Oil and Natural Gas Corporation Limited
Investors' and Analysts' Meet 2025

Event Date, Time & Venue
03rd February, 2025, 3:30 PM,
Ballroom, Hotel Taj Land Ends,
Bandra West, Mumbai.

Speakers:

Management, ONGC Ltd.

Shri Arun Kumar Singh, Chairman and CEO
Shri Pankaj Kumar, Director (Production)
Smt. Sushma Rawat, Director (Exploration)
Shri Manish Patil, Director (HR)
Shri Vivek Tongaonkar, Director (Finance)
Shri Arunangshu Sarkar, Director (S&CA)

Management, ONGC Group Companies

Shri Rajarshi Gupta, Managing Director, ONGC Videsh Limited
Shri M.S. Kamath, Managing Director, MRPL
Shri Gurinder Singh, Managing Director, OPaL

Q&A Participants:

Shri Sharad Chandra from Mehta Securities
Shri Nitin Tiwari from PhillipCapital
Shri Vivekananda from Ambit
Shri Puneet from HSBC Securities
Shri Probal Sen from ICICI Securities
Shri Vikash Jain from CLSA

Moderator:

Shri Prakash Joshi, GM (F&A)-Investor Relation Cell

Prakash Joshi

Good afternoon, ladies and gentlemen. Before we begin, please play the film of Taj Lands End for the safety briefing.

Safety Briefing Film of Hotel Taj Lands End

Namaste ladies and gentlemen. Welcome to the Taj Land Ends, Mumbai. Allow me to brief you about the safety procedures and guidelines of our banquet venue. We are at the Ballroom which is located at Banquet Level B. Please note that we have demarked fire exits to ensure smooth evacuation. Be kindly informed that the entire hotel is well equipped with fire safety installations. There is no mock drill planned for today. In case, an emergency is raised, kindly consider it to be an original one. In an unlikely event of an emergency please do not panic. Kindly follow the instructions of hotel staff assisting you as they are well trained to face all emergency situations. In case of medical emergency, we have first-aid available in the hotel along with certified first aiders. We also have doctor available on call, if required. Kindly refrain from leaving any personal belonging unattended in the hotel premise. We assure you of the highest standards of safety and wish you a pleasant day ahead. Thank you.

Prakash Joshi

Ladies and gentlemen, I extend a warm greeting to all of you. The Investors' and Analysts' Meet is an annual event organized by ONGC, usually held after the adoption of the annual audited accounts by the ONGC Board. This year, ONGC has decided to hold the meeting after adoption of accounts of 9 months in view of major happenings that have taken place recently and activities that are in pipeline.

My name is Prakash Joshi representing the Investor Relations Cell of ONGC and I'm honored to welcome the investor's community and research analyst from various institutions and fund houses to ONGC's Investors' & Analysts' Meet for the year 2025. I would also like to extend a heartfelt welcome to the esteemed Chairperson of the ONGC Group of Companies, the Directors on the Board of ONGC, including the Managing Directors of MRPL, OVL, OPaL as well as the Directors from our subsidiaries OVL, MRPL, and OPaL. Furthermore, I extend my warm greetings to all the senior officers and colleagues present here today.

Allow me to introduce the distinguished individuals on the stage: seated at the center Shri Arun Kumar Singh, Chairman and CEO of the ONGC Group of Companies: on his right, followed by Shri Rajarshi Gupta, MD, OVL, Shri Pankaj Kumar, Director (Production), Shri Manish Patil, Director (HR) and Shri M.S. Kamath, MD MRPL. To the left of Chairman Sir, Shri Vivek Tongaonkar, Director (Finance), our Director (Exploration) Smt. Sushma Rawat will join shortly...then we have Shri Arunangshu Sarkar, Director Strategy and Corporate Affairs, and Sri Gurinder Singh, MD, OPaL.

Before we proceed, I kindly request everyone to put your mobile phones to silent mode to ensure an uninterrupted flow of the proceedings. Please note the proceedings are being recorded as per the statutory requirements. Thank you. Now, I would like to extend an invitation to the Esteemed Director (Finance), ONGC to deliver his welcome address. Over to you, sir.

Vivek Tongaonkar

Good afternoon. A very warm good afternoon to you all. On behalf of the entire ONGC Group Team, it is my privilege to extend a very warm welcome to all our friends from analyst and investor fraternity. It is indeed a great pleasure that we are getting an opportunity to have face-to-face interaction with all of you after our financial results for the quarter and 9 months ended 31st December 2024. While we have a conference call after every quarterly financial results, it is heartening to have this kind of face-to-face conversation with our important stakeholders.

After declaration of financial results for Q3 and 9 months of financial year 2024-25 on the 31st January '25, we came out with a detailed press release highlighting the significant developments and results for the period. Our Investor Relations Cell has also separately sent performance highlights to all the analysts as per our mailing list. We have tried our best to clarify the queries that we have received over the calls over last couple of days. Through today's interaction, we hope to clarify all the remaining queries that you may have. We have always been getting useful insights, feedback, constructive suggestions from our investors to continuously improve and create value for the stakeholders.

There were many issues or concerns expressed by the investors, which were work in progress for quite some time. And we are pleased to share that most of them have now been resolved or have moved forward towards finality. Major area of concern was declining production trend and with focused approach and continuous thrust on increasing domestic production, ONGC has successfully reversed the declining trend in Crude Oil and Natural Gas production during the current financial year. We have taken a series of initiatives that will boost Oil and Gas production in the coming years. We are following a steady CapEx program to strengthen our reserve base and production volumes. We are also undertaking many collaborative exercises with the best in the world for leveraging cutting edge technologies and best global practices.

Gradually, we are also strengthening our Renewables or Green Energy portfolio. Removal of SAED and 20% premium for Gas from new wells will certainly improve the resource generating capability of the company. And it is heartening to note that the company has declared 2nd interim dividend of INR 5 per share with a payout ratio considering both the interim dividends, the first and the second to about 48%. We are also pleased to share that just 2 days back, ONGC has received silver plaque for excellence in financial reporting from the Institute of Chartered Accountants of India. Prior to this, ONGC was conferred with SAFA, South Asian Federation of Accountants Awards for the best presented annual reports for the financial year 2022-23 under the category Public Sector Entities at the SAFA Awards 2024 function held at Colombo , Sri Lanka.

I would like to also mention over here that this is the first time that ONGC has presented its accounts within 1 month of the completion of the quarter. And this is the first time that we have been able to do it, and we intend to continue with such a performance. We are well poised to consolidate from here and grow on a sustainable path, meeting the increasing energy needs of the nation and in the process of creating value for our stakeholders. The suggestions and ideas that we receive from you always motivate us to strive for excellence, and we look forward to have a great interactive session.

I would now come to the investor presentation and post that the floor will be open for questions. Can we have the presentation over here? Thank you.

So, this is the standard disclaimer that we start off with every presentation or a meeting that it is. There would be certain forward-looking statements, including statements regarding our intent, belief or current expectations. While due care has been used in preparation of the forecasted information, actual results may vary in a materially positive or negative manner. So, this disclaimer is a standard disclaimer over here.

The presentation would be, divided into these 5, sections, standalone performance, then we move on to the consolidated performance, growth pursuits that we are following, ONGC as a responsible corporate and how our subsidiaries and JVs have been performing.
As most of you already know ONGC has discovered 8 out of the 9 producing basins in India. All the basins that have been discovered after independence have been discovered by ONGC as such. The latest one is Vindhyan Basin, which was discovered in 2022.

Over the years, ONGC has been a wealth creator. The Government of India has infused INR 342.85 crores over a period of 22 years. However, ONGC has returned to the government INR 13,19,334 crores till 31st December, 2024. This is through divestment, he Government has earned INR 48,000 crores. Dividend payments have been INR 1,30,000 crores (approx.) till now. The contribution to the central exchequer has been INR 6,08,000 odd crores. To the state governments, it has been INR 2,22,000 crores (approx.). And we have also helped the government by bearing the subsidy to OMCs which was to the tune of INR 3,10,000 crores (approx.). During this financial year itself, we have contributed INR 41,589 crores to the Central Government and INR 10,233 crores to the State Governments.

What have been the highlights for this year? The major highlight for ONGC during this quarter 3 has been the increase in Oil and Gas production and that too it is quite substantial. We'll follow it up subsequently. In the Eastern Offshore, KG-98/2 has come on stream. We have put 13 oil wells flowing. And we are now having a production of 35,000 barrels of Oil per day, a very substantial increase and 3 million MMSCMD of Gas is being produced.

We have also announced an international collaboration with British Petroleum. The firm is BP Exploration (Alpha) Limited. We are engaging with them as a Technical Service Provider for production enhancement in the Mumbai High Field. Mumbai High Field continues to be our major field and the major backbone of our production.

There have been new discoveries also. We have exploratory well Chola-1 which was drilled in OALP block of Cauvery Basin in Ultra Deepwater and it has flowed gas at 5,00,000 meter cube per day (approx.) and condensate of 368 barrels per day.

One more subsidiary has been added. OPaL has been an associate of ONGC. We have infused INR 18,365 crores in OPaL. And now it becomes our 7th subsidiary, and we have 95.69% stake now in OPaL. It's a world class petrochemical asset and at a wonderful location.

Coming to our production performance where I have mentioned that we have increased our production. If you see on a standalone basis now ONGC has brought about a growth of 1% in Oil. If you see Q1, Q2 and Q3, there has been quarter-on-quarter increase in the production over the previous year's quarters. Even in Natural Gas, there is a trend reversal. There has been reduction in the production deficit between Q1 and Q2 as compared to the previous year. And in Q3, we have had a marginal increase. This is, thanks to 98/2 also. So, we expect this trend reversal to continue and over the coming quarters, we expect gas also to show an uptick.

This is the physical performance, standalone production, 9 months what we have indicated as both Oil and Gas together is 29.38 MMToE including the JV it is 30.81 MMToE. Drilling of wells, we have drilled 353 Development Wells and 60 Exploratory Wells. So we are on track to drill 500 plus wells for this year also. The Value Added Products, we have for this 9 month, 1.93 MMT, so hopefully we should have marginal uptick over here also.

Compared to the increase in physical production, the financial performance has been slightly muted. In Q3, compared to the previous year there has been a little bit of lesser revenue, this is partly because the price that we got during this quarter was lesser than what we had in the previous year quarter. Previously, it was $80 odd dollars. This year, it is $72 odd dollars that we have received. So, for 9 months also, there is some little bit muted performance as far as revenue is concerned. The PAT is down a little bit more from INR 9,892 Crores to INR 8,240 Crores. And on a 9 month basis, it is down from INR 30,657 Crores to INR 29,162 Crores. This is because of reduced prices of Oil. But there is also some depreciation increase because of additional carrying property that has come up and the reserves have gone down. Production has been higher. So that has contributed partly to this PAT going down.

We continue to maintain a CapEx of INR 35,000 Crores plus every year and in the near future also. In this 9 month, we have had already a CapEx expenditure of INR 45,335 Crores. This is mostly because of INR 18,365 Crores, which we have infused into OPaL. So this has helped OPaL in a big way. They have been able to reduce their high interest loans and, it should, in the future, reduce the interest burden on OPaL also. The planned CapEx as has been brought out for next year is INR 36,920 Crores, most of it going to Drilling, Exploratory as well as Development Drilling. We would also have a CapEx planned capital expenditures for the projects that are coming up. Notably, we have got, Daman upside project as well as DSF2 coming up in the Western Offshore.

Coming to the consolidated performance wherein we consider our JVs as well as our subsidiaries. ONGC is an integrated energy company and it has been expanding its footprints in the energy business. We are into upstream. ONGC itself is there in upstream. We have got ONGC Videsh also, which handles all our portfolio in foreign countries, and we also have a small presence in Prize, this is a HPCL subsidiary. Refining and Petchem, we are there through MRPL where we have got 71.63%. OPaL now that we are 95.69%, HPCL we are 54.9% and HMEL also. Value added Products are at Hazira and Uran of ONGC. LNG, we have got 12.5% stake in PLL and we also intend to increase our presence in the LNG sector. We are looking at, contracting LNG for sales within the country also. We are present in the power sector also through OTPC, which is in Tripura. Renewables is the new focus area also. We will continue to focus on E&P, but, yes, we are aware of the fact that alternative energy is important and necessary. So we have our presence now. Currently, our presence is quite small. However, we plan to increase it. ONGC has already come up with, one tender for 1 gigawatt, hybrid solar and wind project. Currently that tender is on. We have set up one subsidiary, ONGC Green Limited. This would be the company, this would be the vehicle which would focus upon green energies, and for the future, ONGC would be doing most of its investments and acquisitions through this ONGC Green. It has also a tie up with NTPC Green and both of these companies are working together, to look for new projects as well as look for developing greenfield projects. Apart from this, we have our own services for helicopters through Pawan Hans where we have 49%, through PMHBL, which is a pipeline company from Mangalore to Bangalore where we have nearly 50% along with the HPCL. We have DSL, Dahej SEZ Limited, MSEZ Limited. MSEZ Limited is a turnaround story. OTBL, we are there. And Indradhanush Gas Limited, which is laying pipeline in the northeast, it has got 5 PSUs as equity shareholders. Our consolidated turnover for the previous year was INR 6,43,037 crores.

Coming to the performance, total revenue or the income and, that the ONGC group had was INR 5 lakhs odd crores and increase over INR 4.89 lakh crores that we had previous year. EBITDA was down a little bit at INR 76,590 Crores and versus INR 90,400 Crores partly because of certain losses that were there with MRPL and some muted profit, EBITDA from other companies also. PAT was also down significantly. The total debt at December is nearly equivalent. However, the debt is moving downwards. And if you see the debt equity ratio is now 0.37 versus 0.40 in the previous year. As I said, directionally, the debt is down as far as the group is concerned. We are now down to 0.33 debt equity ratio.

Our credit ratings continue to remain strong. We are rated, both domestically and internationally very strongly by all the credit rating agencies. Moody's rates us Baa3 stable, S&P has rated BBB- and Fitch has rated BBB- with a stable outlook.

Coming to our growth pursuits. ONGC is a truly integrated energy company. We plan to deepen our presence across oil to chemicals value chain. You would have already be aware that ONGC has declared that it would be moving into oil to chemicals also. Work is continuing in that direction as well. Focus has been to improve the financials. And what we have found is that, due to the crude oil prices being fully realized, there's no SAED now. The government has thankfully abolished SAED. We are able to get, full price for our oil. The gas regime has stabilized and there is a premium for the new gas that we would be producing. The APM gas prices are also moving up. Currently, we are in $6.5 per MMBtu. From 1st April, it will move up to $6.75 per MMBtu and subsequently a further raise in the next subsequent year also from April. However, we continue to focus on exploration. We have mentioned also earlier that we would continue to look at newer areas. The government has also helped us in this matter. They have opened up 1 million square kilometres of "No- Go" area earlier on. And they have already, yeah, our Director (Exploration) is over here. Ma'am, please welcome. The government has already opened up, the "No- Go" areas. 1 million square kilometers has been opened up. And this is really virgin area, which the government is likely to put out through OALP 9 and 10 rounds for all the companies to bid for it. The main focus will continue to remain on production and you would have seen that as I've already mentioned, there has been a turnaround in production. Thanks to all our people working together and ensuring that the production does not get held up for any reason at all. The future, as we have already mentioned, Green Energy, the focus remains over there. We have also gone on record to say that, we would be Net Zero for Scope 1 & Scope 2 by 2038. And our aim is to have 10 gigawatts by 2030. We would look at measures to ensure that we do it much earlier also.

This is the focus on exploration growth. We are planning to have, as I've mentioned, to increase our acreages that would be there. Most of it coming in from the new areas which have been opened up. We plan to have about 1.8 lakhs square kilometers by '25 end. 3 lakhs square kilometers would be there next year and by '27 end, we would plan to have 4 lakhs square kilometers. We have bid for 19 blocks in OALP 9 which is about 0.89 lakh square kilometer acreage. We also expect that our accretion would move up in tandem with the acreages that we would be taking over.

Simultaneously, we would also be focusing on production growth, strengthening and monetizing our discoveries, optimizing our recoveries. We have already mentioned that we have already tied up with a Technical Service Provider, which would help us increase our production in MH asset. For ensuring production growth, we have got 25 major projects, 11 in development, 14 infrastructure.

Major projects. There are many small projects also. A brief list of these projects under implementation is brought out over here. We have KG 98/2, cluster 2, where 44.74 MMToE of gain is envisaged and for this EDC is March 25, we expect it to complete now. Daman upside, which is in the West Coast, it is already awarded. It is likely to come up by February '26. This is being executed by L&T. MHN Redevelopment, we are expecting it to complete within this year itself, this financial year. Development of DSF II, which I've already mentioned, April 27. In Onshore also, we have got a number of projects. Most of them are in Gujarat. Then we also have CBM Bokaro and Jharia CBM where we would be focusing on increasing the Gas from these two areas.

This is one major step which ONGC has taken. We have, after doing an EOI, running a process, we had invited 10 major international companies to bid as Technical Services Provider. We had bids from BP. Shell was also interested in that, however, the bid did not come from them. We had bid from BP Exploration (Alpha) and subsequently we have placed an NOA on them. They will review the field performance, identify improvements in reservoir facilities and wells to enhance the production from MH field. This is only for MH field. And they have indicated a substantial increase of oil and oil equivalent gas production of up to 60% from baseline levels over a 10-year production contract. So the NOA is already placed, on 7th January. They were to nominate members which has already happened and both the companies are working together now. Initially, it is a fixed fee manpower deployment model for the TSP. Subsequently, after a 2-year period, it would be service fees, which would be dependent upon the incremental revenue that is generated and incremental production subject to a 25% ceiling. The broad scope of work is, just to clarify, the PML and ownership remains with ONGC. We are not sharing any PI with BP. There would be a review of field performance and identify improvements in wells, reservoir including water injection facilities, etc. They will undertake along with us integrated field reservoir field studies. They would also support ONGC in reducing flaring, sourcing of technology, and implementation techniques for IOR and EOR. Contract period is initial 10 years with 5 year extendable, subsequently. For the first 2 years, the TSP has to deploy their expert technical team for a minimum period of 2 years, and this work is already underway.

As far as Green Energy is concerned, the strategy has already been brought out. We plan to have 10 gigawatts by 2030. The focus would be on solar and onshore wind. This would be through organic and inorganic growth. We also plan to have 25 CBG plants and 2 gigawatts of pumped house storage with power. Then we also plan to have 1 million metric tons per annum of Green Hydrogen. CapEx is around INR 1 lakh crores that we intend to spend by 2030. We already have started work in this direction. As I've already mentioned, 1 gigawatt tender is already out, which would help to replace the power that ONGC uses in-house or through in house production and replace it with this Green Energy.

One major competitive edge which we have as far as the oil and gas industry is concerned that we have the best human resources in this industry as far as E&P is concerned. Most of them are Engineers and Geoscientists. We have got 24,640 regular workforce. The ratio of technical to non-technical is about 4:1. Gender diversity, we have made efforts to ensure that there is sufficient gender diversity and we plan to focus on it. And you will see there has been YoY increase also as far as this is going on. And one very heartening thing, the average employee age has moved down and moved down quite substantially from 43, which is there, to now only about 40-41. We expect this to move further down.

Although, ONGC has been pursuing its profits and oil and gas business, it is also a very responsible corporate. Our focus has been on ESG. We are committed to conserve this climate. We do a regular Greenhouse Gas inventory accounting and disclosures on Scope 1 and Scope 2 emissions. I believe we were the first ones to do it in India..sometime a few years back we have started it. We've already implemented 15 Clean Development Mechanism projects. We have got 2.2 million Certified Emission Reductions. The focus has always been on fresh water conservation. Although we work, we use a lot of water at our drill sites, etc. But we have been very conscious of ensuring that the water is treated properly. Sewage water treatment plants are there. Rainwater harvesting, we do. Water foot printing is also undertaken. We have also started off with desalination plants. And green energy, I've already mentioned. Yes. Today, we are 193 megawatts, but the focus would be on increasing it.

We have been the leader in CSR. ONGC, even before the government mandated that CSR spend should be there for all the corporates, has been doing CSR in areas, in localities wherever it had been working. Now the focus is on healthcare, education, skill development, women empowerment and reducing inequality, environment sustainability, and other initiatives through CSR activities. During the last 5 years, we have spent more than INR 2,700 crores which is an average of INR 540 crores a year. During 2023-24, we have spent INR 635 crores. This year also, we intend to spend around that much of amount on CSR. We have always been conscious of the fact that we do owe a social responsibility to the people of this country. As I mentioned, we have been the first company to issue separate CSR guidelines in 2009. Our activities have been aligned with the community needs in their respective geographies. We benchmark our CSR projects to UN Sustainable Development Goals. We've also launched an online portal for CSR activities. As far as governance is concerned, we have been the first signatory in India to the Integrity Pact and the first CPSC certified for Anti-Bribery Management System. We have a mediation methodology of Outside Expert Committee for faster resolution of commercial disputes, and this is something that has now been recognized by, the government also, other oil and gas companies also, and we have been providing help to other companies also to set up this Outside Expert Committee for faster resolution of commercial disputes. We have focused on Centralized Shared Financial Services and this is something that I think we can be very proud of, especially finance people. We have set it up last year and we have also ensured with the help of all the people over here that now our invoices get paid within 10 days. So that has been a very substantial improvement over the payment part of it as such. And this is with full efficiency and transparency. So we have received a lot of good wishes or good compliments for implementing this system.

Coming to our subsidiaries, the first major 100% owned subsidiary is ONGC Videsh Limited. It is present in 15 countries and has 32 projects over there. 14 of them are producing. They have discovered/ developing 4, in Exploration 11 and in Pipeline 3. Their presence is there in Russia, Vietnam, Myanmar, Bangladesh, Mozambique, Azerbaijan, UAE, South Sudan, Colombia, Venezuela, and Brazil. Cumulative production till December was 212 MMToE. They have also, through internal accruals, reduced their debt by $30 million. They received the 17th BML Munjal Award for Business Excellence through Learning & Development and the Golden Peacock Award for Risk Management for 23-24. There have been certain new acquisitions, some PI in ACG, Azerbaijan, and in the BTC pipeline. They have also signed MOU with IRH UAE along with KABIL and Oil India to collaborate globally on critical mineral supply chain. Colombia has been a good story for ONGC Videsh. It was an exploration block that they had taken and then they have had discoveries. And currently, they are producing about 25,000 to 27,000 barrels of oil per day. South Sudan also, this is a country where we have been present for quite some time. There have been good exploration successes also. There has been increase in the production and, in SPOC, which is South Sudan, there have been increase in production to about 12,000 barrels of oil per day. This is ONGC Videsh's performance. 2P reserves at 476 MMToE. Oil and gas production was 7.69 MMToE for the 9 month period this year. Turnover is INR 6,904 crores and the profit after tax for the 9 month period was INR 365 crores.

HPCL is another Maharatna which we have in our fold. It's a refining company. It has achieved its highest ever refining throughput of 18.53 MMT during the 9 month period for this year. Highest market sales of 37.12 MMT. And they have achieved a milestone of 23,000 retail outlets as of December 2024. A lot of focus on marketing. HPCL also owns India's largest lube refinery in Mumbai. They own refineries in Mumbai and Vishakhapatnam. There were 2 refineries. They also have got HMEL and one refinery is under construction - Rajasthan Refinery. The performance you have already mentioned, the GRM was $4.73 per barrel for the 9 month period this year. Revenues were INR 348,000 (approx.), and the profit after tax improved substantially to INR 4,000 crores for this 9 month period.

MRPL, another, refinery that we have. Its throughput for the 9 month period was 13.54 MMT, a very technically excellent refinery. And they now have nearly around 18 MMT capacity that is at what level they are operating. They have achieved revenue of INR 81,000 crores (approx.) for the 9 month period. The GRMs was $3.81 dollars per barrel. The revenue was 81,000 crores (approx.) and PAT was INR 313 crores (loss) for the 9 month period.

OPaL-ONGC Petro additions Limited, our latest subsidiary, it had an average capacity utilization of 92% during this 9 month period versus 91%. Revenue stood at INR 11,000 odd crores compared to INR 10,616 crores. And they have reported an improvement in EBITDA. The loss was only INR 48 crores for the 9 month period this year against 445 crore loss previous year. We expect it to do better in the subsequent years. Two points...one, they have been allocated gas by the government, new gas from ONGC. So they would be having 3.2 MMSCMD of new gas from ONGC. And they are also moving to come out of the SEZ.

OTPC power generation. It had a power plant load factor of 59 in the 9 months period. Revenue was 1,000 crores (approx.). EBITDA was INR 200 crores. It's a 726.6 megawatt plant.

Petronet - pipeline company. It has achieved a throughput of 3 MMT, capacity utilization of 72%, and earned revenue of INR 119 crores and a profit of INR 60 crores.

Mangalore SEZ - this is at the Mangalore next to the refinery. Revenue from operations were INR 157 crores in the 9 month period. Profit improved very substantially to INR 31.54 crores compared to INR 8.71 crores in the previous year 9 month. Net worth has improved to INR 39.8 crores as against INR 8.71 crores in financial year '24. The long term borrowings have decreased to INR 267.81 crores in the 9 month period. Currently, it is INR 236 crores. They have repaid some more amounts. And this is another turnaround story for ONGC.

So we come to the end of this presentation, and I also think we are ready to take questions. So please provide the mics to people who have raised their hands. Yeah, please give your name and the company name.

Sharad Chandra

Can I go ahead? Hello? Yeah. I'm Sharad Chandra, Investment Advisor. This question is to the strategy head, the Director of Strategy sitting on the dais. India is a country with huge amount of sunlight and huge amount of wind power. Now what I see in the last 10 years, the amount of shareholder value which was created by companies who went into green, you know, ONGC probably missed the bus. Today, you're targeting 1 gigawatt of the whole industry probably is 10x or 100x more ahead of you. You're a Navratna company, a AAA rated company, you could have borrowed at something like 8% or 9%. The IRR of all these green projects is something like 11%, 12%, would have created a 3 percent value add and plus obviously the whole nonfuel fossil black kind of ratio would have also gone. So the question is why not just increase this debt equity ratio? What is this, you know, feeling that your debt equity ratio should be low and it should come from 4 to 0.3? It should actually go to 1. Why don't you invest in green power? Just, you know, India is a place where renewable is something which is everybody wants and the whole environment, the world environment wants it that way. So my question is, did the strategy just completely failed in the last 10 years? Would that not be able to recognize what is the future of the world? Or probably it's sort of the bureaucratic slow and steady, there's a risk kind of a thing. Thank you very much. And if I have offended anybody, my apologies are there beforehand. Thank you.

Arunangshu Sarkar

Thank you very much. I agree with you that we have started a bit late in this renewable sector. But now at present, we have already created a subsidiary that is ONGC Green Limited and our OGL is working very hard and at a very higher pace. And we have already in the final stage of acquiring many of the projects and the results will be announced very shortly. And moreover in ONGC and also as explained in that presentation, 1 gigawatt captive power we have already tendered and the tendering is going on and we have received bids that is also will be finalized in a short period of time. And OGL, ONGC Green Limited is also going for this hybrid projects and RTC projects. We are working in a very high speed and results will come out very soon. Thank you.

Nitin Tiwari

Hi Sir! Good evening. This is Nitin Tiwari from PhillipCapital. So my question is related to the Oilfield Development Bill, which was recently passed. So just wanted to understand what are the operational and financial implications of that, of the bill, on ONGC's operations? That is one. And the second question is related to basically your partnership with BP. So if you can talk a little bit more about that partnership in terms of, like, you know, what we are looking at in terms of production and what we are looking at in terms of payment structure, in terms of fee and other performance linked payment. If you can flesh it out a little bit with some numbers. Thank you. That is all from my end.

Arun Kumar Singh

Oilfield Regulation Bill is already passed by Rajya Sabha. It is before Lok Sabha. It can be passed any moment. And basically, it has 3 parts. One part is it has addressed the inadequacy of past regulatory bill that to make it relevant with time. Second thing, it has also assured indirectly or some part directly is some sort of, you know, fiscal stability, which was not as much covered in great detail as one investor would have looked, you know, liked. So those who are interested for finer prints, they can, you know, see this. It is in public domain, available in public domain.

Coming to your second point of, BP deal. As you may be aware and you would have noticed, ONGC production was declining for last 7 years. Of course, by a small number, 3 to 5%. But one of the thing which decline came primarily from our old and matured field, what we call western offshore. Now while we are very good in many activities, we should be very proud of what we are in certain areas, definitely experience matters when it comes to increasing recovery. Our experience is limited to India while the big majors have multi geography experience and the sheer size gives you organizational depth and knowledge. That is the reason that we realized that our current recovery from Mumbai High is around 28%-29%. It means 70% oil is still left there. The recovery has to go up. And recovery has to go up to make up further, not only for decline but also to give growth. And that is the reason that we ran a process. While 90% area of ONGC is, it doesn't require any help, in this area, we felt that more experienced guys welcome to partner with us. The bit details if you want to flesh out, we have given in public domain on a baseline. Baseline means the line which goes with the normal decline if you do nothing. We allow the field to produce and die. Then in baseline decline, which is normally if you see ONGC past performance of this field, it is 5.3-5.4%, 5.4% decline. On that, the growth promised is 60% - 44% in oil and 90% in gas. It is substantive. It really is substantive. So if this comes true and we have no reason to disbelieve that it won't come true because it has come from their offer. It is not our estimation. It is estimation of a bidder who happens to be one of the international oil company and international oil major. It says that this much we should expect and it is corroborated by a financial guarantee. If that comes, then naturally number you can convert and see for yourself. It compensates for ONGC's full de-growth. Full de-growth of ONGC…normal decline from the matured field. So this is a very strategic initiative and also initiative aimed at keeping ONGC in good state for at least next 10-15 years. Because last 7 years, we really struggled to keep somehow, you know, production in same place. Despite our best intent, somehow 3-4% decline was always there. So we hope that this time will not come back for next 10 to 15 years. Now coming to other details, I don't know what other details you want. But, Mumbai High typically produces 1,30,000 to 1,40,000 barrels of oil and around 11% to 12%, I am saying asset and not as much field but then also around 12 to 13 MMSCMD of Gas. It is really substantive, in fact if you see total number it's really substantive in the share of ONGC. I hope I have answered your query.

Nitin Tiwari

That's very helpful, sir. Dwelling a little bit more on the question of Oilfield Regulation Act. So does it in any way imply that, basically a duty like SAED won't be an incidence in the future? I mean, if you can just, throw some light on that.

Arun Kumar Singh

See, now I am not here to represent government. Government and ONGC are two different legal entity, but definitely I can speak for one thing that, if you read the fine prints of, you know, Oilfield Regulation, literally not as many words, but literally government is shedding a lot of its rights and through an act of parliament. So when you pass something through parliament, this could have been done through executive order too. There was no need to, you know, amend the act in such a way. Basically, it was to my mind, it is given with that intention, to attract foreign oil majors, foreign oil companies to come and explore oil and gas in our country. And with that intention, I think wisdom would demand that we give some kind of assurance through various shapes and forms. Not as much in 100%, but at least 95-96% that has been done.

Now coming back to SAED. SAED is not applicable to any NELP field. NELP field, people are recovering this SAED through profit petroleum route, so it boils down ultimately to nomination field and nomination field were nothing but government oil companies that is ONGC and OIL. Now it has been removed. I can't say that it won't come but it's coming back probability is almost 1% or 2%. Because if you bring it again, then naturally the investor will become a little shaky. And that is the reason that I personally feel that possibly it won't come back unless, see that time when it came back, you would realize oil had hit $120 a barrel. That exceptional situation will require exceptional response. But now world doesn't foresee oil will ever cross hundred. So I don't personally see that how SAED can come back if, if with reasonable, but as I would, you know, disclaimer I'll put that everything is possible, but this amount is so meager and therefore, I don't personally foresee SAED coming back unless oil price becomes again substantially, you know, different. But as we can see, at least for next 10 years, discovered oil in the world, producible oil in the world is enough to support the oil at this price...what current prices is. So I don't foresee oil going up to that level, which went exceptional one or two days, four days, five days, different world. So I can't give an emphatic answer that it can't come back…it won't come back. But the likelihood of coming back is very, very remote.

Second thing which in the context of ONGC that you should know that our 10% of gas production is becoming new well gas every year. In fact, right now our 5 point some odd MMSCM is this year, next year it will become 10, year after it will become 15, year after it will become 20. So our new well gas, new well gas, we should be very thankful, ONGC is very thankful to government. New well gas is nothing but 12% of Brent. 12% of Brent is the international gas price any case. All the gas that we get today from Middle East is around $12-12.5 on the Brent slope delivered in India. So ONGC is going to get, is already getting on 10% of its gas, new well price. So it is not $6.5. Anyway, $6.5 also next year will in April, it will become $6.75 as per the recommendation of Kirit Parikh. And $7 it will become in 2026 April. So this side $7, new well gas will be around $9 and still $9 gas is cheaper for country because imported gas is still $14-15 which is basically a spot gas. Long term gas will be around $10. So now gas, what I wanted you to know, Indian gas price is gradually becoming international gas. It's converging to international gas price. So market for ONGC point of view because we need money to produce gas because today you may be aware most of our production comes from the offshore field. Offshore field requires these gadgets, equipment's, hiring of vessels, hiring of barges, all that is all time high. If you sustain, if you want to drill more wells to sustain even production at current level because we did few old wells die and we drill a new well in the same field. If new well has to be drilled, naturally it has a new cost. I think $9 price is a good price for anyone to keep drilling and keep producing with some reasonable margin in hand. So therefore gas point of view I explained to you, crude I've explained to you, SAED part I've explained to you, ONGC, TSP I've explained to you. ONGC cannot go down now on production if TSP materializes in a big way. And also we have now 98/2 that is Eastern Offshore where we're producing 35,000 BOPD. Next month or 3 months, we'll add another gas production. And then of course, all these add together, I would say that from E&P side, we are reasonably assured of our good rally for some time to come. Of course, we can't predict for transition that what will happen after 10, 15 years.

Coming back to one more I want to cover this answer on first question that is, renewable. In our life experience, there is lot of merit in being a second mover. You can be 1st mover or you can be 2nd mover. For us there was no case to be 1st mover because solar is replacing whom? Solar is today in country replacing coal. It's not replacing oil and gas. Oil and gas continues to be first of all it has not even replaced coal even this year import of coal is going to be good number. In fact, you know if you say, coal imports 7-8% is still imports. Coal is also not going anyway. Our energy need is so infinite. Power sector will keep growing in our country for years to come. So therefore, one thing that I want to answer you in addition to what Mr. Sarkar told you. Round the clock power-RTC. If at all solar has to grow from here onward, big. PSP has so far not been able to match the speed of solar power generation addition. Battery still is not been able to catch up with the power growth of the country. We feel that one of the thing which can come immediately handy for round the clock power is solar with wind. We don't have, sorry to correcting you, we don't have as much wind as you would think. Wind intensity in our country is very limited in 3-4 geography…not beyond that. Solar of course…we have plenty of solar. If it has to become round the clock, gas has to step in. Gas has to step in because gas can be a very good substitute. Gas plus solar for 20 years and then solar plus something for another 20 years. That is the world also many see as a reality because gas is less polluting as compared to coal. Substantively less polluting as compared to coal. And gas is plenty. In this world, gas reserve may last for a 150 years while oil is 60 to 70 years. Gas is plenty all over the world. And after 3-4 years $9 gas, we have seen our calculation, India can afford to generate power. That is our calculation of course. I can't preach this to everyone. But round the clock power if you want at 5 rupees, 6 rupee a unit, 2 rupee, 2 rupee 50 paisa solar and around 8 rupee gas gives you round the clock power. And gas is in plenty in our country, ONGC context I want to give you, we'll add another 10 MMSCM by next year and a half. We have 2 projects that is in Bombay……that is we call….Mr.Pankaj… Mr.Pankaj would know better. You can add?

Pankaj Kumar

One project is, Daman Upside that is in Mumbai offshore. It's basically the Tapti Daman area. And the other project we call the DSF II Fields. Of course, part of it is in Tapti Daman area. So almost to the tune of 9 to 10 million meter cube per day. We are expected to do it, a year and a half time from now. Both the projects are under construction phase right now. In fact, you know, in western offshore, this Tapti Daman block now we call it, ONGC is putting a lot of focus because this block, started developing somewhere around 2011 or so. And since then, we are continuously adding new reserves new resources, to production. Having said so, we are in a process of developing some part in the East Coast also. We call it DSF III fields, which is going to add some volume of oil and little bit of gas too. So, I mean, as Chairman has just now mentioned, ONGC, should not see any kind of a decline or so in next decade kind of a time period. I think that's what you wanted me to add Sir.

Vivekananda

This is Vivekananda from Ambit. I have 2 questions. So question 1 is on the production update of, KG-DW 98/2. Thanks for providing some color in the press release. Would you be able to give us an updated production guidance and the wells that you're opening, in the subsequent months or quarters? That's question 1. And the second one is the guidance that you have given the 42.44, 44.51 MMToE for fiscal '25 to '27 could you give us a split between oil and gas? Thank you.

Pankaj Kumar

First you asked about 98/2. All of you have that kind of an information with you that they were total around 26 wells to be put on production in this block, of which 13 oil wells, and that's the total number, have already been put on production. 6 water injectors are operating right now. 3 gas wells are operating right now, so 4 more gas wells are to come, which will come once all these structures are installed. We are expecting sometime mid of this year. So, with this as chairman mentioned, we are expecting some production number to go up in terms of both oil and gas. With respect to 44.5, you were asking a break up in oil and gas. So, currently the estimate which, now of course it's no more a bidder, it's a partner - the BP. They have indicated 40% increase in oil and almost 90%, I think, in gas over a period of 10 years. So that's what is there. And average works out to be roughly around 60% of oil and oil equivalent of gas, kind of, an incremental. In 44.5 BP is not there. It's coming, after two year because, they have sought, you know, a little bit of time to study. And then of course, we take some action, which takes time and the results would be seen. You are asking if next year's, kind of breakup of 44 between oil and gas.

Vivek Tongaonkar

Pankaj Ji figures that we have indicated earlier on has been for crude oil was 21.96 and 22.63 for gas, which is 44.5 that we have indicated. This does not contain anything as far as BP is concerned. That would be an upside…whatever comes out from there. We hope that answers your query.

Puneet

This is Puneet from HSBC. Can you, can you also talk about a bit more on KG field, what is the peak volume you expect and how long do you think the peak will last?

Pankaj Kumar

The peak, which has been indicated is 45,000 barrels of oil per day. And currently we are producing roughly around 35,000 barrels a day. And, we are in a process of ramping up, let's see how the well behave. And once we open all the gas wells, four are remaining, some more quantity is expected from there too. The plateau is not very long, but offcourse the decline rate is not as much expected. So we have a total profile of around 12 years for the field lifetime adding around. But it's around 14 million tons of oil, kind of, in lifetime period.

Puneet

Understood. And also on the renewable side, if you can talk a bit about how you're thinking about, you know, on one side, acquiring operating assets on the other side, building something afresh and thirdly, partnering with NTPC. How should one think about capital allocation between the 3 sources of growth for renewables?

Arun Kumar Singh

To answer your very composite question in Part A, Part B and Part C. Part A is that what is going on today is, 1 gigawatt tender that we talked about is ONGC's internal consumption. Because that we can, you know the policy of the government that we can travel from any part of the country to our consumption locations, literally with very small fee, what you call is transmission fee. So that is the organic route. As that gentleman rightly said, now to our mind, solar market has fairly matured. So what comes on the table is not a very airy fairy proposal, but a realistic proposal, which is gives you a, what gentleman said, a decent return, not very bad return or not very good return, but reasonably good return in fact.

So, second part is, you know, inorganic part. We have committed ourselves 10 gigawatts by 2030. I think we are on course. If everything goes well, we will have achieved by end of this year around 40% of what we set out for and remaining 60% will come in next 5 years. So, it is something organic and inorganic both combination working. If, as you know, organic takes time. Organic is in our country, the solar plants particularly from land to power is around 3, at least 3 years affair. So we are conscious of that. But therefore in the interim, we'll take whatever comes our way. Of course, there will be a decent return. If it is not a decent return, we'll not go for it.

As you third question was what? There are 3 parts. NTPC. Current philosophy of our thinking is if you can't beat them, join them. NTPC has done a good job in renewable as a PSU at least their portfolio and all that. Plus, they know power better than us. Our knowledge of electricity business is, of course, we have OTPC is there, 850 megawatt we do. But particularly the power distribution, power tariff, power balancing, NTPC knows better. So there is no harm. We realize that it's better to partner with someone who knows it best and obviously in public sector space because of obvious reasons. So that is the reason that our tie up with them. Our tie up with them is here to stay. And, in fact, if we have our way and if it goes well, we would like to see it as strong as possible…..this tie up. And then after some time, obviously, we can go our own way if both of us mature to our own level. One more thing we want you to know. Traditionally oil and gas has been great project executors. In fact, if you see spending 30,000 crore year on year for so many years is not a matter of joke. It is something organization inherently knows how to execute a project. So we think that we are probably in country best capable to execute a project of this nature. If it is 10 gigawatt, 20 gigawatt, big scale projects. Naturally, among PSUs, we consider ONGC as one of the main strength of project execution. 2nd, which of course I keep saying all the time, that if you see the history of oil and gas, only integrated companies survived for century in private sector space. I'm not saying about the government sector space. If you see foreign oil company, all international oil companies are integrated companies. If they are in E&P, they are in refining, they are in marketing, they are in gas. All four. So that if any turbulence come, the three sectors will wither it out. One sector will die. But company has ended with a wither. Therefore, you would notice that no single company among IOC is a segregated one sector company. And that is the reason that they have survived for centuries. All the single segment company in private sector, they perished. In 100 year nobody could survive. If you have any example, I'll be happy to see it. But definitely they did not grow. Be it Rockefeller, be it Chevron, be it Total, be it Shell,BP all are integrated. We see future for next 100 years, even these companies, integrated companies won't survive for 100 years, unless they become energy company. So they should do all forms of energy to be in the world for another century, a century or so. That is the reason also that we want to place ourselves as a energy company too, because we have that capability inside. We know how to generate power from gas, of course, and we also know how to distribute power, because ONGC also owns a small distribution company. Very few people know, which is northeast is a power distribution company, which basically is a transmission company not as much a distribution company. So that is the reason that we feel that we should be in all space. Of course, intensity of ours will be great in E&P. We are already in through HPCL and through MRPL we are already in downstream very strong.

Last piece of your question… renewable for us is not fly by night operator...for us it is a long love. It is not a short love like investors that you come, develop and run away by making some money here and there. Whatever we do, we are a single, you know, we are married for life. We are not married for 5 years. So we are here to stay, we have come later, but we are going to stay in renewables. That is for sure for next 100 years. So that is something that the way we have stayed in E&P, the way we have stayed in downstream. So I hope I've answered your unfinished part of first question. Thank you.

Puneet

If you can talk a bit about, what is the status on Russian oil fields…is money coming in, and if any update there? Thank you.

Rajarshi Gupta

The Russian projects that we have three there. Production is as usual in all our fields. And the only issue is that there are sanctions from the US, EU and UN. So, some of our money, about $250 million, is there in the Russian banks, which we plan to utilize in these projects, till the time the sanctions are liquidated. We also have a long term view on Russia. So, it does not bother us much immediately at the moment for the money that's there.

Probal Sen

Probal here from ICICI Securities. This here's 2 questions. One was with respect to OPaL. After this infusion of these INR 18,000 odd crore equities, is there any residual debt still left on the books? That was one part. And the second part was given the environment in petrochemical pricing, can we just get a sense of what the blended realization per ton was in 9 months? And what in your opinion will need to sort of really change or increase for profitability to really pick up in the segment? That was my first question.

Arun Kumar Singh

Wait Mr. Gurdeep.....so, I'll take one minute. He is the MD of the company. He is supposed to reply, but I can't resist the temptation of replying to 2 parts. OPaL for us, you may be knowing that OPaL...2 basic inputs, Gas and Naphtha, comes from ONGC. So basically, it is for us is a forward integration. It is not a standalone business, which Mr.Gurinder would not explain to you. Therefore, I thought that I would step in and explain you. And second part is books residue. Yes, loan is still there, but it is in comfortable limit now. One of the things that you should know, OPaL was constructed out of banker's money. Out of INR 30,000 crore CapEx, INR 2000 crore was equity investment by promoters. Rest was either through loan of their own or banker's loan. That capital restructuring has been done now and now ONGC owns around 95.6%. So that capital restructuring has happened. Gas feed, still we have not been able to give to OPaL full, but from 1st April it'll get full 3.2 MMSCMD, but right now you're getting 2.7 MMSCMD. So 3.2 MMSCMD full gas feed will come. So that is second part. Third part is, you know, SEZ part and fourth part is Petchem price part. So then I would request you to cover these two points as much as you can.

Gurdeep Singh

So upside to our EBITDA is based on 2 factors as Chairman just explained. One is gas allocation, which is being ramped up as new find gas is certified, so when that happens we will run our plant on gas maximization…we have a dual feed cracker. We use a combination of Naphtha and Gas and we will maximize gas as and when the new find gas gets allocated to us which starts from next year. The second kick to the EBITDA will come from our SEZ exit. This company was constructed in a SEZ and we have almost come to the end of getting out of an SEZ and operate like a DTA unit. So with these two facts, financial restructuring takes care of our financing cost and the balance to gas allocation and SEZ exit will give us a comfortable EBITDA numbers.

Petchem cycle is for the moment, there's a down cycle. So the way to measure a Petchem industry is, the margins or the deltas over Naphtha. For the past two to three years, they have been hovering around $300-350 per ton. And if you crack gas, then your margins increases. So that is why we are very, very optimistic that OPaL going forward with the share of gas in our Petchem production, in our saleable product will increase and this will give a boost to our EBITDA margins.

Probal Sen

Thank you, sir. Second question I had was with respect to OVL. There have been quite a few new basins that have been discovered, Guyana being probably a case in point. Given that Russia and Venezuela both, we don't know how long the problems will last, but, you know, they are obviously stuck a little bit in terms of financial issues and sanctions. Are we looking at any new basins to enter into any acquisitions or exploration that we're looking at as a strategic move? Thanks.

Rajarshi Gupta

As was part of the presentation made by Director (Finance), we made a few acquisitions last year. And we continue to look for acquisitions, but with the focus being that, we would look for opportunities where there is already discovered fields and it's near term producing. Because with the transition happening, we don't want to get into long gestation period and long projects where the CapEx outgo is very huge before we start cashing in. So that's the focus as we go forward. We are looking at Latin America. We're looking at Africa and a bit of Middle East. And as these things happen, it will be shared with you. These are confidential projects. But yes, we continue to look for them.

Vikash Jain

So, I have a few questions on production. So firstly, you said that about 5 million standard cubic meters per day will be added to new well gas every year. Just to understand, first, is this something which is reviewed every start of the year, say in April, or is it something that the DGH approves every quarter? How is the process working? Sorry. I didn't introduce myself. I'm Vikash Jain from CLSA. So that's the first question. Secondly, I mean, 5 MMSCMD roughly will equal to about 8%-10%. So isn't the formula 7.5% decline and whatever your actual decline is lesser than that, the difference of that, or is there anything incremental? How does this recognition of gas moving from old price to new price happen and in how much timeline?

Pankaj Kumar

Basically, you asked 2 things. How first of all new gas will be defined and identified and how 7.5 and 10 is there……so, you know, we are continuously drilling wells which keep on adding volumes. At the same time, the existing, well stock which is there, you know, time and again gets serviced and the volumes are added. Sometimes the oil will get changed to gas well or vice-versa and all those things happen. So based on that, we, you know, identify what is the gas we have added in a certain period. And, DGH just looks at the numbers and gets approved as such. There is no big deal with that. The 7. 5% has come from the trend which was there over the years. And then it was decided to be 7.5%, kind of a trend is coming out wherein we are having a natural decline based on the mature fields, and we are adding new gas every year. From that, this number has come.

Vikash Jain

Sir, how often will this volume be reviewed that, DGS says every month that, okay, this is approved as new well gas now or it happens every quarter? I mean, how does this process work?

Pankaj Kumar

No. Every month, we are identifying. We are giving the number, and, it is getting I mean, as such, the number won't change much because every month, we keep giving forecast. And at the end of the month, we keep reconciling.

Vikash Jain

Okay. Like, for example, right now, you are at about five and a half MMSCMD. Yeah…is this set to go up in April only, or can it go up even next month? Or...

Pankaj Kumar

No. Month on month.

Vikash Jain

Okay. So every month, it can...

Pankaj Kumar

Every month, it can…yeah…month-on-month.

Vikash Jain

And your estimate is that about 5 million standard cubic meters per day is what roughly every year will move to higher price gas. Is that...?

Pankaj Kumar

That's is expected. Infact as the time will move ahead, this delta may increase as well.

Vikash Jain

Okay. And, continuing with, you know, the same thing for BP, you did explain that there was, you know, a baseline. And from that baseline, if there is higher production, then that is something what, what will be seen as an incentive. So 2 things on that. Number 1, whatever is the incremental production with whatever work BP is doing for gas, is this again new well gas? All of this will be new well gas? And secondly, how is the incentive for BP decided? I mean, how much above the baseline it has to be, and what is that……it's a production sharing above that level or what is it?

Arun Kumar Singh

So it was there in the slide. It is not a production sharing. It is a fee. Fee for providing a service, which is on incremental production. Incremental production from baseline. So whatever production gets added from baseline, it means obviously it has come because of the efforts made. Or in that I can't disclose the full formula, but first charges of all the CapEx and OpEx recovery. So whatever CapEx and OpEx has gone into it to increase production, first we'll cover that. Whatever is balance left in that there'll be some share out. But all I can tell you majority share out is for ONGC. So that's all we can go up to, beyond that we can't because for the purpose of confidentiality. But definitely all I can tell you that it is in public domain 60% oil and gas assume to be same price because 12% of all and answering your question, all additional increase of production will be new well gas. Because that is obvious because for increasing production we have to deliver. The moment the gas comes out of new well, it is a new well gas. And even the well intervention is also defined as new well gas. So suppose I go and start a well and I spend on that well to, you know, to do some production or some work over, that gas is also counted as new well gas. Did it satisfy you?

Vikash Jain

Yes. I'm here. So just, 2 other small questions on production. KG 98/2. Since all the oil wells have been drilled and the ramping up is happening, from 35, which you have already reached to 45, should it is it a matter of few weeks now? Or is it something that based on how production is progressing, we should be able to come to that level soon?

Pankaj Kumar

You know, wrapping up from 35 and beyond, actually, this whole field being a Deep-water field, the actions are very, you know, slow. You know, we ramp up a little bit then we let it stabilize to see how it is behaving because if something goes here and there, we just can't intervene in the well. So that's why we are not going fast. I presume by the end of this financial year; we should be seeing that.

Vikash Jain

So by March, you mean?

Pankaj Kumar

So March or somewhere around Q1.

Vikash Jain

And similarly for gas, you said by middle of the year, you start, picking up. And so, when I mean, say by August, September is when you envisage you go to the 10 MSCM peak?

Pankaj Kumar

Yeah. I mean, at this point of time, I may not be able to give you the exact month. But the thing is there are few structures which are to be installed. We are expecting installation to be completed by, you know, March end or so. And thereafter, since there are 2 different platforms to be connected, hooked up, the hookup activities will be taken up. And the weather in the East Coast, picks up, by the end of the March or in April. So it hampers little bit of offshore activities. Going by all that, we presume by middle of the year, we should be able to ramp up the gas as well.

Vikash Jain

Okay. And one last thing which you started with. You mentioned the 2 fields which could add 10 million. Was it 10 million each? And you said both of them...

Pankaj Kumar

No. One in the range of 5.5, other in range of 4.5 kind of thing.

Vikash Jain

And that you suspect will happen before the end of 2026 calendar year.

Pankaj Kumar

See, yeah, before the end of 2026. Little early. 1st project will come fast and we will start drilling and we should, I think start, connecting well sometime middle of 26, and then by end, it will be over.

Vikash Jain

So that's, like, 20 million coming in the next one and a half year from KG and these two projects. Right?

Prakash Joshi

So, Vikas Ji, I hope this is your last question.

Vikash Jain

That's it. That's the last question. Yeah... So that's 20 million extra coming from....

Pankaj Kumar

Not exactly 20. I said, around...

Vikash Jain

No. No. I'm saying if you include KG, the ramp up in KG plus those two fields, that's 20…….

Pankaj Kumar

Around 15.

Prakash Joshi

Thank you, sir, for sharing your thoughts and replying to all the queries covering all the topics right from recent government policies, developments in KG 98/2, then capital allocation, our overseas projects, OPaL, and renewables too. So let me announce….please take a note that the presentation and the corporate brochure can be downloaded by scanning the QR code provided at the digital standees placed at the entry of this hall.

Now I would like to invite Shri Devendra Kumar, Executive Director, Chief Corporate Finance for delivering the vote of thanks.

Devendra Kumar

Good evening, ladies and gentlemen. It's always a pleasure to engage with investors and analysts. I extend my sincere gratitude for the lively interaction we have had so far. It is my privilege to propose a vote of thanks on this occasion. On behalf of ONGCs' entire team and the broader fraternity, I would like to express a heartfelt thanks to everyone present here including the investor community, the research analysts, and everyone else who is interested in general in the company. This includes, various institutional investors and fund houses for gracing ONGC's investors and analyst meet tonight.

I would like to convey our sincere appreciation to Chairman and CEO and Director (Finance) for delivering an outstanding overview of ONGC's future endeavors and sharing the business performance. I also extend a heartful thanks to all the dignitaries present on and off the stage for generously sparing their valuable time and engaging with our investors and sharing their insights this evening.

Furthermore, I would like to express our gratitude to the entire team of corporate communications from ONGC and the regional office in Mumbai as well as corporate planning team and team IRC for their well-coordinated efforts in organizing this event. Your contributions were truly commendable. Our special thanks to this hotel and its staff for the excellent arrangement.

Once again, I thank you all. I now kindly request you all to join us for high tea. Thank you. Thank you once again.

Note: *1. This document has been edited to improve readability*
2. Blanks in this transcript represent inaudible or incomprehensible words.