



OIL AND NATURAL GAS CORPORATION LIMITED

Regd. Office : 'Jeevan Bharati', Tower II, 8th Floor, 124-Indira Chowk, New Delhi 110 001

UNAUDITED FINANCIAL RESULTS (PROVISIONAL) FOR THE QUARTER ENDED 30TH SEPTEMBER 2008

(Rs. in Crore)

Sl. No.	Particulars	Unaudited				Audited for the Year ended 31.03.2008
		For the Quarter ended		For the Half Year ended		
		30.09.2008	30.09.2007	30.09.2008	30.09.2007	
1	Operating Income:					
	Gross Sales/Income from Operations	17,491.50	15,463.72	37,614.25	29,191.33	60,137.26
	Less: Excise Duty recovered	84.10	49.80	154.65	89.71	288.74
	(a) Net Sales/Income from Operations	17,407.40	15,413.92	37,459.60	29,101.62	59,848.52
	(b) Other Operating Income	92.22	68.67	186.01	250.17	422.98
	Total Operating Income (1)	17,499.62	15,482.59	37,645.61	29,351.79	60,271.50
2	Expenditure					
	a) (Increase)/Decrease in stock-in-trade	51.07	(87.16)	57.12	(123.02)	(114.11)
	b) Consumption of raw materials*	230.66	122.21	477.48	219.29	681.69
	c) Purchase of Traded Goods	2,671.95	1,576.48	5,189.65	2,870.66	6,511.53
	d) Employees cost	276.06	366.81	565.73	621.09	1,145.37
	e) Statutory levies	3,130.36	3,197.31	6,265.61	6,096.44	12,707.98
	f) Depreciation**	2,183.21	1,987.13	4,980.22	3,741.69	9,797.92
	g) Other expenditure	2,634.14	1,822.96	4,735.46	3,079.57	8,728.29
	Total Expenditure (2)	11,177.45	8,985.74	22,271.27	16,505.72	39,458.67
3	Profit from Operations before Other Income, Interest & Exceptional Items (1)-(2)	6,322.17	6,496.85	15,374.34	12,846.07	20,812.83
4	Other Income	1,397.01	1,141.30	2,353.24	1,798.61	4,480.74
5	Profit before Interest & Exceptional Items (3)+(4)	7,719.18	7,638.15	17,727.58	14,644.68	25,293.57
6	Interest	97.44	30.49	101.25	35.24	58.98
7	Profit after Interest but before Exceptional Items (5)-(6)	7,621.74	7,607.66	17,626.33	14,609.44	25,234.59
8	Exceptional Items	-	-	-	-	-
9	Profit from Ordinary Activities before Tax (7)+(8)	7,621.74	7,607.66	17,626.33	14,609.44	25,234.59
10	Tax Expense					
	a) For Current Tax	2,375.50	2,294.00	5,803.64	4,521.00	8,012.00
	b) For Earlier Years	-	(80.78)	-	(80.78)	(387.11)
	c) Deferred Tax Liability/(Asset)	421.83	283.71	389.36	435.71	848.05
	d) Fringe Benefit Tax	16.00	13.25	32.00	25.50	60.00
	Total Tax Expense (10)	2,813.33	2,510.18	6,225.00	4,901.43	8,532.94
11	Net Profit from Ordinary Activities after Tax (9)-(10)	4,808.41	5,097.48	11,401.33	9,708.01	16,701.65
12	Extraordinary Items (Net of Tax expense)	-	-	43.41	-	-
13	Net Profit for the period (11)+(12)	4,808.41	5,097.48	11,444.74	9,708.01	16,701.65
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***					67,804.61
16	Earnings Per Share (EPS)					
	(a) Basic and diluted EPS before Extraordinary items	22.48	23.83	53.31	45.39	78.09
	(b) Basic and diluted EPS after Extraordinary items	22.48	23.83	53.51	45.39	78.09
17	Public shareholding					
	-Number of shares	553131857	553131857	553131857	553131857	553131857
	-Percentage of shareholding	25.86	25.86	25.86	25.86	25.86

*Represents consumption of raw materials, stores & spares. ** Also includes depreciation, 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 Half Year ended		
		30.09.2008	30.09.2007	30.09.2008	30.09.2007	
1	Segment Revenue					
	a) Offshore	12,586.88	11,044.20	27,151.29	21,152.04	44,134.61
	b) Onshore	5,072.88	4,706.69	10,797.61	8,604.71	17,231.78
	c) Unallocated	30.63	41.30	38.92	37.15	62.08
	Total	17,690.39	15,792.19	37,987.82	29,793.90	61,428.47
	Less: Inter Segment Revenue	-	-	-	-	-
	Net sales/income from operations	17,690.39	15,792.19	37,987.82	29,793.90	61,428.47
2	Segment Result: Profit / (Loss) before tax and interest					
	a) Offshore	6,565.44	6,308.93	15,081.06	12,297.14	23,121.50
	b) Onshore	139.91	612.77	878.20	1,193.69	(266.08)
	c) Unallocated	(276.49)	(165.04)	(397.35)	(292.35)	(1,174.36)
	Total	6,428.86	6,756.66	15,561.91	13,198.48	21,681.06
	Less:					
	i. Interest Payment	97.45	30.49	101.26	35.24	58.98
	ii. Other unallocable expenditure net of unallocable income	(1,290.33)	(881.49)	(2,165.68)	(1,446.20)	(3,612.51)
	Profit before Tax and Extraordinary Items	7,621.74	7,607.66	17,626.33	14,609.44	25,234.59
	Extraordinary Items	-	-	65.77	-	-
	Profit before Tax	7,621.74	7,607.66	17,692.10	14,609.44	25,234.59
3	Capital Employed (Segment Assets less Segment Liabilities)					
	a) Offshore	25,872.89	22,815.95	25,872.89	22,815.95	24,063.67
	b) Onshore	13,898.12	13,413.55	13,898.12	13,413.55	12,421.52
	Total	39,771.01	36,229.50	39,771.01	36,229.50	36,485.19
	Unallocated Corporate Assets less Liabilities	42,290.76	35,402.21	42,290.76	35,402.21	34,132.20
	Grand Total	82,061.77	71,631.71	82,061.77	71,631.71	70,617.39

Note:

Segment Revenue in respect of Onshore segment for the current quarter and half year ended 30th September, 2008 includes Rs. 2,672 Crore (previous quarter Rs. 1,578 Crore) and Rs. 5,190 Crore (previous half year Rs. 2,874 Crore) on account of trading of products of MRPL, a subsidiary of ONGC.

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 30th October, 2008. The same are subject to limited review by the statutory auditors of the Company.
2. In terms of the decision of the Government of India, the Company has shared under recoveries of Oil Marketing Companies for the 2nd quarter of 2008-09 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 on this account is as under:-

(Rs. in Crore)

Decrease in	For the Quarter ended		For the Half Year ended		For the Year ended
	30.09.2008	30.09.2007	30.09.2008	30.09.2007	31.03.2008
Sales Revenue	12,663	3,799	22,474	7,448	22,001
Profit before tax	10,705	3,472	19,032	6,811	20,059
Profit after tax	7,066	2,292	12,563	4,496	13,241

3. Gross sales and purchases for the quarter include Rs. 2,672 Crore (previous quarter Rs. 1,578 Crore) and Rs. 2,672 Crore (previous quarter Rs. 1,576 Crore) respectively on account of trading of products of MRPL, a subsidiary of the Company. Similarly, gross sales and purchases for the half year include Rs. 5,190 Crore (previous half year Rs. 2,874 Crore) and Rs. 5,190 Crore (previous half year Rs. 2,871 Crore) respectively.
4. Pay Revision of employees is due w.e.f. 1.1.2007. Pending finalization, the company has provided for a sum of Rs.218 Crore during the quarter, as estimated by the Management. The same has been allocated to activities as per the policy of the Company.
5. The Company has provided for a sum of Rs.200 Crore during the quarter on account of increase in Half Pay Leave encashment benefits to employees w.e.f. 01.01.2007. The same has been allocated to activities as per the policy of the Company.
6. The Company had changed the rate of depreciation in 2005-06, on all Trunk Pipelines and onshore Flow Lines (assets below ground) from 27.82% to 100% based on technical assessment by the Management. The Company has made a reference to the Ministry of Corporate Affairs for confirmation of the rate of depreciation. Pending clarification by the Ministry, the Company continues to charge depreciation at 100% on such assets.
7. Extraordinary items Rs. 43.41 Crore (net of tax expense of Rs.22.36 Crore) is on account of full and final settlement of insurance claim in respect of damage to Hazira Gas Complex by flood during August, 2006 after adjustment of net book value of damaged assets.
8. Information on investors' complaints (pursuant to clause 41 of Listing Agreement) for the quarter ended 30th September, 2008:

	Opening Balance	Additions	Disposals	Closing Balance
No. of complaints	3	73	71	5



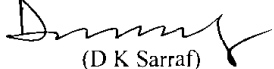
Balance 5 complaints were disposed off in the first week of October, 2008.

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 Govt. of India.

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

Place: New Delhi
Date : 30th October, 2008

By order of the Board


(D K Sarraf)
Director (Finance)