



**OIL AND NATURAL GAS CORPORATION LIMITED**  
Regd. Office : 'Jeevan Bharati', Tower II, 8th Floor, 124-Indira Chowk, New Delhi 110 001

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2009

(Rs. in Crore)

Sl. No.	Particulars	Unaudited		Unaudited		Audited
		For the Quarter Ended		For the Nine Months ended		For the Year Ended
		31.12.2009	31.12.2008	31.12.2009	31.12.2008	31.03.2009
1	<b>Operating Income:</b>					
	Gross Sales/Income from Operations	15,372.57	12,520.47	45,428.44	50,134.72	63,949.24
	Less: Excise Duty recovered	58.08	84.04	154.09	238.69	349.41
	(a) Net Sales/Income from Operations	15,314.49	12,436.43	45,274.35	49,896.03	63,599.83
	(b) Other Operating Income	191.65	183.71	705.83	518.37	948.00
	<b>Total Operating Income (1)</b>	<b>15,506.14</b>	<b>12,620.14</b>	<b>45,980.18</b>	<b>50,414.40</b>	<b>64,547.83</b>
2	<b>Expenditure</b>					
	a) (Increase)/Decrease in stock-in-trade	(8.30)	(138.10)	(171.51)	(80.98)	(81.10)
	b) Consumption of raw materials*	134.15	140.33	374.64	617.81	768.15
	c) Purchase of Traded Goods	4.55	1,655.74	9.26	6,845.39	8,516.80
	d) Employees cost **	304.73	390.97	840.63	956.70	886.79
	e) Statutory levies	3,103.33	2,458.54	9,124.54	8,724.15	11,477.59
	f) Depreciation***	4,675.79	2,860.26	10,210.76	7,840.48	12,084.92
	g) Other expenditure	2,633.00	2,927.89	7,729.29	7,663.35	11,082.42
	<b>Total Expenditure (2)</b>	<b>10,847.25</b>	<b>10,295.63</b>	<b>28,117.61</b>	<b>32,566.90</b>	<b>44,735.37</b>
3	<b>Profit from Operations before Other Income, Interest &amp; Exceptional Items (1)-(2)</b>	<b>4,658.89</b>	<b>2,324.51</b>	<b>17,862.57</b>	<b>17,847.50</b>	<b>19,812.46</b>
4	Other Income	(30.13)	1,037.17	1,750.79	3,241.76	4,221.46
5	<b>Profit before Interest &amp; Exceptional Items (3)+(4)</b>	<b>4,628.76</b>	<b>3,361.68</b>	<b>19,613.36</b>	<b>21,089.26</b>	<b>24,033.92</b>
6	Interest	2.93	4.11	12.57	105.36	118.96
7	<b>Profit after Interest but before Exceptional Items (5)-(6)</b>	<b>4,625.83</b>	<b>3,357.57</b>	<b>19,600.79</b>	<b>20,983.90</b>	<b>23,914.96</b>
8	Exceptional Items	-	-	-	-	-
9	<b>Profit from Ordinary Activities before Tax (7)+(8)</b>	<b>4,625.83</b>	<b>3,357.57</b>	<b>19,600.79</b>	<b>20,983.90</b>	<b>23,914.96</b>
10	<b>Tax Expense</b>					
	a) For Current Tax	1,780.50	1,125.50	6,091.50	6,929.14	7,884.64
	b) For Earlier Years	-	(284.83)	(0.53)	(284.83)	(554.02)
	c) Deferred Tax Liability/(Asset)	(208.25)	25.09	518.68	414.45	431.44
	d) Fringe Benefit Tax	-	17.00	-	49.00	70.00
	<b>Total Tax Expense (10)</b>	<b>1,572.25</b>	<b>882.76</b>	<b>6,609.65</b>	<b>7,107.76</b>	<b>7,832.06</b>
11	<b>Net Profit from Ordinary Activities after Tax (9)-(10)</b>	<b>3,053.58</b>	<b>2,474.81</b>	<b>12,991.14</b>	<b>13,876.14</b>	<b>16,082.90</b>
12	Extraordinary Items (Net of Tax expense)	-	-	-	43.41	43.41
13	<b>Net Profit for the period (11)+(12)</b>	<b>3,053.58</b>	<b>2,474.81</b>	<b>12,991.14</b>	<b>13,919.55</b>	<b>16,126.31</b>
14	Paid-up equity share capital (Face value of share Rs. 10 each)	2,138.87	2,138.87	2,138.87	2,138.87	2,138.87
15	Reserves excluding revaluation reserves #					75,945.92
16	<b>Earnings Per Share (EPS)</b>					
	(a) Basic and diluted EPS before Extraordinary items	14.28	11.57	60.74	64.88	75.19
	(b) Basic and diluted EPS after Extraordinary items	14.28	11.57	60.74	65.08	75.40
17	<b>Public shareholding</b>					
	- Number of shares	553131857	553131857	553131857	553131857	553131857
	- Percentage of shareholding	25.86	25.86	25.86	25.86	25.86
18	<b>Promoters and promoter group Shareholding</b>					
	a) Pledged/Encumbered					
	-Number of shares	-	-	-	-	-
	-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
	-Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-
	b) Non-encumbered					
	-Number of shares	1585740673	1585740673	1585740673	1585740673	1585740673
	-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00
	-Percentage of shares (as a % of the total share capital of the company)	74.14	74.14	74.14	74.14	74.14

\*Represents consumption of raw materials, stores & spares. \*\* Staff expenditure shown above is net of allocation to different activities.  
\*\*\* Also includes depletion, amortisation and impairment loss. # Reserves excluding intangibles

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

(Rs. in Crore)

Sl. No.	Particulars	Unaudited		Unaudited		Audited for the Year ended
		For the Quarter ended		For the Nine Months ended		
		31.12.2009	31.12.2008	31.12.2009	31.12.2008	
<b>1</b>	<b>Segment Revenue</b>					
	a) Offshore	11,789.57	9,113.96	34,477.56	36,128.37	45,456.57
	b) Onshore	3,716.57	3,506.18	11,502.62	14,286.03	19,091.26
	<b>Total</b>	<b>15,506.14</b>	<b>12,620.14</b>	<b>45,980.18</b>	<b>50,414.40</b>	<b>64,547.83</b>
	Less: Inter Segment Revenue	-	-	-	-	-
	<b>Net sales/income from operations</b>	<b>15,506.14</b>	<b>12,620.14</b>	<b>45,980.18</b>	<b>50,414.40</b>	<b>64,547.83</b>
<b>2</b>	<b>Segment Result: Profit / (Loss) before tax and interest</b>					
	a) Offshore	4,044.67	3,141.21	14,923.24	18,222.27	18,809.78
	b) Onshore	898.03	(602.16)	3,700.18	276.04	1,804.80
	<b>Total</b>	<b>4,942.70</b>	<b>2,539.05</b>	<b>18,623.42</b>	<b>18,498.31</b>	<b>20,614.58</b>
	Less:					
	i. Interest Payment	2.93	4.11	12.57	105.36	118.96
	ii. Other unallocable expenditure net of unallocable income	313.94	(822.63)	(989.94)	(2,590.95)	(3,419.34)
	Profit before Tax and Extraordinary Items	4,625.83	3,357.57	19,600.79	20,983.90	23,914.96
	Extraordinary Items				65.77	65.77
	<b>Profit before Tax</b>	<b>4,625.83</b>	<b>3,357.57</b>	<b>19,600.79</b>	<b>21,049.67</b>	<b>23,980.73</b>
<b>3</b>	<b>Capital Employed (Segment Assets less Segment Liabilities)</b>					
	a) Offshore	32,855.29	24,755.27	32,855.29	24,755.27	26,751.13
	b) Onshore	18,511.73	14,638.64	18,511.73	14,638.64	16,497.62
	<b>Total</b>	<b>51,367.02</b>	<b>39,393.91</b>	<b>51,367.02</b>	<b>39,393.91</b>	<b>43,248.75</b>
	<b>Unallocated Corporate Assets less Liabilities</b>	<b>35,880.46</b>	<b>40,638.23</b>	<b>35,880.46</b>	<b>40,638.23</b>	<b>35,486.66</b>
	<b>Grand Total</b>	<b>87,247.48</b>	<b>80,032.14</b>	<b>87,247.48</b>	<b>80,032.14</b>	<b>78,735.41</b>

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

**Notes:**

1. The above results have been reviewed and recommended by the Audit & Ethics Committee and approved by the Board of Directors in its meeting held on 21<sup>st</sup> January, 2010 and are subject to limited review by the statutory auditors.
2. In terms of the decision of the Government of India, the Company has shared under- recoveries of Oil Marketing Companies for the quarter ended on 31<sup>st</sup> December, 2009 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. The impact of this on profitability is as under:-

(Rs. in Crore)

Decrease in	For the Quarter ended		For the Nine Months ended		For the Year ended
	31.12.2009	31.12.2008	31.12.2009	31.12.2008	31.03.2009
Sales revenue	3,497	4,899	6,556	27,373	28,225
Profit before tax	3,016	4,209	5,641	23,194	23,933
Profit after tax	1,991	2,778	3,724	15,310	15,798

3. The Company has stopped the trading of products of Mangalore Refinery Petrochemicals Limited (MRPL), a subsidiary of the Company, w.e.f 1<sup>st</sup> April, 2009, due to expiry of MOU with MRPL on 31<sup>st</sup> March, 2009. The gross sales and purchases for the quarter includes Rs. Nil (Previous quarter Rs. 1,656 Crore) and Rs. Nil (Previous quarter Rs. 1,656 Crore) respectively on account of trading of products of MRPL. Similarly, gross sales and purchases for the nine months include Rs. Nil (previous nine month Rs.6,839 Crore) and Nil (previous nine month Rs. 6,838 Crore).
4. During the quarter ended 31<sup>st</sup> December, 2009, the Company has provided for a sum of Rs. 163 Crore (Previous quarter Rs. 210 Crore) towards pay revision of unionized employees which is due w.e f. 1<sup>st</sup> January, 2007 and towards allowances of Officers as estimated by the Management. The same has been allocated to activities as per the policy of the Company.
5. In respect of Ravva JV, the demand towards additional profit petroleum raised by GoI, was disputed by the operator due to differences in perception of PSC provision in respect of computation of Post Tax Rate of Return (PTRR). Though the Company is not a party to the dispute and the dispute has not been concluded, the Company had made provision of Rs. 860 Crore (including interest of Rs. 283 Crore) during 2008-09, as an abundant precaution. However, during the current year, the appellate authority of Honorable High Court of Kuala Lumpur, Malaysia has set aside the decision of the High court and the decision of arbitral tribunal has been restored. As the GoI has filed an appeal in the Federal court of Malaysia, the Company still carries the provision in the books of accounts.
6. ONGC Board in its 198<sup>th</sup> meeting held on 27<sup>th</sup> November, 2009 has decided to extend interest free loan to ONGC Videsh Limited (OVL) a subsidiary of the Company w.e.f 01.04.2009 for a period of two years. During the quarter ended 31<sup>st</sup> December, 2009 interest accounted up to half year ended 30<sup>th</sup> September, 2009 amounting to Rs. 460 Crore on loans given to OVL has been reversed.
7. The Board of Directors had declared an interim dividend of Rs. 18 per share (180%) amounting to Rs. 3,849.97 Crore in its meeting held on 18<sup>th</sup> December, 2009 which has since been paid.

8. Information on investors' complaints pursuant to clause 41 of Listing Agreement for the quarter ended 31<sup>st</sup> December, 2009:

	Opening Balance	Additions	Disposals	Closing Balance
No. of complaints	2	935	928	9

Balance 9 complaints have already been resolved in the first week of January, 2010.

These exclude investors' 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 the Government of India.

9. Previous periods' figures have been regrouped/reclassified wherever necessary.

By order of the Board

Sd/ . . . . .

Place: New Delhi  
Date : 21<sup>st</sup> January, 2010

(D K Sarraf)  
Director (Finance)