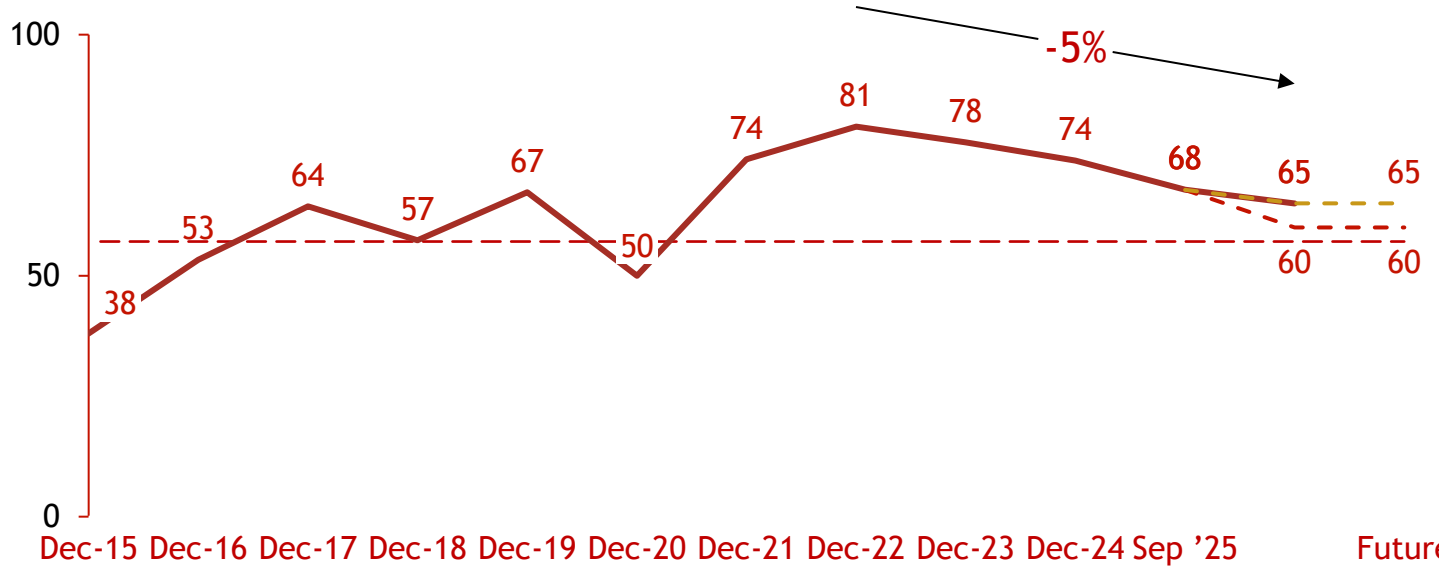
Press Conference

October 2025

Volatile crude prices are creating major uncertainty for E&P companies

Possibility for crude price to hover between $60/barrel- $70/barrel



- Historical: Oil prices reducing at a CAGR of 5% over last 5 years
- Forecast: With peaking demand, increasing supply and transition to cleaner energy, oil prices are anticipated to remain volatile

With reducing crude oil price, E&P companies face 2 major challenges:

- Q1. How do companies sustain profitability amid declining prices?
- Q2. How do companies maintain capex for future projects?

ONGC has embarked on a strategic journey to prepare itself for a future with 60$/barrel crude-price environment

Production Increase

- Consistent increase in O&G production across both quarters in 2025-26 vs 2024-25
  - Q2 (FY26 vs FY25): 0.5%
  - Q1 (FY26 vs FY25): 0.3%

TSP for MH & Other fields

- BP TSP for MH Field: Targets oil **+44%** 45.47→65.41 MMT) and gas **+89%** (70.40→112.63 BCM), unlocking up to **~$15 bn** incremental revenue in 10 years
- TSP being explored for several other imp fields to boost prod.

Development Projects

- **KG-98/2:** BP engaged as Subject Matter Expert to diagnose root-case and identify well interventions to boost production
- Board approved joint development scheme promising ~12 MMT Oil & 13.5 BCM of Gas in next few years

Cost Reduction

- Dedicated cost council established to bring down cost by unprecedented levels
  Targeting Org. wide 15% cost reduction

Pipavav Supply Base

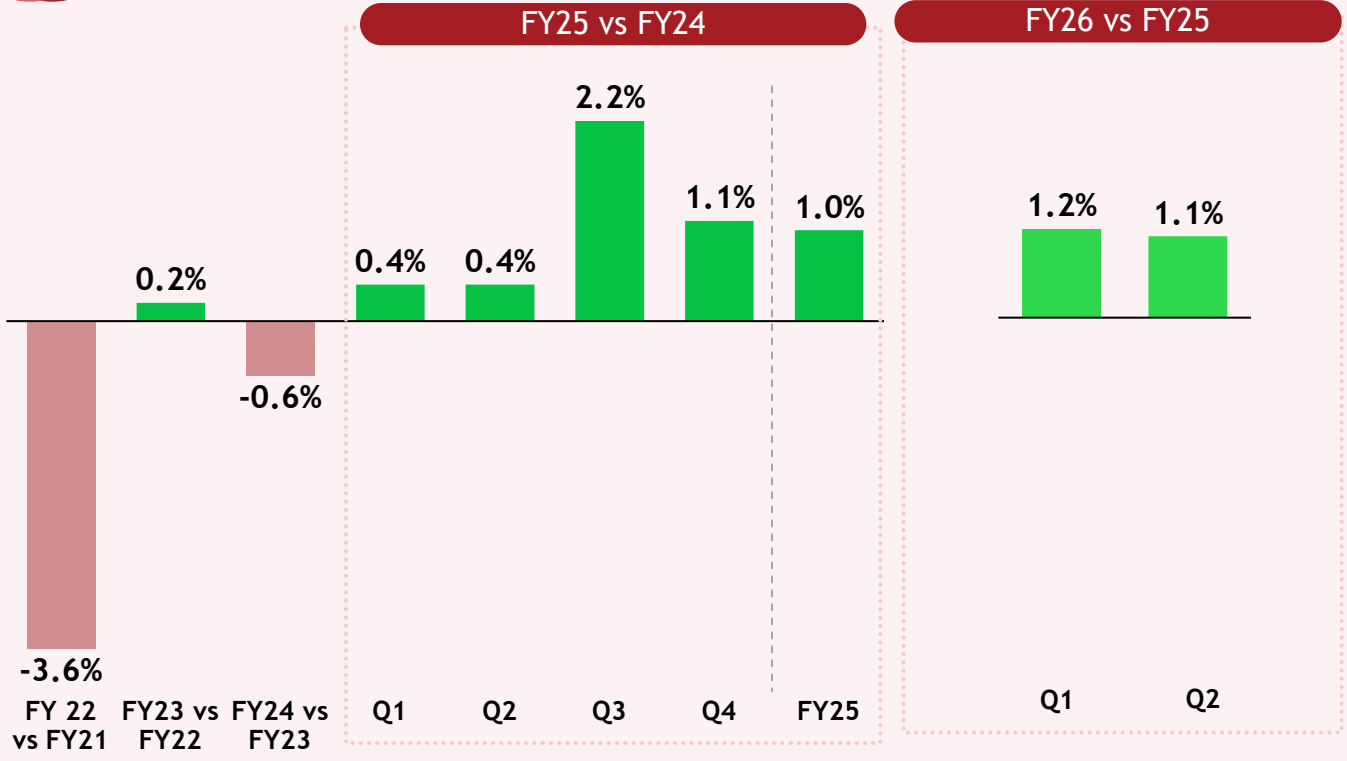
- Pipavav Supply Base is being scaled-up with end-goal serving ~ 2/3rd of WO workload, unlocking 1000+ Cr in savings

Trading

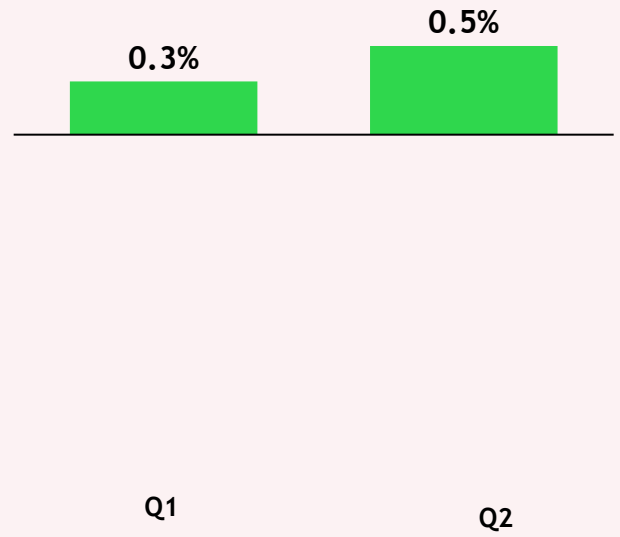
- Fast-track strategy under execution to build India's premier, globally competitive trading entity, unlocking **~$1B** in annual value

Reversal of downward trend in ONGC's standalone crude production; 1% YOY increase in Oil FY25; consistent increase in O+OEG in Q1 & Q2 FY26

YOY change in standalone production (Oil)



FY26 Vvs FY25 (O+OEG)



Progress on BP-TSP for MH field and plan ahead for other fields

~$400 Mn committed in capex for ONGC-BP redevelopment Phase I

Production upside over 10 yrs

- >19 MMT Oil incremental
- >22 BCM Gas incremental

Way forward: Continued push for Production, Reservoir & exploration

- MH Field split into 6 hubs for faster, optimized redevelopment
- MH Redevelopment Phase 2 & beyond: Target ~100 new wells for FY28 & FY29
- New reservoir resources: Accelerate Infra. linked exploration opportunities
- New facility solutions: Feasibility study for fast-paced, commercially competitive well head platforms to unlock infill locations

Technical and Digital adoptions

Advanced seismic processing leveraging bp's HPC center in Houston	Digitization across workflow; accele-rated pipeline & well design practices	Palantir workshop to uplift data management & analytics	Leveraging improved G&G workflows incl. 3D-4C OBN data

Future engagements

- Subject Matter Expert (SME) for KG 98/2
- Partnership for other assets/ fields with low IRR (E.g Assam, B&S, etc.)

1. FE rate @ INR 87.53/$)

Production revival and upside plan: 98/2 field revival and combined project development plan in western offshore

Combined Western Offshore Development Project (CWODP)

8 Projects combined

~ 4K Cr Opex

~ 13K Cr Capex

Strategic Call

- Re-engineered projects & bundled together for further improving viability of projects

Production upside expected:

>12 MMT Incremental Oil

>13 BCM Incremental Gas

Revival Plan for KG 98/2

SME Partnership

- External SME engagement with BP for oil and gas fields of KG-DWN-98/2

Expected Outcomes in Oil Field

- Identification of root-cause & opportunities for production enhancement
- Well interventions, side-track & drilling new infields

Expected Outcomes in Gas Field

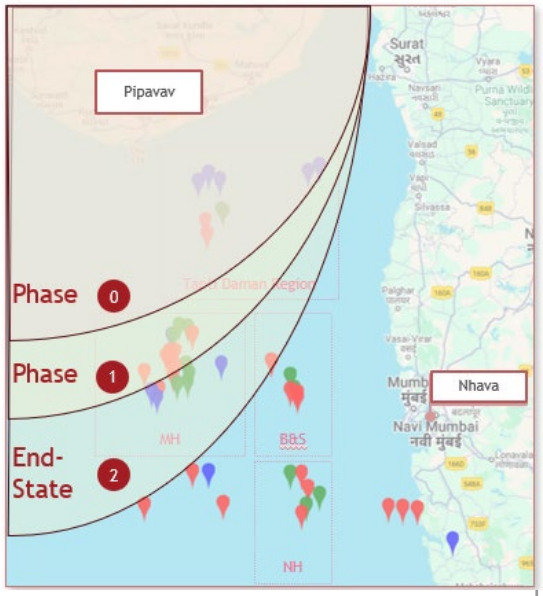
- Deep dive study to identify root-cause and recommend modifications on well design and completion practice

*Exchange rate 1 USD = 85.94 INR

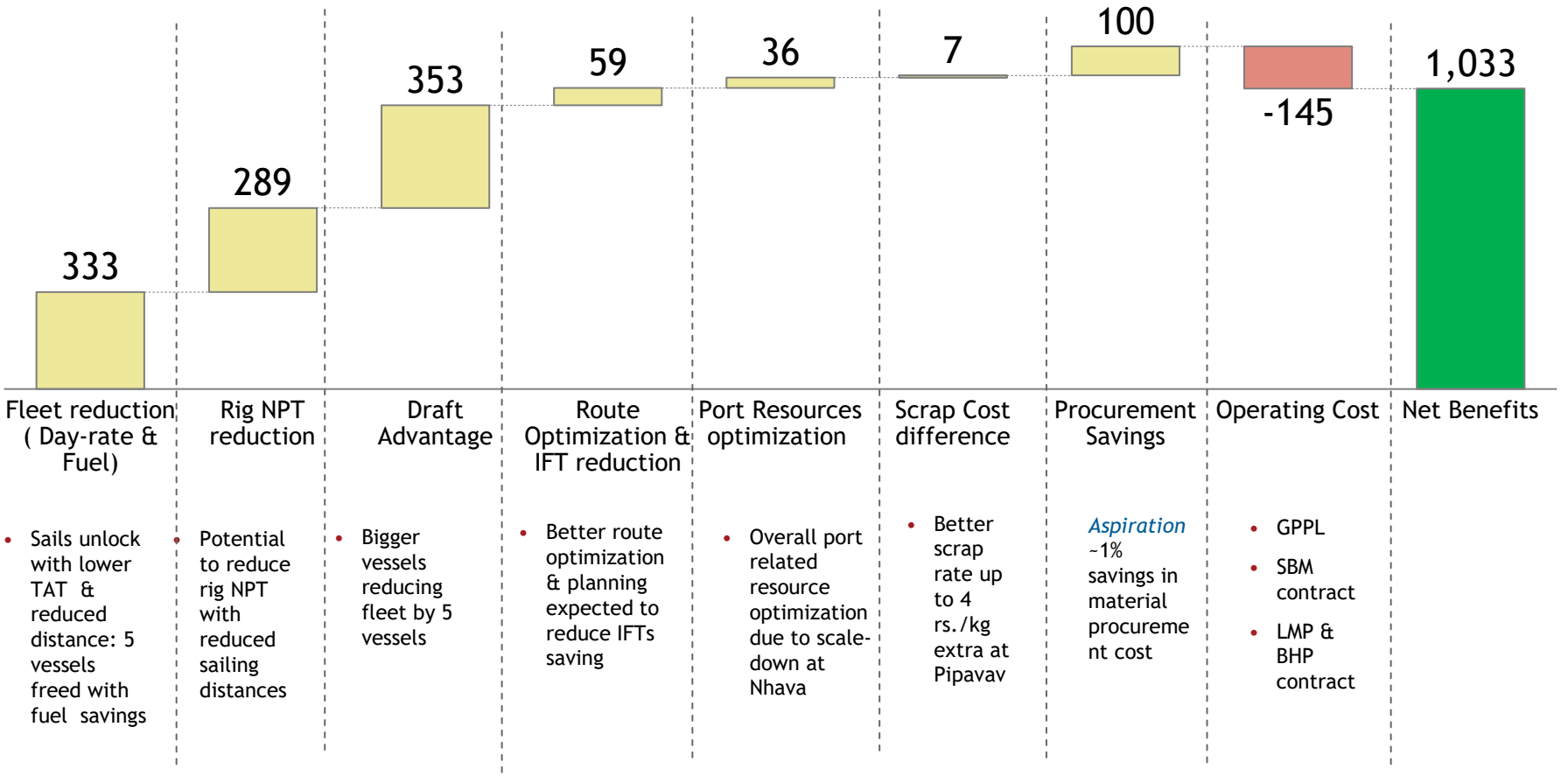
Note: Implemented initiatives include Cost avoidance as well as annual cost savings

Strategic resilience with dual-port capability: Plan to scale up PSB with end-goal serving ~ 2/3rd of WO workload, unlocking 1000+ Cr in savings

End State: 80+ sailings monthly



Dual-port playbook with Pipavav Supply base unlocks huge benefits vs. Cost



- Sails unlock with lower TAT & reduced distance: 5 vessels freed with fuel savings
- Potential to reduce rig NPT with reduced sailing distances
- Bigger vessels reducing fleet by 5 vessels
- Better route optimization & planning expected to reduce IFTs saving
- Overall port related resource optimization due to scale-down at Nhava
- Better scrap rate up to 4 rs./kg extra at Pipavav
- *Aspiration* ~1% savings in material procurement cost
- GPPL
- SBM contract
- LMP & BHP contract

1. Furthermore, other intangible benefits like improved pipeline health with timely chemical supply

Potential Savings Aspirational Savings

Dedicated Cost Council constituted for structural cost-out, accountability, and sustained savings

Enterprise-wide focus on cost efficiency

Value potential in 20+ initiatives under implementation

₹4300 Cr

Value potential in further initiatives under analysis

₹5000 Cr

Key areas of Initiatives

- **Offshore resource optimization**
- **Increasing drilling efficiency**
- **Logistics route optimization**
- **Inventory reduction**
- **Increasing fuel efficiency**

Thank you