



OIL AND NATURAL GAS CORPORATION LIMITED
COMPANY SECRETARIAT

ONGC/CS/SE/2020-21

06.08.2020

National Stock Exchange of India Ltd.

Listing Department
Exchange Plaza
Bandra-Kurla Complex
Bandra (E)
Mumbai – 400 051

BSE Limited

Corporate Relationship Department
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai – 400 001

Symbol-**ONGC**; Series - **EQ**

BSE Security Code No. - **500312**

Sub: Disclosure of material impact of CoVID–19 Pandemic

Pursuant to SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20.05.2020, we had submitted subject disclosure on 19.06.20.

Further, in response to your e-mail dt. 28.07.2020, we hereby submit further disclosure by way of supplementary information on material impact of CoVID–19 Pandemic on operation of business and financial performance of the Company and step taken in this regard to maintain the same, per attachment for your reference and records.

Thanking You,
Yours faithfully
For Oil and Natural Gas Corporation Ltd.

M E V Selvam
06/08/2020

M E V Selvam
Compliance Officer
Company Secretary & Executive Director

Encl.: As Above (2 Pages)

Sub: Advisory on disclosure of material impact of COVID-19 pandemic on listed entities under SEBI (LODR) Regulations, 2015

"This has reference to SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020, regarding, Advisory on disclosure of material impact of COVID-19 pandemic on listed entities under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR Regulations'/'LODR').

As a listed entity and to ensure compliance with the regulation in letter and spirit with respect to required information, additional information has been provided on 3 counts mentioned as under:

- (1) Liquidity position,
- (2) Assets, and
- (3) Internal Financial Reporting and Control.

1. Liquidity position:

The liquidity position of the Company is comfortable.

The outstanding loan of the Company had reduced from ₹21,593 crore as on 31st March, 2019 to ₹13,949 crore as on 31st March, 2020. Out of this, long term borrowings account for ₹2,245 crore which are due for maturity in December 2029. The Company has cash and cash equivalent (including other bank balances) of ₹968 Crore as on 31st March, 2020. Stand-alone debt equity ratio at the end of 31st March 2020 is only 0.07 which is considered comfortable.

The Company has sufficient lines of credit/ short term fund facilities with banks amounting to ₹7,800 crore for meeting the working capital or deficit requirements. Further, the Company has an overall limit of ₹10,000 crore for raising funds through Commercial Paper.

CARE Rating Limited has assigned rating of CARE AAA with stable outlook/ CARE A1+ for ONGC's short-term and long-term fund-based and non-fund based facilities amounting to ₹25,000 Crore. Further, CARE Ratings Ltd. and ICRA Ltd. have assigned a rating of A1+ for ₹10,000 Crore Commercial Paper Programme of ONGC.

2. Assets:

There has been no material impact on ONGC 'Assets' due to COVID-19. There was impairment loss of ₹4,899 crore in Q4 FY'20 to factor into estimated future crude oil and natural gas prices. However, Company believes that oil and gas prices will recover in future and in that case this impairment loss shall be reversed as and when prices rise.



3. Internal Financial Reporting and Control:

ONGC maintains its accounts on SAP system and leverages technologies for sourcing and processing information which forms cornerstone of its Internal financial reporting and control. ONGC has put in place adequate Internal Financial Controls by laying down policies and procedures to ensure the efficient conduct of its business; safeguarding of its assets; prevention and detection of frauds and errors; accuracy and completeness of the accounting records; and timely preparation of reliable financial information, commensurate with the operations of the Company. Effectiveness of Internal Financial Controls is ensured through management reviews, control self-assessment and independent testing by the Internal Audit Team indicating that Company has adequate Internal Financial Controls over Financial Reporting in compliance with the provisions of the Companies Act, 2013 and such Internal Financial Controls are operating effectively. The Audit Committee reviews the Internal Financial Controls to ensure their effectiveness for achieving the intended purpose. Statutory Auditors also carried out testing of Internal Financial control during the financial year 2019-20 and in their report on the Internal Financial Controls of the Company in terms of Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 opined that such controls were operating effectively as at 31st March, 2020.

The Company does not foresee any impact of COVID-19 situation on internal financial controls. Even during lockdown, all testing and reporting systems worked seamlessly without any disruption as employees continued to work from home during the lockdown period.

