368773541	368773541

	-Percentage of shareholding	25.86	25.86	25.86	25.86	25.86
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*Represents consumption of raw materials, stores & spares.

** Also includes depletion, amortisation and impairment loss

***Reserves excluding intangibles

Adjusted for issue of bonus shares in the ratio of 1:2 as per Accounting Standard 20 on EPS.

Number of shares for previous periods have not been adjusted for issue of bonus shares.

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

						(Rs. in crore)
Sl. No.		Unaudited For the Quarter ended		Unaudited For the Half Year ended		Audited for the year ended
		31.12.2006	31.12.2005	31.12.2006	31.12.2005	31.03.2006
1	Segment Revenue					
	A) Offshore	11183.03	9496.16	31803.26	26158.67	34194.15
	B) Onshore	4604.01	3420.28	13256.75	10740.48	15004.19
	Total	15787.04	12916.44	45060.01	36899.15	49198.34
	Less: Inter Segment Revenue					
	Net sales/income from operations	15787.04	12916.44	45060.01	36899.15	49198.34
2	Segment Result Profit(+)/Loss(-) before tax and interest from each segment					
	A) Offshore	5675.17	4923.14	16972.73	14093.34	16990.61
	B) Onshore	947.48	889.69	1503.73	2289.42	3492.24
	Total	6622.65	5812.83	18476.46	16382.76	20482.85
	Less:					
	i. Interest Payment	7.67	6.97	15.05	14.66	46.97
	ii. Other unallocable expenditure net of unallocable income.	(433.52)	(98.38)	(1010.50)	(662.90)	(760.71)
	Profit before Tax and Extraordinary Items	7048.50	5904.24	19471.91	17031.00	21196.59
	Extraordinary Items-Excess of Insurance Claims over book value					640.54
	Profit before Tax	7048.50	5904.24	19471.91	17031.00	21837.13
3	Capital Employed (Segment Assets - Segment Liabilities)					
	A) Offshore	19913.98	17395.00	19913.98	17395.00	16430.74
	B) Onshore	13032.68	12463.88	13032.68	12463.88	13549.81
	Total	32946.66	29858.88	32946.66	29858.88	29980.55
	Unallocated Corporate Assets less Liabilities	29586.45	24266.97	29586.45	24266.97	23979.12
	Grand Total	62533.11	54125.85	62533.11	54125.85	53959.67

Note:

Segment Revenue in respect of onshore segment for the current quarter and nine months ended 31st December, 2006 includes Rs. 1381.18 crore (Previous quarter- Rs. 527.96 crore) and Rs. 4690.88 crore (Previous nine months- Rs. 2679.98 crore) on account of trading of MRPL products- a subsidiary of ONGC.

Notes :

1. In terms of the decision of the GOI, the company has shared under recoveries of Oil Marketing Companies (OMCs) for the 3rd quarter of 2006-07 by allowing discount in the prices of Crude Oil, PDS kerosene and domestic LPG based on the provisional rates of discount communicated by Petroleum Planning and Analysis Cell (PPAC). The impact on this account is as under:-

Decrease in	For the Quarter ended		For the Nine Months ended		For the Year ended
	31.12.2006	31.12.2005	31.12.2006	31.12.2005	31.03.2006
Gross Discount	2204.00	2843.17	12356.01	8549.55	11956.49
Decrease in Sales Revenue	2125.39	2843.17	11892.23	8549.55	11956.49
Decrease in Profit before tax	2030.28	2594.10	11266.58	7815.73	10867.66

2. Gross sales for the quarter and nine months include Rs. 1381.18 crore (previous quarter Rs. 527.96 crore) and Rs. 4690.88 crore (previous nine months Rs. 2679.98 crore). respectively towards trading of products of MRPL, a subsidiary of ONGC.

3. In accordance with the ICAI Guidance note on VAT accounting, the sales turnover is net of VAT of Rs. 671.44 crore and Rs. 1941.46 crore during current quarter and nine months respectively whereas sales turnover of corresponding periods of previous year are inclusive of VAT

4. Staff expenditure during the quarter and nine months includes Rs. 225 crore on account of proposed contribution to Post Retirement Benefit Scheme. The expenditure during nine months also includes Rs.303 crore towards Golden Jubilee and Additional Annual Incentives.

5. ONGC has been representing for higher price towards richer fraction of APM gas being supplied to GAIL. In pursuant thereto, as per the decision of the MoPNG, the surplus in gas pool account amounting to Rs. 908 crore (including interest of Rs. 19 crore) lying with GAIL has been transferred to ONGC., subject to ONGC giving an undertaking that in case Government decides otherwise the amount would be refunded. In view of the uncertainty involved, the amount has been kept under Other Deposit Liability.

6. The Institute of Chartered Accountants of India (ICAI) has issued a revised AS-15 on Employee Benefits effective from 01.04.2006. Pending final determination of liability in terms of said AS, for certain post retirement & other benefit plans, an additional provision of Rs.14 crore and Rs. 41 crore has been made in the current quarter and nine months respectively in this respect on an estimated basis.

7. The statutory auditors in their report on the accounts for the year 2005-06 had commented on accounting treatment of side tracking cost in respect of abandoned portion of wells for which a reference for opinion was earlier made by company to The Institute of Chartered Accountants of India (ICAI). As per the Institute's opinion, the cost of abandoned portion of side tracked exploratory wells is to be charged to P&L Account. Since the company has sought certain specific clarifications on the opinion received from ICAI, no accounting adjustment has been made in the current year so far pending clarifications.

8. The company in its Annual General Meeting held on 19th September, 2006 has approved issue of bonus shares in the ratio of 1:2, i.e. one share against two shares held. The bonus shares have since been issued during the current quarter, thus expanding paid up equity capital from Rs. 1425.92 Crore to 2138.87 Crore.

9. The Board of Directors had declared an interim dividend of Rs. 18 per share (180%) amounting to Rs. 3849.97 crore in its meeting held on 23rd December, 2006 which has since been paid.

10. Information on investors' complaints pursuant to clause 41 of Listing Agreement for the quarter ended 31st December, 2006:

	Opening Balance	Additions	Disposals	Closing Balance
No. of complaints	Nil	10	9	1

These exclude investor complaints regarding the offer for sale upto 10% of equity shares of the company made by the Government of India in March, 2004, which are being attended to by the Registrar to the issue appointed by Govt. of India.

11. The above results have been reviewed and recommended by the Audit & Ethics Committee and taken on record by the Board of Directors in the meeting held on 30th January, 2007. The same are subject to limited review by the statutory auditors of the company.

12. Previous period's figures have been regrouped/reclassified wherever necessary.

Place: New Delhi
Date:: January 30th, 2007

By order of the Board
(R.S.Sharma)
Chairman & Managing Director
and Director (Finance)