



# OIL AND NATURAL GAS CORPORATION LIMITED

## COMPANY SECRETARIAT

CS/ONGC/SE/2021-22

24.06.2021

**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: Outcome of the Board Meeting**

Ref.: Related intimation vide even number dt. 17.06.2021

Sir/ Madam,

Pursuant to provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform that the Board of Directors decided the following items at the meeting held today;

- Appointed Shri Subhash Kumar, CEO, as the Chairman & Managing Director of the Company;
- Approved the Statement of Audited Financial Results (Standalone and Consolidated) for the Quarter/ Year ended 31<sup>st</sup> March, 2021;
- Noted the Auditors' Report with unmodified opinion on Audited Financial Results (Standalone and Consolidated) for the Quarter/ Year ended 31<sup>st</sup> March, 2021; and
- Recommended final dividend of Rs.1.85 per equity share of Rs.5/- each i.e.37% for the Financial Year 2020-21, subject to declaration by the members at the ensuing Annual General Meeting.

The said meeting of Board commenced at 11:00 hrs and stood adjourned at 19:30 hrs.

Thanking you,  
Yours faithfully,  
for Oil and Natural Gas Corporation Ltd

M E V Selvam  
Compliance Officer,  
Company Secretary & Executive Director

End.: As Above (39 Page)

**STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2021**

(₹ in Crore unless otherwise stated)

| Sl. No. | Particulars  | Financial results for    |                                       |                                       |                       |                                    |
|---------|--|--------------------------|---------------------------------------|---------------------------------------|-----------------------|------------------------------------|
|         |  | Quarter ended 31.03.2021 | Quarter ended 31.12.2020 <sup>^</sup> | Quarter ended 31.03.2020 <sup>^</sup> | Year ended 31.03.2021 | Year ended 31.03.2020 <sup>^</sup> |
|         |  | Audited                  | Unaudited                             | Audited                               | Audited               | Audited                            |
| I       | Revenue from operations  | 21,188.91                | 17,023.80                             | 21,456.20                             | 68,141.09             | 96,213.61                          |
| II      | Other income   | 3,132.39                 | 1,218.76                              | 1,325.96                              | 7,142.51              | 6,610.16                           |
| III     | <b>Total income (I+II)</b>   | <b>24,321.30</b>         | <b>18,242.56</b>                      | <b>22,782.16</b>                      | <b>75,283.60</b>      | <b>1,02,823.77</b>                 |
| IV      | <b>EXPENSES</b>  |                          |                                       |                                       |                       |                                    |
|         | Cost of materials consumed*  | 552.49                   | 492.96                                | 588.17                                | 1,980.73              | 2,588.12                           |
|         | Purchase of stock-in-trade   | -                        | -                                     | -                                     | -                     | -                                  |
|         | Changes in inventories of finished/ semi finished goods and work in progress | (136.41)                 | (46.38)                               | 467.79                                | (426.35)              | 246.99                             |
|         | Employee benefits expense**  | 630.65                   | 562.05                                | 611.54                                | 2,307.25              | 2,520.34                           |
|         | Statutory levies   | 5,410.72                 | 4,097.26                              | 4,806.99                              | 16,423.68             | 22,570.80                          |
|         | Exploration costs written off  |                          |                                       |                                       |                       |                                    |
|         | a. Survey Costs  | 614.02                   | 363.76                                | 395.03                                | 1,724.55              | 1,687.92                           |
|         | b. Exploratory well Costs  | 1,360.15                 | 1,474.76                              | 2,643.38                              | 4,660.98              | 6,995.76                           |
|         | Finance costs  | 568.79                   | 598.20                                | 985.95                                | 2,214.54              | 3,309.67                           |
|         | Depreciation, depletion, amortisation and impairment                         | 4,398.57                 | 4,427.02                              | 4,998.62                              | 16,327.38             | 18,616.86                          |
|         | Other expenses   | 4,607.94                 | 3,571.80                              | 6,393.81                              | 15,043.08             | 19,000.43                          |
|         | <b>Total expenses (IV)</b>   | <b>18,006.92</b>         | <b>15,541.43</b>                      | <b>21,891.28</b>                      | <b>60,255.84</b>      | <b>77,536.89</b>                   |
| V       | <b>Profit before exceptional items and tax (III-IV)</b>                      | <b>6,314.38</b>          | <b>2,701.13</b>                       | <b>890.88</b>                         | <b>15,027.76</b>      | <b>25,286.88</b>                   |
| VI      | Exceptional items  | 2,613.21                 | -                                     | (4,899.05)                            | 1,375.03              | (4,899.05)                         |
| VII     | <b>Profit before tax (V+VI)</b>  | <b>8,927.59</b>          | <b>2,701.13</b>                       | <b>(4,008.17)</b>                     | <b>16,402.79</b>      | <b>20,387.83</b>                   |
| VIII    | Tax expense:   |                          |                                       |                                       |                       |                                    |
|         | (a) Current tax relating to:   |                          |                                       |                                       |                       |                                    |
|         | - current year   | 232.00                   | 948.00                                | 736.25                                | 3,056.00              | 7,410.00                           |
|         | - earlier years  | 647.76                   | 497.04                                | 111.53                                | 1,148.95              | (361.27)                           |
|         | (b) Deferred tax   | 1,313.86                 | (2.03)                                | (1,641.54)                            | 951.40                | (124.58)                           |
|         | <b>Total tax expense (VIII)</b>  | <b>2,193.62</b>          | <b>1,443.01</b>                       | <b>(793.76)</b>                       | <b>5,156.35</b>       | <b>6,924.15</b>                    |
| IX      | <b>Profit for the period (VII-VIII)</b>                                      | <b>6,733.97</b>          | <b>1,258.12</b>                       | <b>(3,214.41)</b>                     | <b>11,246.44</b>      | <b>13,463.68</b>                   |
| X       | <b>Other comprehensive income (OCI)</b>                                      |                          |                                       |                                       |                       |                                    |
|         | (a) Items that will not be reclassified to profit or loss                    |                          |                                       |                                       |                       |                                    |
|         | (i) Re-measurement of the defined benefit obligations                        | 181.96                   | (75.89)                               | 88.84                                 | (51.21)               | (441.40)                           |
|         | - Deferred Tax   | (63.59)                  | 26.52                                 | (31.05)                               | 17.89                 | 154.24                             |
|         | (ii) Equity instruments through other comprehensive income                   | 387.17                   | 3,073.88                              | (6,839.62)                            | 2,647.96              | (12,976.93)                        |
|         | - Deferred Tax   | (28.45)                  | (228.79)                              | 510.82                                | (195.77)              | 803.19                             |
|         | <b>Total other comprehensive income (X)</b>                                  | <b>477.09</b>            | <b>2,795.72</b>                       | <b>(6,271.01)</b>                     | <b>2,418.87</b>       | <b>(12,460.90)</b>                 |
| XI      | <b>Total comprehensive income for the period (IX+X)</b>                      | <b>7,211.06</b>          | <b>4,053.84</b>                       | <b>(9,485.42)</b>                     | <b>13,665.31</b>      | <b>1,002.78</b>                    |
| XII     | <b>Paid-up Equity Share Capital (Face value of ₹ 5/- each)***</b>            | <b>6,290.14</b>          | <b>6,290.14</b>                       | <b>6,290.15</b>                       | <b>6,290.14</b>       | <b>6,290.15</b>                    |
| XIII    | Net worth <sup>##</sup>  |                          |                                       |                                       | 2,04,558.57           | 1,93,094.80                        |
| XIV     | Paid up Debt Capital / Outstanding Debt <sup>\$</sup>                        |                          |                                       |                                       | 15,022.66             | 13,949.11                          |
| XV      | Other equity   |                          |                                       |                                       | 1,98,268.43           | 1,86,804.65                        |
| XVI     | Debt Redemption Reserve <sup>#</sup>   |                          |                                       |                                       | Not applicable        | Not applicable                     |
| XVII    | Earnings Per Share (Face value of ₹ 5/- each) - not annualised               |                          |                                       |                                       |                       |                                    |
|         | (a) Basic (₹)  | 5.35                     | 1.00                                  | (2.56)                                | 8.94                  | 10.70                              |
|         | (b) Diluted (₹)  | 5.35                     | 1.00                                  | (2.56)                                | 8.94                  | 10.70                              |
| XVIII   | Debt Equity Ratio <sup>###</sup>   |                          |                                       |                                       | 0.07                  | 0.07                               |
| XIX     | Debt Service Coverage Ratio <sup>###</sup>                                   |                          |                                       |                                       | 55.95                 | 54.86                              |
| XX      | Interest Service Coverage Ratio <sup>###</sup>                               |                          |                                       |                                       | 55.95                 | 54.86                              |

\* Represents consumption of raw materials and stores & spares. \*\* Employee benefits expense shown above is net of allocation to different activities.

\*\*\* 37,944 forfeited shares have been cancelled during the quarter ended December 31, 2020. \$ comprises non-current and current borrowings. # Debt Redemption Reserve is not required to be created by company as per Companies (Share Capital and Debentures) Rules, 2014, as amended. ## Refer Note No.13. ^ Restated, refer Note No. 7.

**OIL AND NATURAL GAS CORPORATION LIMITED**

CIN No. L74899DL1993GOI054155

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New Delhi, South West Delhi – 110070

Tel: 011-26754002, Fax: 011-26129091, E-mail: secretariat@ongc.co.in

**STATEMENT OF STANDALONE ASSETS & LIABILITIES AS AT 31<sup>ST</sup> MARCH, 2021**

(₹ in Crore)

|  | Particulars        | As at<br>March 31, 2021 | As at<br>March 31, 2020 <sup>^</sup> | As at<br>April 01, 2019 <sup>^</sup> |
|--|--------------------|-------------------------|--------------------------------------|--------------------------------------|
|  |                    | Audited                 | Audited                              | Audited                              |
| <b>I. ASSETS</b>                               |                    |                         |                                      |                                      |
| <b>(1) Non-current assets</b>                  |                    |                         |                                      |                                      |
| <b>(a) Property, Plant and Equipment</b>       |                    |                         |                                      |                                      |
| (i) Oil and Gas Assets                         | 1,10,679.05        | 1,08,476.68             | 1,12,117.76                          |                                      |
| (ii) Other Property, Plant and Equipment       | 9,068.07           | 9,221.62                | 9,643.51                             |                                      |
| (iii) Right-of-use assets                      | 10,735.39          | 9,819.79                | -                                    |                                      |
| <b>(b) Capital work in progress</b>            |                    |                         |                                      |                                      |
| (i) Oil and Gas Assets                         |                    |                         |                                      |                                      |
| 1) Development wells in progress               | 5,497.04           | 4,922.04                | 3,996.11                             |                                      |
| 2) Oil and gas facilities in progress          | 17,263.68          | 13,404.67               | 9,749.80                             |                                      |
| (ii) Others                                    | 2,050.56           | 1,689.87                | 1,777.63                             |                                      |
| <b>(c) Intangible assets</b>                   | 217.25             | 180.96                  | 174.46                               |                                      |
| <b>(d) Intangible assets under development</b> |                    |                         |                                      |                                      |
| (i) Exploratory wells in progress              | 16,137.80          | 16,208.97               | 19,526.69                            |                                      |
| <b>(e) Financial assets</b>                    |                    |                         |                                      |                                      |
| (i) Investments                                | 81,376.44          | 79,085.54               | 91,116.28                            |                                      |
| (ii) Loans                                     | 1,327.41           | 1,182.48                | 1,046.13                             |                                      |
| (iii) Deposits under site restoration fund     | 23,358.68          | 22,152.22               | 18,092.61                            |                                      |
| (iv) Others                                    | 117.08             | 150.46                  | 264.86                               |                                      |
| <b>(f) Non-current tax assets (net)</b>        | 7,655.80           | 9,043.07                | 9,427.24                             |                                      |
| <b>(g) Other non-current assets</b>            | 1,191.88           | 811.94                  | 664.60                               |                                      |
| <b>Total non-current assets</b>                | <b>2,86,676.13</b> | <b>2,76,350.31</b>      | <b>2,77,597.68</b>                   |                                      |
| <b>(2) Current assets</b>                      |                    |                         |                                      |                                      |
| <b>(a) Inventories</b>                         | 8,474.47           | 8,566.62                | 7,703.93                             |                                      |
| <b>(b) Financial assets</b>                    |                    |                         |                                      |                                      |
| (i) Trade receivables                          | 7,797.33           | 4,777.39                | 8,439.96                             |                                      |
| (ii) Cash and cash equivalents                 | 120.01             | 96.02                   | 17.98                                |                                      |
| (iii) Other bank balances                      | 182.54             | 872.20                  | 486.08                               |                                      |
| (iv) Loans                                     | 383.47             | 511.73                  | 633.93                               |                                      |
| (v) Others                                     | 3,389.88           | 2,773.93                | 4,617.48                             |                                      |
| <b>(c) Other current assets</b>                | 11,429.75          | 9,388.10                | 6,330.31                             |                                      |
| <b>Sub-total current assets</b>                | <b>31,777.45</b>   | <b>26,985.99</b>        | <b>28,229.67</b>                     |                                      |
| Assets classified as held for sale             | -                  | -                       | 115.44                               |                                      |
| <b>Total current assets</b>                    | <b>31,777.45</b>   | <b>26,985.99</b>        | <b>28,345.11</b>                     |                                      |
| <b>Total assets</b>                            | <b>3,18,453.58</b> | <b>3,03,336.30</b>      | <b>3,05,942.79</b>                   |                                      |
| <b>II. EQUITY AND LIABILITIES</b>              |                    |                         |                                      |                                      |
| <b>EQUITY</b>                                  |                    |                         |                                      |                                      |
| <b>(a) Equity share capital</b>                | 6,290.14           | 6,290.15                | 6,290.15                             |                                      |
| <b>(b) Other equity</b>                        | 1,98,268.43        | 1,86,804.65             | 1,94,237.00                          |                                      |
| <b>Total equity</b>                            | <b>2,04,558.57</b> | <b>1,93,094.80</b>      | <b>2,00,527.15</b>                   |                                      |
| <b>LIABILITIES</b>                             |                    |                         |                                      |                                      |
| <b>(1) Non-current liabilities</b>             |                    |                         |                                      |                                      |
| <b>(a) Financial liabilities</b>               |                    |                         |                                      |                                      |
| (i) Borrowings                                 | 6,327.52           | 2,245.10                | -                                    |                                      |
| (ii) Lease Liability                           | 6,308.42           | 5,052.19                | 38.29                                |                                      |
| (iii) Others                                   | 6,380.29           | 577.21                  | 2,067.49                             |                                      |
| <b>(b) Provisions</b>                          | 30,535.18          | 27,939.21               | 23,624.74                            |                                      |
| <b>(c) Deferred tax liabilities (net)</b>      | 27,473.37          | 26,344.09               | 27,426.11                            |                                      |
| <b>(d) Other non-current liabilities</b>       | 40.33              | 38.79                   | 32.61                                |                                      |
| <b>Total non-current liabilities</b>           | <b>77,065.11</b>   | <b>62,196.59</b>        | <b>53,189.24</b>                     |                                      |
| <b>(2) Current liabilities</b>                 |                    |                         |                                      |                                      |
| <b>(a) Financial liabilities</b>               |                    |                         |                                      |                                      |
| (i) Borrowings                                 | 8,695.14           | 11,704.01               | 21,593.57                            |                                      |
| (ii) Trade payables                            |                    |                         |                                      |                                      |
| - to micro and small enterprises               | 147.51             | 13.21                   | 9.86                                 |                                      |
| - to other than micro and small enterprises    | 6,229.14           | 7,100.42                | 8,815.14                             |                                      |
| (iii) Lease Liability                          | 4,112.66           | 4,774.39                | 3.50                                 |                                      |
| (iv) Others                                    | 13,907.95          | 21,439.11               | 17,753.24                            |                                      |
| <b>(b) Other current liabilities</b>           | 2,318.89           | 1,866.30                | 2,415.49                             |                                      |
| <b>(c) Provisions</b>                          | 1,385.83           | 1,097.53                | 1,585.66                             |                                      |
| <b>(d) Current tax liabilities (net)</b>       | 32.78              | 49.94                   | 49.94                                |                                      |
| <b>Total current liabilities</b>               | <b>36,829.90</b>   | <b>48,044.91</b>        | <b>52,226.40</b>                     |                                      |
| <b>Total liabilities</b>                       | <b>1,13,895.01</b> | <b>1,10,241.50</b>      | <b>1,05,415.64</b>                   |                                      |
| <b>Total equity and liabilities</b>            | <b>3,18,453.58</b> | <b>3,03,336.30</b>      | <b>3,05,942.79</b>                   |                                      |

<sup>^</sup> Restated, refer Note No. 7

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**STANDALONE SEGMENT WISE REVENUE, RESULTS, ASSETS & LIABILITIES**

(₹ in Crore)

| Sl. No. | Particulars   | Quarter ended<br>31.03.2021 | Quarter ended<br>31.12.2020^ | Quarter ended<br>31.03.2020^ | Year ended<br>31.03.2021 | Year ended<br>31.03.2020^ |
|---------|---|-----------------------------|------------------------------|------------------------------|--------------------------|---------------------------|
|         |   | Audited                     | Unaudited                    | Audited                      | Audited                  | Audited                   |
| 1       | <b>Segment Revenue</b>  |                             |                              |                              |                          |                           |
|         | Revenue from Operations   |                             |                              |                              |                          |                           |
|         | a) Offshore   | 13,899.05                   | 10,797.18                    | 14,438.37                    | 44,475.71                | 63,521.82                 |
|         | b) Onshore  | 7,289.86                    | 6,226.62                     | 7,017.83                     | 23,665.38                | 32,691.79                 |
|         | Total   | 21,188.91                   | 17,023.80                    | 21,456.20                    | 68,141.09                | 96,213.61                 |
|         | Less: Inter Segment Operating Revenue   | -                           | -                            | -                            | -                        | -                         |
|         | <b>Revenue from operations</b>  | <b>21,188.91</b>            | <b>17,023.80</b>             | <b>21,456.20</b>             | <b>68,141.09</b>         | <b>96,213.61</b>          |
| 2       | <b>Segment Result Profit(+)/Loss(-) before tax and interest from each segment</b> |                             |                              |                              |                          |                           |
|         | a) Offshore   | 5,295.89                    | 3,104.25                     | 1,776.95                     | 14,075.66                | 21,773.30                 |
|         | b) Onshore  | 2,192.03                    | 23.74                        | (4,965.20)                   | 1,504.50                 | (196.61)                  |
|         | <b>Total</b>  | <b>7,487.92</b>             | <b>3,127.99</b>              | <b>(3,188.25)</b>            | <b>15,580.16</b>         | <b>21,576.69</b>          |
|         | Less:   |                             |                              |                              |                          |                           |
|         | i. Finance Cost   | 568.79                      | 598.20                       | 985.95                       | 2,214.54                 | 3,309.67                  |
|         | ii. Other unallocable expenditure net of unallocable income.                      | (2,008.46)                  | (171.34)                     | (166.03)                     | (3,037.17)               | (2,120.81)                |
|         | <b>Profit before Tax</b>  | <b>8,927.59</b>             | <b>2,701.13</b>              | <b>(4,008.17)</b>            | <b>16,402.79</b>         | <b>20,387.83</b>          |
| 3       | <b>Segment Assets</b>   |                             |                              |                              |                          |                           |
|         | a) Offshore   | 1,41,591.75                 | 1,36,297.58                  | 1,32,642.49                  | 1,41,591.75              | 1,32,642.49               |
|         | b) Onshore  | 67,735.65                   | 64,074.62                    | 63,190.25                    | 67,735.65                | 63,190.25                 |
|         | c) Other Unallocated  | 1,09,126.18                 | 1,08,561.90                  | 1,07,503.56                  | 1,09,126.18              | 1,07,503.56               |
|         | <b>Total</b>  | <b>3,18,453.58</b>          | <b>3,08,934.10</b>           | <b>3,03,336.30</b>           | <b>3,18,453.58</b>       | <b>3,03,336.30</b>        |
| 4       | <b>Segment Liabilities</b>  |                             |                              |                              |                          |                           |
|         | a) Offshore   | 45,219.64                   | 42,796.06                    | 42,187.24                    | 45,219.64                | 42,187.24                 |
|         | b) Onshore  | 14,803.83                   | 14,706.33                    | 15,926.85                    | 14,803.83                | 15,926.85                 |
|         | c) Other Unallocated  | 53,871.54                   | 51,882.65                    | 52,127.41                    | 53,871.54                | 52,127.41                 |
|         | <b>Total</b>  | <b>1,13,895.01</b>          | <b>1,09,385.04</b>           | <b>1,10,241.50</b>           | <b>1,13,895.01</b>       | <b>1,10,241.50</b>        |

^ Restated, refer Note No. 7

**Note:- Above segment information has been classified based on Geographical Segment.**



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**STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2021**

(₹ in Crore)

| Particulars   | Year ended 31.03.2021 | Year ended 31.03.2020 <sup>^</sup> |
|---|-----------------------|------------------------------------|
|   | Audited               | Audited                            |
| <b>i) CASH FLOWS FROM OPERATING ACTIVITIES:</b>                       |                       |                                    |
| <b>Net Profit after tax</b>   | <b>11,246.44</b>      | <b>13,463.68</b>                   |
| Adjustments For:  |                       |                                    |
| - Income tax expense  | 5,156.35              | 6,924.15                           |
| - Exceptional Items   | (1,375.03)            | 4,899.05                           |
| - Depreciation, Depletion, Amortisation and Impairment                | 16,327.38             | 18,616.86                          |
| - Exploratory Well Costs Written off                                  | 4,660.98              | 6,995.76                           |
| - Finance Cost  | 2,214.54              | 3,309.67                           |
| - Unrealized Foreign Exchange Loss/(Gain)                             | (294.41)              | 1,764.43                           |
| - Other impairment and write offs                                     | 378.60                | 847.66                             |
| - Excess provision written back                                       | (824.16)              | (309.65)                           |
| - Interest income   | (1,061.10)            | (1,289.91)                         |
| - Loss / (gain) on fair valuation of financial instruments            | 147.99                | 147.29                             |
| - Amortization of Financial Guarantee                                 | (41.92)               | (42.45)                            |
| - Gain on revaluation of financial liability towards CCDs             | (465.96)              | (503.83)                           |
| - Re-measurement of Defined benefit plans                             | (51.21)               | (441.40)                           |
| - Liabilities no longer required written Back                         | (139.18)              | (128.85)                           |
| - Amortization of Government Grant                                    | (2.86)                | (1.72)                             |
| - Loss on sale of investment  | 95.68                 | -                                  |
| - Profit on sale of Non-Current assets                                | (0.10)                | -                                  |
| - Dividend Income   | (3,063.01)            | (2,466.41)                         |
| <b>Operating Profit before Working Capital Changes</b>                | <b>32,909.02</b>      | <b>51,784.33</b>                   |
| Adjustments for   |                       |                                    |
| - Receivables   | (3,009.09)            | 3,665.15                           |
| - Loans and advances  | (106.26)              | 48.46                              |
| - Other assets  | (2,996.67)            | (837.76)                           |
| - Inventories   | (21.88)               | (985.16)                           |
| - Trade payable and other liabilities                                 | 3,724.84              | 10,796.33                          |
| <b>Cash generated from Operations</b>                                 | <b>30,499.96</b>      | <b>64,471.35</b>                   |
| Income Taxes Paid (Net of tax refund)                                 | (2,834.85)            | (6,664.55)                         |
| <b>Net cash generated by operating activities "A"</b>                 | <b>27,665.11</b>      | <b>57,806.80</b>                   |
| <b>ii) CASH FLOWS FROM INVESTING ACTIVITIES:</b>                      |                       |                                    |
| Payments for Property, Plant and Equipment                            | (15,253.80)           | (23,278.55)                        |
| Proceeds from disposal of Property, Plant and Equipment               | 158.02                | 337.76                             |
| Exploratory and Development Drilling                                  | (9,395.28)            | (10,383.89)                        |
| Investment in term deposits with maturity 3 to 12 months              | 693.00                | (689.28)                           |
| Investment in Joint Ventures  | (919.91)              | (7.00)                             |
| Investment in Associates  | -                     | (0.01)                             |
| Sale / (Investment) in Subsidiaries                                   | 1,216.30              | (430.37)                           |
| Investment-Others   | (5.01)                | (12.50)                            |
| Deposit in Site Restoration fund                                      | (1,206.46)            | (4,059.61)                         |
| Dividends received from Subsidiaries, Associates and Joint Ventures   | 1,550.03              | 1,605.55                           |
| Dividends received on other investments                               | 1,512.98              | 860.86                             |
| Interest received   | 993.16                | 1,077.23                           |
| <b>Net cash (used in)/generated by Investing Activities "B"</b>       | <b>(20,656.97)</b>    | <b>(34,979.81)</b>                 |
| <b>iii) CASH FLOWS FROM FINANCING ACTIVITIES:</b>                     |                       |                                    |
| Proceeds from non-current borrowings                                  | 4,139.64              | 2,127.00                           |
| Proceeds/repayment of current borrowings (net)                        | (2,853.62)            | (10,351.74)                        |
| Payment of lease liabilities (net of interest)                        | (5,471.66)            | (4,887.91)                         |
| Interest expense on lease liabilities                                 | (380.83)              | (372.03)                           |
| Dividends paid on equity shares                                       | (2,205.32)            | (7,548.96)                         |
| Tax paid on Dividend  | -                     | (1,201.45)                         |
| Interest paid   | (212.47)              | (512.02)                           |
| <b>Net Cash Used in Financing Activities "C"</b>                      | <b>(6,984.26)</b>     | <b>(22,747.11)</b>                 |
| <b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b> | <b>23.88</b>          | <b>79.88</b>                       |
| Cash and cash equivalents at the beginning of the year                | 96.02                 | 16.14                              |
| Cash and cash equivalents at the end of the year                      | 119.90                | 96.02                              |
|   | <b>23.88</b>          | <b>79.88</b>                       |

<sup>^</sup> Restated, refer Note No. 7

## Notes:

1. Pursuant to completion of tenure in Office & consequential cessation of Independent Directors, the number of Independent Directors on the Board has got reduced to one (1) w.e.f. September 08, 2020 and there is no woman Independent Director on the Board. This position has been continuing even as on the date of approval of Financial Statements for the year ended March 31, 2021. The requirement for filling up the vacancies for Independent Directors on the Board for compliance of the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 (Listing Regulations), DPE Guidelines and the Companies Act, 2013 has been taken up with the Government of India from time to time.

As per the provisions of the Listing Regulations, DPE Guidelines and the Companies Act, 2013, at least two independent directors are required for constituting valid quorum of the Audit Committee, as a result, no Audit Committee meeting could be held after September 08, 2020. In absence of the audit committee meetings since September 08, 2020, the functions of audit committee were taken up in the meeting of the Board of Directors. Accordingly the above standalone financial results of the Company for the quarter and year ended March 31, 2021 have been directly reviewed and approved by the Board of Directors.

2. The audited accounts are subject to review by the Comptroller and Auditor General of India under section 143(6) of the Companies Act, 2013.
3. The figures for the quarter ended March 31, 2021 are the balancing figures between audited figures in respect of the full financial year and the reviewed year-to-date figures upto the third quarter of the financial year post adjustment as detailed in Note No. 7.
4. The Company, with 40% Participating Interest (PI), was a Joint Operator in Panna-Mukta and Mid and South Tapti Fields along with Reliance Industries Limited (RIL) and BG Exploration and Production India Limited (BGEPIIL) each having 30% PI, (all three together referred to as "Contractors") signed two Production sharing Contracts (PSCs) with Government of India (Union of India) on December 22, 1994 for a period of 25 years. The PSCs for Panna Mukta and Mid & South Tapti have expired on December 21, 2019. In terms of the Panna Mukta Field Asset Handover Agreement, the Contractors of PMT JV are liable for the pre-existing liability.

In December 2010, RIL & BGEPIIL (JV Partners) invoked an international arbitration proceeding against the Union of India in respect of certain disputes, differences and claims arising out of and in connection with both the PSCs. The Ministry of Petroleum and Natural Gas (MoP&NG), vide their letter dated July 4, 2011, had directed the Company not to participate in the Arbitration initiated by the JV Partners (BGEPIIL & RIL). MoP&NG has also stated that the Arbitral Award would be applicable to the Company also as a constituent of the Contractors for both the PSCs.

Directorate General of Hydrocarbons (DGH), vide letter dated May 25, 2017 had informed the Company that on October 12, 2016, a Final Partial Award (FPA) was pronounced by the Tribunal in the said arbitrations. As informed by BGEPIIL, additionally Audit Award on January 11, 2018, Agreement Case Award on October 1, 2018 and Jurisdictional Award on March 12, 2019 were pronounced wherein the issues relate to the aforesaid disputes. However, the details of proceedings of the FPA and other Orders are not available with the Company. DGH, vide their letters dated May 25, 2017 and June 4, 2018, marked to the

Contractors, had directed the payment of differential Government of India share of Profit Petroleum and Royalty alleged to be payable by Contractors pursuant to Governments interpretation of the FPA (40% share of the Company amounting to US\$ 1,624.05 million, including interest up to November 30, 2016) equivalent to ₹ 11,935 Crore (March 31, 2020: ₹ 12,258 Crore). In response to the letters of DGH, the JV partners (with a copy marked to all Joint Venture Partners) had stated that demand of DGH was premature as the FPA did not make any money award in favour of Government of India, since quantification of liabilities were to be determined during the final proceedings of the arbitration. Further the award had also been challenged before the English Commercial Court (London High Court). Based on the above facts, the Company had also responded to the letters of DGH stating that pending finality of the order, the amount due and payable by the Company was not quantifiable. In view of the Company, if any changes are approved for increase in the Cost Recovery Limit (CRL) by the Arbitral Tribunal as per the terms of the PSCs the liability to Government of India (GOI) would potentially reduce.

The English Court has delivered its final verdict on May 2, 2018 following which the Arbitral Tribunal re-considered some of its earlier findings from the 2016 FPA (Revised Award). The Government of India and JV Partners have challenged parts of the Revised Award before English Court. On February 12, 2020, the English Court passed a verdict favouring the challenges made by BGEPIIL and RIL and also remitted the matter in the Revised Award back to Arbitral Tribunal for reconsideration. Based on the information shared by BGEPIIL in January 2021, the Tribunal issued a verdict favouring BGEPIIL/RIL on the remitted matter, which has been challenged by the GOI before the English Court. The Challenge hearings have been delayed due to COVID-19 and are expected to be heard in the latter half of FY 2021-22.

Based on the information shared by BGEIPL, The GOI has also filed an execution petition before the Hon'ble Delhi High Court seeking enforcement and execution of the October 12, 2016 FPA. BGEIPL / RIL contend that GOI's execution petition is not maintainable and have opposed the reliefs sought by the GOI under the said petition. The matter is pending before the Hon'ble Delhi High Court and no final orders on the reliefs sought by the GOI have been passed so far.

In January 2018, the Company along with the JV partners has filed an application with MC for increase in CRL in terms of the PSCs. The application has been rejected by MC. Pursuant to the rejection, the JV partners have filed a claim with Arbitral Tribunal. The CRL increase hearings before the Arbitral Tribunal planned in FY 2020-21 have also been rescheduled to FY 2021-22 due to COVID-19.

DGH vide letter dated January 14, 2019 has advised to the contractors to re-cast the accounts for Panna-Mukta and Mid and South Tapti Fields for the year 2017-18. Pending finalization of the decision of the Arbitral Tribunal, the JV partners and the Company had indicated in their letters to DGH that the final recasting of the accounts was premature and thus the issues raised by DGH may be kept in abeyance.

During the financial year 2010-11, the Oil Marketing Companies, nominees of the GOI recovered US\$ 80.18 million [Share of the Company US\$ 32.07 million equivalent to ₹ 236 Crore (Previous year ₹ 242 Crore)] as per directives of GoI in respect of Joint Operation - Panna Mukta and Tapti Production Sharing Contracts (PSCs). The recovery is towards certain observations raised by auditors appointed by DGH under the two PSCs for the period 2002-03 to 2005-06 in respect of cost and profit petroleum share payable to GOI.

Pending finality by Arbitration Tribunal on various issues raised above, re-casting of the financial statements and final quantification of liabilities, no provision has been accounted in

the financial statements. The demand raised by DGH, amounting to US\$ 1,624.05 million equivalent to ₹ 11,935 Crore (March 31, 2020: ₹ 12,258 Crore) has been considered as contingent liability.

5. The Company had received demand orders from Service Tax Department at various work centres on account of Service Tax on Royalty in respect of Crude oil and Natural gas, appeals against such orders have been filed before the Tribunals. The Ahmedabad Tribunal adjourned the matter sine-die vide order dated June 25, 2019, against which the Company has filed writ petition before the Hon'ble Gujarat High Court. In this matter, Hon'ble Gujarat High Court in the hearing held on January 04, 2021 directed the revenue authorities to file counter affidavit by January 21, 2021. The Central Government has filed counter affidavit on January 21, 2021. The next date of hearing before Hon'ble Gujarat High court is not scheduled as yet. The Company had also obtained legal opinion as per which the Service Tax/GST on Royalty in respect of Crude oil and Natural gas is not applicable. Meanwhile, the Company also received demand order dated January 01, 2019 on account of GST on Royalty in the State of Rajasthan against which the Company filed Writ petition (4919/2019) before Hon'ble High Court of Rajasthan. The Hon'ble High Court of Rajasthan heard the matter on April 3, 2019 and issued notice to Department with a direction that no coercive action shall be taken against the Company. The final hearing has not yet taken place. The Company also filed writ of mandamus (9961/2019) before the Hon'ble High Court of Madras seeking stay on the levy of GST on royalty. The Hon'ble High Court of Madras heard the matter on April 3, 2019 and issued notice to Central Government and State Government. The Central Government has filed their counter affidavit on August 26, 2019. The Company has filed additional grounds to the writ petition and filed rejoinder to the counter of the Central Government before Hon. Madras High Court on January 24, 2020. The date of next hearing is not scheduled as yet.

The total estimated amount (including penalty and interest up to March 31, 2021) works out towards Service Tax is ₹ 3,960 Crore (Previous year ₹ 3,900 Crore) and GST is ₹ 7,717 Crore (Previous year ₹ 6,104 Crore). Since the Company is contesting the matter, it has been considered as contingent liability. Further, as an abundant caution, the Company has deposited Service Tax and GST along-with interest under-protest amounting to ₹ 1,352 Crore (Previous year ₹ 1,351 Crore) and ₹ 5,678 Crore (Previous year ₹ 4,553 Crore) respectively.

6. On January 01, 2021, the Company sold its entire holding (48.99 %) of 1,246,653,746 Nos. of equity shares in its step-down subsidiary company ONGC Mangalore Petrochemicals Limited, having face value ₹10 per share at a value of ₹ 9.76 per share to Mangalore Refinery & Petrochemicals Limited (MRPL), a subsidiary of the Company.

Further, the Board of subsidiary MRPL at their meeting held on June 10, 2021, has approved the scheme of amalgamation of ONGC Mangalore Petrochemicals Limited ("OMPL") subject to receipt of requisite approvals of the Ministry of Corporate Affairs and that of other concerned authorities and agencies, as may be required, and subject to the approval of the shareholders and creditors by requisite majority as required under the Companies Act, 2013.

7. In accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and Ind AS 1 'Presentation of Financial Statements', the Company has retrospectively restated its Balance Sheet as at March 31, 2020 and April 1, 2019 (beginning of the preceding period) and Statement of Profit and Loss for the year ended March 31, 2020 for the reasons as stated below.

During the year opinion of Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India was taken by the Company's Subsidiary Mangalore Refinery and Petrochemicals Limited (MRPL) on the accounting treatment of Compulsory Convertible Debentures (CCDs) issued by Step down Subsidiary ONGC Mangalore Petrochemicals Limited (OMPL) in the books of Sponsors (Company and subsidiary MRPL are sponsors of the CCDs) amounting to ₹ 1,000 Crore according to their respective shareholding on the date of issue of CCDs i.e. 49% by the Company and 51% by MRPL. According to the terms of issue the sponsors are mandatorily required to buy out the outstanding debentures and interest, if any. The backstopping arrangement towards these CCDs were shown under Commitments in financial statements. However, based on the EAC opinion, the Company has recognized a financial liability for its share of backstopping support towards repayment of principal and a financial guarantee obligation towards cumulative coupon amount with a corresponding recognition of Deemed Investment in its stepdown Subsidiary OMPL.

Similarly, the Company has also entered into an arrangement for backstopping support towards repayment of principal and coupon of Compulsorily Convertible Debentures (CCDs) amounting to ₹ 7,778 Crore issued by the Company's Joint Venture ONGC Petro additions Limited (OPaL) in three tranches which were also shown under Commitments in financial statements. Based on the aforesaid EAC opinion, the principal portion of the CCDs have also been recognized as financial liability and a financial guarantee obligation has been recognized towards cumulative coupon amount with a corresponding recognition of Deemed Investment in Joint Venture OPaL.

The aforesaid adjustments related to CCDs have been accounted retrospectively as per the requirements of Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'.

The impact of the said restatement/retrospective adjustments on the various components of the financial results (to the extent practicable) are as under:

(₹ in Crore)

| Particulars       | Quarter ended<br>31.03.2020 | Quarter ended<br>31.12.2020 | Nine months<br>ended<br>31.12.2020 | Year<br>ended<br>31.03.2020 |
|-------------------|-----------------------------|-----------------------------|------------------------------------|-----------------------------|
| Assets            | 6,655.55                    | 6,655.99                    | 6,655.99                           | 6,655.55                    |
| Liabilities       | 7,898.84                    | 8,138.84                    | 8,138.84                           | 7,898.84                    |
| Finance Cost      | 116.47                      | 120.46                      | 358.96                             | 485.99                      |
| Other Income      | 0.32                        | 0.35                        | 119.39                             | 505.13                      |
| Profit before tax | (116.15)                    | (120.11)                    | (239.57)                           | 19.14                       |

Figures in ( ) denotes decrease in values

- Oil, Gas and Petroleum Products are declared as essential services by Government of India during lockdown due to Covid 19 pandemic. Since, India has import dependency of more than 80% in case of crude and around 50% in case of natural gas/ LNG, no significant impact was observed on Company's existing production of crude oil and natural gas during the year due to reduction in global demand. The crude oil produced by the Company is allocated by Government to PSU Refineries. Similarly, majority of gas produced by the Company is allocated by Government to priority sectors like Power, Fertilizer, City Gas Distribution etc. The Company continued producing and supplying crude oil and natural gas to its customers during lockdown period. Offtake of crude oil by Refineries was not affected during the

lockdown period. Few Gas customers had served notices of Force majeure on the Company due to lock down restrictions causing marginal reduction in Gas sales which is not material.

The outbreak of COVID-19 globally and resultant lockdown in many countries, including India has impacted the business of the Company. The revenue for the year ended March 31, 2021 are impacted by low crude oil and natural gas prices due to the COVID-19 pandemic and volatile global crude oil and natural gas markets. Accordingly, the same are not comparable with those for the previous year.

The management has assessed the possible impact of continuing COVID-19 on the basis of internal and external sources of information and expects no significant impact on the continuity of operations, useful life of Property Plant and Equipment, recoverability of assets, trade receivables etc., and the financial position of the Company on a long term basis.

9. The outbreak of Covid-19 pandemic globally and volatility in global crude oil and natural gas markets has caused significant disturbance and slowdown of economic activity during previous year. During the year, there has been a rebound in global Crude Oil and Natural Gas prices due to ease in pandemic driven lockdown restrictions globally. The Company has considered possible effects of regained stability in product market on the recoverability of its Cash Generating Units. The Company has considered the prevailing business conditions to make an assessment of future crude oil and natural gas prices based on internal and external information / indicators of future economic conditions. Based on the assessment, the Company has recorded a net impairment reversal to the extent the value in use exceeds the carrying amount subject to accumulated impairment provision and has disclosed the same as an exceptional item amounting to ₹ 2,613 Crore and ₹ 1,375 Crore for the quarter and year March 31, 2021 respectively (Net impairment loss of ₹ 4,899 Crore for the quarter and year ended March 31, 2020). Consequently the Profit before tax for the quarter and year ended March 31, 2021 is higher by ₹ 2,613 Crore and ₹ 1,375 Crore respectively.
10. The Government of India through “The Taxation Laws (Amendment) Act, 2019” has inserted Section 115BAA of the Income Tax Act, 1961, whereby a domestic company can irrevocably opt for a lower corporate tax rate subject to foregoing of certain tax deductions and incentives, including accumulated MAT credit eligible for set-off in subsequent years. The company has still not exercised this option and continues to evaluate the benefit of exercising the option of a lower corporate tax rate vis-à-vis the pre-existing provisions. The Company can exercise the option till the filing of return of income. Pending exercising of the option, the company continues to recognize the taxes on income for the year ended March 31, 2021 as per the earlier provisions.
11. The Government of India has enacted Direct Tax Vivad Se Vishwas Act, 2020, providing a mechanism for settlement of disputes related to Direct Tax matters. The company has opted to settle certain Income-tax disputes and accordingly, has filed application before the designated authority as prescribed under the Act. After considering existing provision, in respect of these disputes, a sum of ₹ 506 Crore payable under the said Act has been charged as current tax relating to earlier years in the Statement of Profit and Loss during the current year.
12. The Financial Results have been audited by the Statutory Auditors as required under Regulation 33 and 52 of SEBI (Listing Obligations and Disclosure Requirements),

Regulation, 2015. The Statutory Auditors have issued unmodified opinion on the Standalone Financial Results for the year ended March 31, 2021.

13. Formula used for computation of:

- Net worth (Total equity) = Equity share capital + Other equity
- Debt Equity Ratio = Total borrowings / Total equity.
- Interest Service Coverage Ratio = Earnings before interest, tax and exceptional item / Interest on borrowings (net of transfer to expenditure during construction).
- Debt Service Coverage Ratio = Earnings before interest, tax and exceptional item / [Interest on borrowings (net of transfer to expenditure during construction) + Principal repayments of Long Term borrowings].

There are no scheduled principal repayments of Long Term borrowings during respective reported period therefore Interest Service Coverage Ratio and Debt Service Coverage Ratio are same in corresponding period.

14. Details as per Regulation 52(4) of the SEBI (LODR) Regulation, 2015.

a. 52(4)(a) Credit Rating and change in Credit Rating (if any):

| Particulars                |   | March 31, 2021      | March 31, 2020 |
|----------------------------|---|---------------------|----------------|
| Non-convertible Debentures | ICRA Limited                              | [ICRA] AAA (Stable) | Not applicable |
|                            | India Rating and Research Private Limited | IND AAA/ Stable     | Not applicable |
| Commercial Paper           | ICRA Limited                              | [ICRA] A1+          | [ICRA] A1+     |
|                            | CARE Ratings Limited                      | CARE A1 +           | CARE A1 +      |

b. 52(4)(d) & (e) Payment Status:

(₹ in crore)

| S. No.    | Securities                                   | Previous due date<br>(01.04.2020 to 31.03.2021) |        |           |          | Previous actual payment date<br>(01.04.2020 to 31.03.2021) |        |           |          | Next due date<br>(01.04.2021 to 31.03.2022) |        |           |        |
|-----------|--|---|--------|-----------|----------|--|--------|-----------|----------|---|--------|-----------|--------|
|           |  | Interest  |        | Principal |          | Interest   |        | Principal |          | Interest                                    |        | Principal |        |
|           |  | Date  | Amount | Date      | Amount   | Date   | Amount | Date      | Amount   | Date  | Amount | Date      | Amount |
| <b>A.</b> | <b>Non-convertible redeemable Debentures</b> |   |        |           |          |  |        |           |          |   |        |           |        |
| 1.        | INE213A08016<br>(5.25% ONGC 2025 Series I)   | -   | -      | -         | -        | -  | -      | -         | -        | 02.08.21                                    | 26.25  | -         | -      |
| 2.        | INE213A08024<br>(6.40% ONGC 2031 Series II)  | -   | -      | -         | -        | -  | -      | -         | -        | 11.08.21                                    | 64.00  | -         | -      |
| 3.        | INE213A08032<br>(4.64% ONGC 2023 Series III) | -   | -      | -         | -        | -  | -      | -         | -        | 21.10.21                                    | 52.90  | -         | -      |
| 4.        | INE213A08040<br>(4.50% ONGC 2024 Series IV)  | -   | -      | -         | -        | -  | -      | -         | -        | 11.01.22                                    | 67.50  | -         | -      |
| <b>B.</b> | <b>Commercial Papers</b>                     |   |        |           |          |  |        |           |          |   |        |           |        |
| 1.        | INE213A14154                                 | Not applicable                                  |        | 02.06.20  | 1,000.00 | Not applicable   |        | 02.06.20  | 1,000.00 | -   | -      | -         | -      |
| 2.        | INE213A14162                                 | Not applicable                                  |        | 24.07.20  | 1,000.00 | Not applicable   |        | 24.07.20  | 1,000.00 | -   | -      | -         | -      |
| 3.        | INE213A14170                                 | Not applicable                                  |        | 11.08.20  | 500.00   | Not applicable   |        | 11.08.20  | 500.00   | -   | -      | -         | -      |
| 4.        | INE213A14188                                 | Not applicable                                  |        | 14.08.20  | 500.00   | Not applicable   |        | 14.08.20  | 500.00   | -   | -      | -         | -      |
| 5.        | INE213A14196                                 | Not applicable                                  |        | 25.08.20  | 500.00   | Not applicable   |        | 25.08.20  | 500.00   | -   | -      | -         | -      |
| 6.        | INE213A14204                                 | Not applicable                                  |        | 25.06.20  | 200.00   | Not applicable   |        | 25.06.20  | 200.00   | -   | -      | -         | -      |
| 7.        | INE213A14212                                 | Not applicable                                  |        | 18.06.20  | 500.00   | Not applicable   |        | 18.06.20  | 500.00   | -   | -      | -         | -      |
| 8.        | INE213A14220                                 | Not applicable                                  |        | 17.07.20  | 500.00   | Not applicable   |        | 17.07.20  | 500.00   | -   | -      | -         | -      |
| 9.        | INE213A14238                                 | Not applicable                                  |        | 29.09.20  | 500.00   | Not applicable   |        | 29.09.20  | 500.00   | -   | -      | -         | -      |

|     |              |                |   |          |          |                |   |          |          |                |   |          |          |
|-----|--------------|----------------|---|----------|----------|----------------|---|----------|----------|----------------|---|----------|----------|
| 10. | INE213A14246 | Not applicable |   | 22.09.20 | 500.00   | Not applicable |   | 22.09.20 | 500.00   | -              | - | -        | -        |
| 11. | INE213A14253 | Not applicable |   | 02.02.21 | 1,000.00 | Not applicable |   | 02.02.21 | 1,000.00 | -              | - | -        | -        |
| 12. | INE213A14261 | Not applicable |   | 24.12.20 | 750.00   | Not applicable |   | 24.12.20 | 750.00   | -              | - | -        | -        |
| 13. | INE213A14279 | Not applicable |   | 25.02.21 | 1,000.00 | Not applicable |   | 25.02.21 | 1,000.00 | -              | - | -        | -        |
| 14. | INE213A14287 | -              | - | -        | -        | -              | - | -        | -        | Not applicable |   | 11.05.21 | 1,000.00 |
| 15. | INE213A14295 | -              | - | -        | -        | -              | - | -        | -        | Not applicable |   | 26.04.21 | 750.00   |



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**Independent Auditors' Report on Quarterly and Year to Date Audited Standalone Financial Results of OIL AND NATURAL GAS CORPORATION LIMITED pursuant to the Regulation 33 and 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**To the Board of Directors of  
Oil and Natural Gas Corporation Limited**

**Report on the Audit of the Standalone Financial Results**

**Opinion**

We have audited the accompanying Statement of Standalone Financial Results of **Oil and Natural Gas Corporation Limited** ("the Company") for the quarter ended March 31, 2021 and the year to date results for the period from April 1, 2020 to March 31, 2021 ("the Statement"), attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, these Standalone Financial Results:

- i) are presented in accordance with the requirements of Regulation 33 and 52 of the Listing Regulations in this regard; and
- ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards (Ind AS) and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the quarter ended March 31, 2021 as well as year to date results for the period from April 1, 2020 to March 31, 2021.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" section

**G.M. Kapadia & Co.**  
**Chartered Accountants**

**R Gopal & Associates**  
**Chartered Accountants**

**SARC & ASSOCIATES**  
**Chartered Accountants**

**Kalani & Co.**  
**Chartered Accountants**

**R.G.N. Price & Co.**  
**Chartered Accountants**

**S. Bhandari & Co.**  
**Chartered Accountants**

of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Emphasis of Matter**

We draw attention to following Notes to the Statement :-

- i. Note No.1, which states that the Company's Board does not have the requisite number of Independent Directors and also does not have a woman Independent director from September 8, 2020, as required by the provisions of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, Department of Public Enterprises (DPE) Guidelines and the provisions of the Act, so as to constitute proper Board of the Directors and its sub-committees, which inter alia includes the Audit Committee. As a result, in the absence of valid quorum, no Audit Committee meetings have been convened after September 8, 2020, and in such circumstances, as implied from the said Note, the mandatory functions of the Audit Committee, such as review of quarterly results/annual financial statements, approval of related party transactions etc. have been directly carried out by the Board of Directors of the company. Accordingly, the enclosed Standalone Financial Results have been directly approved by the Board of Directors.
- ii. Note 4, wherein it is stated that Directorate General of Hydrocarbons (DGH) had raised a demand on all the JV partners under the Production Sharing Contract with respect to Panna-Mukta and Mid and South Tapti contract areas (PMT JV), being BG Exploration and Production India Limited (BGEPIIL) and Reliance Industries Limited (RIL) (together "the Claimants") and the Company (all three together referred to as "Contractors"), towards differential GOI share of Profit Petroleum and Royalty alleged to be payable by contractors pursuant to Government's interpretation of the Final Partial Award of Arbitral Tribunal (40% share of the Company amounting to USD 1624.05 million equivalent to Rs.11,935 Crores, including interest upto 30th November, 2016). Subsequent to Tribunal Orders dated October 12, 2016, DGH vide letters dated May 25, 2017, June 4, 2018 and January 14, 2019 had asked contractor for re-casting of accounts of the PMT JV and for remitting the respective PI share of balance dues including interest till the date of remittance. As the company is not a party to the arbitration, the details of the proceedings of arbitration and copy of the order of London High Court are not available with the company. The Company has responded that The English high Court has delivered its final verdict on May 2, 2018 following which the Arbitral Tribunal re-considered some of its earlier findings from the 2016 FPA (Revised Award); The Government of India and JV Partners have challenged parts of the Revised Award before English Court. On February 12, 2020, the English Court passed a verdict favouring the challenges made by BGEPIIL and RIL and also remitted the matter in the Revised Award back to Arbitral Tribunal for reconsideration. In January 2021, the Tribunal issued a verdict favouring BGEPIIL/RIL on the remitted matter, which has been challenged by the GOI before the English Court. Pending finalization of the decision of the Arbitral Tribunal, the Company has indicated in its letters to DGH that the final recasting of the accounts is premature and the issues raised by DGH may be kept in

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**Chartered Accountants**

**R.G.N. Price & Co.**  
**Chartered Accountants**

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**Chartered Accountants**

abeyance and therefore no provision for the same has been considered necessary and the same has been considered as contingent liability.

- iii. Note No. 5, with respect to demand orders served on various work centres of the company by tax authorities under Service Tax (ST) and Goods & Service Tax (GST) demanding ST and GST on Royalty in respect of Crude Oil and Natural Gas. Based on the legal opinion, the company is contesting such demands and estimated amounts worked out towards ST and GST (including interest and penalty upto March 31, 2021) of Rs 3,960 Crores and Rs 7,717 Crores respectively (Total Rs 11,677 Crores), which has been considered as contingent liability. As a measure of abundant caution, the company has deposited ST and GST along with interest under protest amounting to Rs 1,352 Crores and Rs 5,678 Crores respectively (Total Rs 7,030 Crores).
- iv. Note No. 8, which describes the managements' assessment of the impact of COVID-19 pandemic on the basis of internal and external sources of information on its business, operation and other related components. As stated in the said Note, the management expects no significant impact of COVID-19 on the affairs of the company on a long term basis.

Our opinion on the Statement is not modified in respect of these matters.

#### **Management's Responsibilities for the Standalone Financial Results**

These quarterly Standalone Financial Results as well as the year to date Standalone Financial Results have been prepared on the basis of the reviewed Standalone Financial Results for the nine-month period ended 31<sup>st</sup> December 2020, the audited Standalone Financial Statements as at and for the year ended 31<sup>st</sup> March 2021.

The Company's Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

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### **Auditor's Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate Internal Financial Controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Results, including the disclosures, and whether the Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Those Charged With Governance (TCWG) regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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**Chartered Accountants**

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

#### **Other Matters**

- i. We have placed reliance on technical/commercial evaluation by the management in respect of categorization of wells as exploratory, development, producing and dry well, allocation of cost incurred on them, production profile, proved (developed and undeveloped)/ probable hydrocarbon reserves, and depletion thereof on Oil and Gas Assets, impairment, liability for decommissioning costs, liability for NELP and nominated blocks for under performance against agreed Minimum Work Programme.
- ii. The Statement include the Company's share in the total value of assets, liabilities, expenditure and income of 167 blocks under New Exploration Licensing Policy (NELPs)/ Hydrocarbon Exploration and Licensing Policy (HELPS) / Discovered Small Fields (DSFs) / Open Acreage Licensing Policy (OALPs) and Joint Operations (JOs) accounts for exploration and production out of which:
  - a. 8 NELPs/ HELPs/ JOs accounts have been certified by other Chartered Accountants. In respect of these 8 NELPs/ HELPs/ JOs, Standalone Financial Results include proportionate share in assets and liabilities as on 31<sup>st</sup> March, 2021 amounting to Rs.8,648.41 Crores and Rs. 4,549.73 Crores respectively and revenue and profit including other comprehensive Income for the year ended 31<sup>st</sup> March, 2021 amounting to Rs.6,062.99 Crores and 1,974.95 Crores respectively, Our opinion is based solely on the certificate of the other Chartered Accountants.
  - b. 10 NELPs / HELPs/ JOs have been certified by the management in respect of NELPs/ HELPs/ JOs operated by other operators. In respect of these 10 NELPs/ HELPs/ JOs, Standalone Financial Results include proportionate share in assets and liabilities as on 31<sup>st</sup> March, 2021 amounting to Rs.870.58 Crores and Rs.804.72 Crores respectively and revenue and profit including other comprehensive Income for the year ended 31<sup>st</sup> March, 2021 amounting to Rs.13.09 Crores and Rs. 17.76 Crores respectively. Our opinion is based solely on such management certified accounts.
- iii. We audited the restatement/retrospective adjustments, as disclosed in Note No. 7 to the Statement, which have been made to the comparative financial information presented for the periods prior to quarter and year ended 31 March 2021, in accordance with the requirements of applicable Ind AS. In our opinion, such adjustments are appropriate and have been properly applied.
- iv. The Statement includes the results for the quarter ended 31 March 2021 and the corresponding quarter ended in the previous year as reported in these Standalone Financial Results, are the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current and previous financial year respectively, which were subject to limited review, as required under the Listing Regulations.

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Chartered Accountants

- v. The Statement includes comparative figures of corresponding quarter and year ended March 31, 2020, audited/reviewed by the joint auditors of the Company, five of whom were the predecessor audit firms, where they had expressed an unmodified opinion vide their report dated June 30, 2020 on such Standalone Financial Results.

Our opinion on the Statement is not modified in respect of these matters.

**For G.M. Kapadia & Co**  
Chartered Accountants  
Firm Reg. No.: 104767W

**Rajen Ratansi Ashar**  
Digitally signed by  
Rajen Ratansi Ashar  
Date: 2021.06.24  
20:56:48 +05'30'

(Rajen Ashar)  
Partner (M.No. 048243)  
UDIN: 21048243AAAADG5754  
Place: Mumbai

**For R. Gopal & Associates**  
Chartered Accountants  
Firm Reg. No.: 000846C

**SUNIL KUMAR AGARWAL**  
Digitally signed by SUNIL KUMAR AGARWAL  
DN: c=IN, o=Personal, pseudonym=AG02077520e0e05c7d, email=17090719300, postalCode=110019, serialNumber=8P00770b0dc7176330, c=IN, o=SUNIL KUMAR AGARWAL  
Date: 2021.06.24 21:04:59 +05'30'

(Sunil Kumar Agarwal)  
Partner (M.No. 093209)  
UDIN: 21093209AAAAAW5910  
Place: New Delhi

**For SARC & ASSOCIATES**  
Chartered Accountants  
Firm Reg. No.: 006085N

**SUNIL KUMAR GUPTA**  
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Date: 2021.06.24  
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(Sunil Kumar Gupta)  
Partner (M.No. 084884)  
UDIN: 21084884AAAAAC9132  
Place: New Delhi

**For Kalani & Co.**  
Chartered Accountants  
Firm Reg. No.: 000722C

**VIKAS GUPTA**  
Digitally signed by VIKAS GUPTA  
DN: c=IN, o=Ragharan, 2.5.4.20072024c500f7c359f8d1e62263457410431960a0c3e3020495ede04, email=STATION.ROAD.KANTI, postalCode=400006, serialNumber=850a0ac3c08120b67ad, c=IN, o=VIKAS GUPTA, pseudonym=86f025611781b1b5ee7724cc704617c  
Date: 2021.06.24 20:20:16 +05'30'

(Vikas Gupta)  
Partner (M.No. 077076)  
UDIN: 21077076AAAAAE3015  
Place: Jaipur

**For R.G.N. Price & Co.**  
Chartered Accountants  
Firm Reg. No.: 002785S

**Rangarajan Raghavan Iyengar**  
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(Rangarajan Raghavan Iyengar)  
Partner (M.No. 041883)  
UDIN: 21041883AAAAAG6372  
Place: Mumbai

**For S. Bhandari & Co.**  
Chartered Accountants  
Firm Reg. No.: 000560C

**SUDHA JAIDEEP SHETTY**  
Digitally signed by SUDHA JAIDEEP SHETTY  
Date: 2021.06.24  
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(Sudha Shetty)  
Partner (M.No. 047684)  
UDIN: 21047684AAAAAD5219  
Place: Mumbai

Dated: June 24, 2021

**OIL AND NATURAL GAS CORPORATION LIMITED**

CIN No. L74899DL1993GO1054155

Regd. Office : Plot No. 5A- 5B, Nelson Mandela Road, Vasant Kunj, New Delhi, South West Delhi – 110070

Tel: 011-26754002, Fax: 011-26129091, E-mail: secretariat@ongc.co.in

**STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2021**

(₹ in Crore unless otherwise stated)

| Sl. NO. | Particulars  | Financial results for       |                              |                              |                          |                           |
|---------|--|-----------------------------|------------------------------|------------------------------|--------------------------|---------------------------|
|         |  | Quarter ended<br>31.03.2021 | Quarter ended<br>31.12.2020^ | Quarter ended<br>31.03.2020^ | Year ended<br>31.03.2021 | Year ended<br>31.03.2020^ |
|         |  | Audited                     | Unaudited                    | Audited                      | Audited                  | Audited                   |
| I       | Revenue from operations  | 114,168.26                  | 100,288.83                   | 104,373.85                   | 360,572.31               | 424,961.08                |
| II      | Other income   | 4,037.90                    | 2,128.01                     | 3,630.31                     | 9,323.02                 | 9,077.02                  |
| III     | <b>Total income (I+II)</b>   | <b>118,206.16</b>           | <b>102,416.84</b>            | <b>108,004.16</b>            | <b>369,895.33</b>        | <b>434,038.10</b>         |
| IV      | <b>Expenses</b>  |                             |                              |                              |                          |                           |
|         | (a) Cost of materials consumed*  | 21,567.62                   | 14,466.66                    | 22,668.59                    | 56,663.68                | 88,902.15                 |
|         | (b) Purchase of Stock-in-Trade   | 44,194.42                   | 46,411.10                    | 45,032.61                    | 144,561.83               | 176,006.43                |
|         | (c) Changes in inventories of finished goods, stock-in-trade and work-in progress  | (4,305.54)                  | (3,019.32)                   | 835.78                       | (9,916.66)               | 1,145.56                  |
|         | (d) Employee benefits expense **   | 1,294.60                    | 1,651.87                     | 1,652.83                     | 6,313.72                 | 6,539.17                  |
|         | (e) Statutory levies   | 23,477.04                   | 19,658.70                    | 13,577.69                    | 74,530.92                | 52,415.00                 |
|         | (f) Exploration costs written off  |                             |                              |                              |                          |                           |
|         | (i) Survey costs   | 758.08                      | 404.86                       | 419.86                       | 1,967.72                 | 1,901.53                  |
|         | (ii) Exploration well costs  | 1,629.13                    | 1,618.85                     | 2,724.93                     | 5,167.82                 | 7,121.88                  |
|         | (g) Finance costs  | 1,115.57                    | 1,157.64                     | 2,313.84                     | 5,079.03                 | 7,489.33                  |
|         | (h) Depreciation, depletion, amortisation and impairment   | 7,572.03                    | 6,494.80                     | 6,775.30                     | 25,538.47                | 26,634.88                 |
|         | (i) Other expenses   | 10,075.04                   | 7,816.75                     | 13,924.73                    | 31,817.28                | 38,824.39                 |
|         | <b>Total expenses (IV)</b>   | <b>107,377.99</b>           | <b>96,661.91</b>             | <b>109,926.16</b>            | <b>341,723.81</b>        | <b>406,980.32</b>         |
|         | <b>Profit before share of profit/(loss) of associates and joint ventures, exceptional items and tax (III - IV)</b>               | <b>10,828.17</b>            | <b>5,754.93</b>              | <b>(1,922.00)</b>            | <b>28,171.52</b>         | <b>27,057.78</b>          |
| V       | Share of profit of associates & joint ventures   | 678.97                      | 251.10                       | 270.22                       | 1,019.36                 | 933.15                    |
| VI      | <b>Profit before exceptional items (V+VI)</b>  | <b>11,507.14</b>            | <b>6,006.03</b>              | <b>(1,651.78)</b>            | <b>29,190.88</b>         | <b>27,990.93</b>          |
| VII     | Exceptional items - Income/(expenses)  | 2,156.96                    | -                            | (9,028.48)                   | 918.77                   | (9,028.48)                |
| VIII    | <b>Profit before tax (VII+VIII)</b>  | <b>13,664.10</b>            | <b>6,006.03</b>              | <b>(10,680.26)</b>           | <b>30,109.65</b>         | <b>18,962.45</b>          |
| IX      | <b>Tax expense</b>   |                             |                              |                              |                          |                           |
|         | (a) Current tax relating to:   |                             |                              |                              |                          |                           |
|         | - current year   | 1,820.29                    | 2,104.65                     | 133.08                       | 8,081.52                 | 9,647.58                  |
|         | - earlier years  | 615.28                      | 362.59                       | (1,327.82)                   | 982.03                   | (1,805.42)                |
|         | (b) Deferred tax   | 282.30                      | (98.50)                      | (2,759.82)                   | (297.35)                 | (335.97)                  |
| X       | <b>Total tax expense (X)</b>   | <b>2,717.87</b>             | <b>2,368.74</b>              | <b>(3,954.56)</b>            | <b>8,766.20</b>          | <b>7,506.19</b>           |
| XI      | <b>Profit for the period (IX-X)</b>  | <b>10,946.23</b>            | <b>3,637.29</b>              | <b>(6,725.70)</b>            | <b>21,343.45</b>         | <b>11,456.26</b>          |
| XII     | <b>Other comprehensive income (OCI)</b>  |                             |                              |                              |                          |                           |
|         | A Items that will not be reclassified to profit or loss  |                             |                              |                              |                          |                           |
|         | (a) Remeasurement of the defined benefit plans   | 79.93                       | (83.73)                      | (125.43)                     | (181.07)                 | (659.54)                  |
|         | - Deferred tax   | (38.20)                     | 27.67                        | 25.36                        | 47.81                    | 212.18                    |
|         | (b) Equity instruments through other comprehensive income  | 427.96                      | 3,121.09                     | (7,027.83)                   | 2,754.84                 | (13,251.55)               |
|         | - Deferred tax   | (28.45)                     | (228.79)                     | 510.82                       | (195.77)                 | 803.19                    |
|         | (c) Share of other comprehensive income in associates and joint ventures, to the extent not to be reclassified to profit or loss | 1.48                        | (0.55)                       | (1.25)                       | 1.14                     | (2.49)                    |
|         | - Deferred tax   | 0.55                        | -                            | -                            | 0.55                     | -                         |
|         | B Items that will be reclassified to profit or loss  |                             |                              |                              |                          |                           |
|         | (a) Exchange differences in translating the financial statement of foreign operation   | 405.67                      | (353.10)                     | (556.26)                     | (1,062.60)               | 1,333.54                  |
|         | - Deferred tax   | (141.53)                    | 125.52                       | 184.96                       | 379.05                   | (480.17)                  |
|         | (b) Effective portion of gains (losses) on hedging instruments in cash flow hedges   | 60.94                       | (5.64)                       | (24.21)                      | (1.09)                   | (24.19)                   |
|         | - Deferred tax   | (15.34)                     | 1.42                         | 6.09                         | 0.27                     | 6.09                      |
|         | (c) Share of other comprehensive income in associates and joint ventures, to the extent to be reclassified to profit or loss     | 24.09                       | 31.90                        | (169.07)                     | 121.59                   | (169.07)                  |
|         | <b>Total Other Comprehensive Income (XII)</b>  | <b>777.10</b>               | <b>2,635.79</b>              | <b>(7,176.82)</b>            | <b>1,864.72</b>          | <b>(12,232.01)</b>        |
| XIII    | <b>Total Comprehensive Income for the period (XI+XII)</b>  | <b>11,723.33</b>            | <b>6,273.08</b>              | <b>(13,902.52)</b>           | <b>23,208.17</b>         | <b>(775.75)</b>           |
| XIV     | Profit for the period attributable to:   |                             |                              |                              |                          |                           |
|         | - Owners of the Company  | 9,404.16                    | 2,518.11                     | (6,338.12)                   | 16,248.69                | 10,803.60                 |
|         | - Non-controlling interests  | 1,542.07                    | 1,119.18                     | (387.58)                     | 5,094.76                 | 652.66                    |
|         |  | <b>10,946.23</b>            | <b>3,637.29</b>              | <b>(6,725.70)</b>            | <b>21,343.45</b>         | <b>11,456.26</b>          |
| XV      | Other comprehensive income attributable to:  |                             |                              |                              |                          |                           |
|         | - Owners of the Company  | 762.71                      | 2,597.97                     | (6,903.15)                   | 1,789.42                 | (11,908.66)               |
|         | - Non-controlling interests  | 14.39                       | 37.82                        | (273.67)                     | 75.30                    | (323.35)                  |
|         |  | <b>777.10</b>               | <b>2,635.79</b>              | <b>(7,176.82)</b>            | <b>1,864.72</b>          | <b>(12,232.01)</b>        |
| XVI     | Total comprehensive income attributable to:  |                             |                              |                              |                          |                           |
|         | - Owners of the Company  | 10,166.87                   | 5,116.08                     | (13,241.27)                  | 18,038.11                | (1,105.06)                |
|         | - Non-controlling interests  | 1,556.46                    | 1,157.00                     | (661.25)                     | 5,170.06                 | 329.31                    |
|         |  | <b>11,723.33</b>            | <b>6,273.08</b>              | <b>(13,902.52)</b>           | <b>23,208.17</b>         | <b>(775.75)</b>           |
| XVII    | <b>Paid up equity share capital (Face value of ₹5/- each)#</b>   | <b>6,290.14</b>             | <b>6,290.14</b>              | <b>6,290.15</b>              | <b>6,290.14</b>          | <b>6,290.15</b>           |
| XVIII   | <b>Other Equity</b>  |                             |                              |                              | <b>214,690.85</b>        | <b>198,814.44</b>         |
|         | Earnings per equity share: (Face value of ₹5/- each) - not annualised  |                             |                              |                              |                          |                           |
|         | (a) Basic (₹)  | 7.48                        | 2.00                         | (5.04)                       | 12.92                    | 8.59                      |
|         | (b) Diluted (₹)  | 7.48                        | 2.00                         | (5.04)                       | 12.92                    | 8.59                      |

\* Represents consumption of raw materials and stores & spares. \*\* Employee benefits expense shown above is net of allocation to different activities. # 37,944 forfeited shares have been cancelled during the quarter ended December 31, 2020. ^ Restated, refer Note No. 8

**OIL AND NATURAL GAS CORPORATION LIMITED**

CIN No. L74899DL1993GOI054155

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**STATEMENT OF CONSOLIDATED ASSETS & LIABILITIES AS AT MARCH 31, 2021**

(₹ in Crore)

|            | Particulars   | As at<br>March 31, 2021 | As at<br>March 31, 2020^ | As at<br>April 01, 2019^ |
|------------|---|-------------------------|--------------------------|--------------------------|
|            |   | Audited                 | Audited                  | Audited                  |
| <b>I.</b>  | <b>ASSETS</b>                                       |                         |                          |                          |
| (1)        | <b>Non-current assets</b>                           |                         |                          |                          |
|            | (a) Property, plant and equipment                   |                         |                          |                          |
|            | (i) Oil and gas assets                              | 139,280.85              | 140,044.14               | 144,379.39               |
|            | (ii) Other property, plant and equipment            | 74,125.82               | 74,127.40                | 71,238.24                |
|            | (iii) Right of Use Assets                           | 15,906.38               | 14,711.76                | -                        |
|            | (b) Capital work-in-progress                        |                         |                          |                          |
|            | (i) Oil and gas assets                              |                         |                          |                          |
|            | a) Development wells in progress                    | 5,900.71                | 5,589.94                 | 4,383.75                 |
|            | b) Oil and gas facilities in progress               | 27,472.64               | 19,750.11                | 13,230.85                |
|            | (ii) Others   | 29,548.04               | 20,495.58                | 12,233.09                |
|            | (c) Goodwill (including Goodwill on Consolidation)  | 13,538.59               | 14,236.65                | 14,088.35                |
|            | (d) Investment Property                             | 7.87                    | 7.87                     | 7.87                     |
|            | (e) Other intangible assets                         | 886.85                  | 764.14                   | 676.84                   |
|            | (f) Intangible assets under development             |                         |                          |                          |
|            | (i) Exploratory wells in progress                   | 18,790.63               | 19,402.15                | 21,790.54                |
|            | (ii) Acquisition cost                               | 18,439.73               | 18,497.86                | 17,369.81                |
|            | (iii) Others  | 180.25                  | 96.76                    | 48.40                    |
|            | (g) Financial assets                                |                         |                          |                          |
|            | (i) Investments in:                                 |                         |                          |                          |
|            | (a) Joint Ventures and Associates                   | 35,546.59               | 35,352.17                | 39,283.83                |
|            | (b) Other Investments                               | 19,057.99               | 16,058.14                | 28,776.07                |
|            | (ii) Trade receivables                              | 2,562.96                | 2,374.10                 | 2,057.22                 |
|            | (iii) Loans   | 2,821.86                | 3,214.58                 | 2,850.42                 |
|            | (iv) Deposit under site restoration fund            | 23,511.47               | 22,283.61                | 18,188.43                |
|            | (v) Others  | 3,830.74                | 4,136.90                 | 3,727.46                 |
|            | (h) Deferred tax assets (net)                       | 2,693.64                | 2,667.50                 | 1,731.06                 |
|            | (i) Non-current tax assets (net)                    | 9,588.48                | 10,760.00                | 10,523.18                |
|            | (j) Other non-current assets                        | 6,388.36                | 4,736.82                 | 5,713.25                 |
|            | <b>Total non-current assets</b>                     | <b>450,080.45</b>       | <b>429,308.18</b>        | <b>412,298.05</b>        |
| (2)        | <b>Current assets</b>                               |                         |                          |                          |
|            | (a) Inventories                                     | 44,573.33               | 33,051.20                | 35,134.07                |
|            | (b) Financial assets                                |                         |                          |                          |
|            | (i) Investments                                     | 5,417.57                | 5,344.86                 | 5,083.77                 |
|            | (ii) Trade receivables                              | 16,015.83               | 9,173.41                 | 15,396.46                |
|            | (iii) Cash and cash equivalents                     | 4,019.37                | 4,780.56                 | 3,822.11                 |
|            | (iv) Other bank balances                            | 3,172.90                | 4,859.67                 | 997.55                   |
|            | (v) Loans   | 752.06                  | 1,182.12                 | 1,701.47                 |
|            | (vi) Others   | 6,562.16                | 11,570.75                | 16,928.76                |
|            | (c) Current Tax Assets (net)                        | 188.44                  | 198.31                   | 152.43                   |
|            | (d) Other current assets                            | 12,466.19               | 10,534.42                | 7,851.22                 |
|            |   | <b>93,167.85</b>        | <b>80,695.30</b>         | <b>87,067.84</b>         |
|            | Assets classified as held for sale                  | 16.31                   | 14.13                    | 127.87                   |
|            | <b>Total current assets</b>                         | <b>93,184.16</b>        | <b>80,709.43</b>         | <b>87,195.71</b>         |
|            |   |                         |                          |                          |
|            | <b>Total assets</b>                                 | <b>543,264.61</b>       | <b>510,017.61</b>        | <b>499,493.76</b>        |
| <b>II.</b> | <b>EQUITY AND LIABILITIES</b>                       |                         |                          |                          |
| (1)        | <b>Equity</b>                                       |                         |                          |                          |
|            | (a) Equity share capital                            | 6,290.14                | 6,290.15                 | 6,290.15                 |
|            | (b) Other equity                                    | 214,690.85              | 198,814.44               | 209,214.83               |
|            | <b>Equity attributable to owners of the Company</b> | <b>220,980.99</b>       | <b>205,104.59</b>        | <b>215,504.98</b>        |
|            | Non-controlling interests                           | 21,615.80               | 18,405.74                | 18,273.45                |
|            | <b>Total Equity</b>                                 | <b>242,596.79</b>       | <b>223,510.33</b>        | <b>233,778.43</b>        |



|     | Particulars                                 | As at<br>March 31, 2021 | As at<br>March 31, 2020^ | As at<br>April 01, 2019^ |
|-----|---|-------------------------|--------------------------|--------------------------|
|     |   | Audited                 | Audited                  | Audited                  |
| (2) | <b>Liabilities</b>                          |                         |                          |                          |
|     | <b>Non-current liabilities</b>              |                         |                          |                          |
|     | (a) Financial liabilities                   |                         |                          |                          |
|     | (i) Borrowings                              | 79,162.06               | 72,931.58                | 52,167.96                |
|     | (ii) Lease Liability                        | 9,646.20                | 8,014.87                 | 605.31                   |
|     | (iii) Others                                | 6,286.66                | 701.91                   | 2,822.92                 |
|     | (b) Provisions                              | 36,114.51               | 33,100.61                | 27,849.86                |
|     | (c) Deferred Tax liabilities (net)          | 45,400.45               | 46,042.01                | 46,722.06                |
|     | (d) Other non-current liabilities           | 793.19                  | 643.72                   | 548.00                   |
|     | <b>Total non-current liabilities</b>        | <b>177,403.07</b>       | <b>161,434.70</b>        | <b>130,716.11</b>        |
|     | <b>Current Liabilities</b>                  |                         |                          |                          |
|     | (a) Financial liabilities                   |                         |                          |                          |
|     | (i) Borrowings                              | 30,657.61               | 31,505.63                | 49,332.30                |
|     | (ii) Trade payables                         |                         |                          |                          |
|     | - to micro and small enterprises            | 312.76                  | 165.15                   | 121.80                   |
|     | - to other than micro and small enterprises | 27,136.39               | 22,795.98                | 30,435.67                |
|     | (iii) Lease Liability                       | 4,479.57                | 5,155.22                 | 101.73                   |
|     | (iv) Others                                 | 46,059.34               | 54,304.65                | 42,430.22                |
|     | (b) Other current liabilities               | 8,997.84                | 6,333.52                 | 6,989.71                 |
|     | (c) Provisions                              | 4,878.69                | 4,187.20                 | 4,382.45                 |
|     | (d) Current Tax Liabilities (net)           | 742.55                  | 625.23                   | 1,205.34                 |
|     | <b>Total current liabilities</b>            | <b>123,264.75</b>       | <b>125,072.58</b>        | <b>134,999.22</b>        |
|     | <b>Total liabilities</b>                    | <b>300,667.82</b>       | <b>286,507.28</b>        | <b>265,715.33</b>        |
|     | <b>Total equity and liabilities</b>         | <b>543,264.61</b>       | <b>510,017.61</b>        | <b>499,493.76</b>        |

^Restated, refer Note No. 8

CIN No. L74899DL1993GOI054155  
Regd.Office : Plot No. 5A- 5B, Nelson Mandela Road, Vasant Kunj, New Delhi, South West Delhi – 110070  
Tel: 011-26754002, Fax: 011-26129091, E-mail: secretariat@ongc.co.in

## (₹ in Crore)

^Restated, refer Note No. 8

Note: Segments have been identified and reported taking into account the differing risks and returns, the groups structure and the internal reporting systems. These have been organized into the following Geographical and Business segments:

Geographical Segments:    a) In India - Offshore and Onshore    b) Outside India.

Business Segments :        a) Exploration & Production        b) Refining & Marketing of Petroleum products

**OIL AND NATURAL GAS CORPORATION LIMITED**

CIN No. L74899DL1993GOI054155

Regd. Office : Plot No. 5A- 5B, Nelson Mandela Road, Vasant Kunj, New Delhi, South West Delhi – 110070

Tel: 011-26754002, Fax: 011-26129091, E-mail: secretariat@ongc.co.in

**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2021**

(₹ in Crore)

|           | Particulars  | Year Ended<br>March 31, 2021 | Year Ended<br>March 31, 2020^ |
|-----------|--|------------------------------|-------------------------------|
|           |  | Audited                      | Audited                       |
| <b>A.</b> | <b>CASH FLOW FROM OPERATING ACTIVITIES:</b>                          |                              |                               |
|           | <b>Net Profit After Tax</b>  | <b>21,343.45</b>             | <b>11,456.26</b>              |
|           | Adjustments For:   |                              |                               |
|           | - Income Tax Expense   | 8,766.20                     | 7,506.19                      |
|           | - Share of profit of joint ventures and associates                   | (1,019.36)                   | (933.15)                      |
|           | - Exceptional Items  | (918.77)                     | 9,028.48                      |
|           | - Depreciation, Depletion, Amortisation & Impairment                 | 25,538.47                    | 26,634.88                     |
|           | - Exploratory Well Costs Written off                                 | 5,167.82                     | 7,121.88                      |
|           | - Finance cost   | 5,079.03                     | 7,489.33                      |
|           | - Unrealized Foreign Exchange Loss/(Gain)                            | (1,029.80)                   | 3,307.71                      |
|           | - Other impairment and Write offs                                    | 1,177.76                     | 2,732.72                      |
|           | - Excess Provision written back                                      | (1,321.80)                   | (2,022.81)                    |
|           | - Gain on revaluation of financial liability towards CCDs            | (465.96)                     | (503.83)                      |
|           | - Interest Income  | (1,803.85)                   | (2,141.62)                    |
|           | - Loss / (gain) on fair valuation of financial instruments           | (83.90)                      | (115.37)                      |
|           | - Amortization of Financial Guarantee                                | (1.27)                       | 29.24                         |
|           | - Amortization of prepayments  | 0.68                         | 0.67                          |
|           | - Liabilities no longer required written back                        | (157.69)                     | (141.39)                      |
|           | - Amortization of Government Grant                                   | (22.52)                      | (20.51)                       |
|           | - Loss/(Profit) on sale of non current assets                        | 58.23                        | (6.12)                        |
|           | - Dividend Income  | (1,540.52)                   | (907.42)                      |
|           | - Remeasurement of Defined benefit plans                             | (153.20)                     | (600.94)                      |
|           | - Other expenditure/income   | 48.71                        | (6.78)                        |
|           | <b>Operating Profit before Working Capital Changes</b>               | <b>58,661.71</b>             | <b>67,907.42</b>              |
|           | Adjustments for:-  |                              |                               |
|           | - Receivables  | (6,666.04)                   | 6,144.65                      |
|           | - Loans and Advances   | 5,245.72                     | 2,622.01                      |
|           | - Other Assets   | (4,221.72)                   | (3,182.03)                    |
|           | - Inventories  | (11,681.88)                  | 956.91                        |
|           | - Trade Payable and Other Liabilities                                | 13,400.12                    | 6,160.87                      |
|           |  | <b>(3,923.80)</b>            | <b>12,702.41</b>              |
|           | <b>Cash generated from Operations</b>                                | <b>54,737.91</b>             | <b>80,609.83</b>              |
|           | Income Taxes Paid (Net of tax refund)                                | (7,536.52)                   | (10,016.86)                   |
|           | <b>Net Cash generated from Operating Activities 'A'</b>              | <b>47,201.39</b>             | <b>70,592.97</b>              |
| <b>B.</b> | <b>CASH FLOW FROM INVESTING ACTIVITIES:</b>                          |                              |                               |
|           | Payments for Property, plant and equipment                           | (32,335.25)                  | (42,258.43)                   |
|           | Proceeds from disposal of Property, plant and equipment              | 280.80                       | 400.93                        |
|           | Exploratory and Development Drilling                                 | (10,665.28)                  | (12,726.50)                   |
|           | Proceeds/(Investments) in Term deposits with maturity 3 to 12 months | 1,672.78                     | (689.28)                      |
|           | Proceeds/(Investment) in Mutual funds                                | (306.14)                     | (214.04)                      |
|           | Investment in Joint Venture and Associates                           | (2,525.69)                   | (837.53)                      |
|           | Loan to Joint Ventures/Associates                                    | 108.03                       | 103.16                        |
|           | Investments- Others  | (21.15)                      | (21.05)                       |
|           | Deposit in Site Restoration Fund                                     | (1,231.59)                   | (4,084.87)                    |
|           | Dividend Received from Associates and Joint Ventures                 | 2,769.04                     | 4,141.26                      |
|           | Dividend Received from Other Investments                             | 1,540.52                     | 891.02                        |
|           | Interest Received  | 1,624.16                     | 1,797.02                      |
|           | <b>Net Cash used in Investing Activities 'B'</b>                     | <b>(39,089.77)</b>           | <b>(53,498.31)</b>            |

|           | Particulars   | Year Ended<br>March 31, 2021 | Year Ended<br>March 31, 2020^ |
|-----------|---|------------------------------|-------------------------------|
|           |   | Audited                      | Audited                       |
| <b>C.</b> | <b>CASH FLOW FROM FINANCING ACTIVITIES:</b>   |                              |                               |
|           | Change in Equity  | -                            | (16.20)                       |
|           | Change in NCI   | (921.01)                     | 91.76                         |
|           | Proceeds from Non Current Borrowings  | 18,779.73                    | 27,870.83                     |
|           | Repayment of Non Current Borrowings   | (13,533.77)                  | (6,306.39)                    |
|           | Proceeds/(Repayment) of Current Borrowings (net)  | 53.99                        | (19,153.12)                   |
|           | Dividend Paid on Equity Share   | (3,096.29)                   | (8,297.24)                    |
|           | Tax paid on Dividend  | -                            | (1,636.74)                    |
|           | Interest Paid   | (3,090.30)                   | (3,508.02)                    |
|           | Payment of Lease Liabilities (net of interest)  | (5,688.07)                   | (5,038.05)                    |
|           | Interest expense on lease liabilities   | (762.09)                     | (733.19)                      |
|           | <b>Net Cash used in Financing Activities 'C'</b>  | <b>(8,257.81)</b>            | <b>(16,726.36)</b>            |
|           | <b>Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)</b>                                       | <b>(146.19)</b>              | <b>368.30</b>                 |
|           | <b>Cash and Cash Equivalents as at the beginning of the period</b>  | <b>1,663.67</b>              | <b>956.10</b>                 |
|           | Add: Effect of exchange rate changes on the balance of cash and cash equivalents held in foreign currency | (49.25)                      | 339.27                        |
|           | <b>Cash and Cash Equivalents as at the end of period</b>  | <b>1,468.23</b>              | <b>1,663.67</b>               |
|           |   |                              |                               |

^ Restated, refer Note No. 8

## Notes:

1. Pursuant to completion of tenure in Office & consequential cessation of Independent Directors, the number of Independent Directors on the Board has got reduced to one (1) w.e.f. September 08, 2020 and there is no woman Independent Director on the Board. This position has been continuing even as on the date of approval of Financial Statements for the year ended March 31, 2021. The requirement for filling up the vacancies for Independent Directors on the Board for compliance of the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 (Listing Regulations), DPE Guidelines and the Companies Act, 2013 has been taken up with the Government of India from time to time.

As per the provisions of the Listing Regulations, DPE Guidelines and the Companies Act, 2013, at least two independent directors are required for constituting valid quorum of the Audit Committee, as a result, no Audit Committee meeting could be held after September 08, 2020. In absence of the audit committee meetings since September 08, 2020, the functions of audit committee were taken up in the meeting of the Board of Directors. Accordingly the above consolidated financial results of the Holding Company for the quarter and year ended March 31, 2021 have been directly reviewed and approved by the Board of Directors.

2. The audited accounts are subject to review by the Comptroller and Auditor General of India under section 143(6) of the Companies Act, 2013.
3. The figures for the quarter ended March 31, 2021 are the balancing figures between audited figures in respect of the full financial year and the reviewed year-to-date figures upto the third quarter of the financial year post adjustment as detailed in Note No. 8.
4. The Consolidated financial results of the Group [The Holding Company (the Company) and its subsidiaries] have been prepared in accordance with the Indian Accounting Standards ('Ind AS') as prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder.
5. The Company, with 40% Participating Interest (PI), was a Joint Operator in Panna-Mukta and Mid and South Tapti Fields along with Reliance Industries Limited (RIL) and BG Exploration and Production India Limited (BGEPIIL) each having 30% PI, (all three together referred to as "Contractors") signed two Production sharing Contracts (PSCs) with Government of India (Union of India) on December 22, 1994 for a period of 25 years. The PSCs for Panna Mukta and Mid & South Tapti have expired on December 21, 2019. In terms of the Panna Mukta Field Asset Handover Agreement, the Contractors of PMT JV are liable for the pre-existing liability.

In December 2010, RIL & BGEPIIL (JV Partners) invoked an international arbitration proceeding against the Union of India in respect of certain disputes, differences and claims arising out of and in connection with both the PSCs. The Ministry of Petroleum and Natural Gas (MoP&NG), vide their letter dated July 4, 2011, had directed the Company not to participate in the Arbitration initiated by the JV Partners (BGEPIIL & RIL). MoP&NG has also stated that the Arbitral Award would be applicable to the Company also as a constituent of the Contractors for both the PSCs.

Directorate General of Hydrocarbons (DGH), vide letter dated May 25, 2017 had informed the Company that on October 12, 2016, a Final Partial Award (FPA) was pronounced by the Tribunal in the said arbitrations. As informed by BGEPIIL, additionally Audit Award on January 11, 2018, Agreement Case Award on October 1, 2018 and Jurisdictional Award on

March 12, 2019 were pronounced wherein the issues relate to the aforesaid disputes. However, the details of proceedings of the FPA and other Orders are not available with the Company. DGH, vide their letters dated May 25, 2017 and June 4, 2018, marked to the Contractors, had directed the payment of differential Government of India share of Profit Petroleum and Royalty alleged to be payable by Contractors pursuant to Governments interpretation of the FPA (40% share of the Company amounting to US\$ 1,624.05 million, including interest up to November 30, 2016) equivalent to ₹ 11,935 Crore (March 31, 2020: ₹ 12,258 Crore). In response to the letters of DGH, the JV partners (with a copy marked to all Joint Venture Partners) had stated that demand of DGH was premature as the FPA did not make any money award in favour of Government of India, since quantification of liabilities were to be determined during the final proceedings of the arbitration. Further the award had also been challenged before the English Commercial Court (London High Court). Based on the above facts, the Company had also responded to the letters of DGH stating that pending finality of the order, the amount due and payable by the Company was not quantifiable. In view of the Company, if any changes are approved for increase in the Cost Recovery Limit (CRL) by the Arbitral Tribunal as per the terms of the PSCs the liability to Government of India (GOI) would potentially reduce.

The English Court has delivered its final verdict on May 2, 2018 following which the Arbitral Tribunal re-considered some of its earlier findings from the 2016 FPA (Revised Award). The Government of India and JV Partners have challenged parts of the Revised Award before English Court. On February 12, 2020, the English Court passed a verdict favouring the challenges made by BGEPIIL and RIL and also remitted the matter in the Revised Award back to Arbitral Tribunal for reconsideration. Based on the information shared by BGEPIIL in January 2021, the Tribunal issued a verdict favouring BGEPIIL/RIL on the remitted matter, which has been challenged by the GOI before the English Court. The Challenge hearings have been delayed due to COVID-19 and are expected to be heard in the latter half of FY 2021-22.

Based on the information shared by BGEIPL, The GOI has also filed an execution petition before the Hon'ble Delhi High Court seeking enforcement and execution of the October 12, 2016 FPA. BGEIPL / RIL contend that GOI's execution petition is not maintainable and have opposed the reliefs sought by the GOI under the said petition. The matter is pending before the Hon'ble Delhi High Court and no final orders on the reliefs sought by the GOI have been passed so far.

In January 2018, the Company along with the JV partners has filed an application with MC for increase in CRL in terms of the PSCs. The application has been rejected by MC. Pursuant to the rejection, the JV partners have filed a claim with Arbitral Tribunal. The CRL increase hearings before the Arbitral Tribunal planned in FY 2020-21 have also been rescheduled to FY 2021-22 due to COVID-19.

DGH vide letter dated January 14, 2019 has advised to the contractors to re-cast the accounts for Panna-Mukta and Mid and South Tapti Fields for the year 2017-18. Pending finalization of the decision of the Arbitral Tribunal, the JV partners and the Company had indicated in their letters to DGH that the final recasting of the accounts was premature and thus the issues raised by DGH may be kept in abeyance.

During the financial year 2010-11, the Oil Marketing Companies, nominees of the GOI recovered US\$ 80.18 million [Share of the Company US\$ 32.07 million equivalent to ₹ 236 Crore (Previous year ₹ 242 Crore)] as per directives of GoI in respect of Joint Operation - Panna Mukta and Tapti Production Sharing Contracts (PSCs). The recovery is towards certain observations raised by auditors appointed by DGH under the two PSCs for the period 2002-03 to 2005-06 in respect of cost and profit petroleum share payable to GOI.

Pending finality by Arbitration Tribunal on various issues raised above, re-casting of the financial statements and final quantification of liabilities, no provision has been accounted in the financial statements. The demand raised by DGH, amounting to US\$ 1,624.05 million equivalent to ₹ 11,935 Crore (March 31, 2020: ₹ 12,258 Crore) has been considered as contingent liability.

6. The Company had received demand orders from Service Tax Department at various work centres on account of Service Tax on Royalty in respect of Crude oil and Natural gas, appeals against such orders have been filed before the Tribunals. The Ahmedabad Tribunal adjourned the matter sine-die vide order dated June 25, 2019, against which the Company has filed writ petition before the Hon'ble Gujarat High Court. In this matter, Hon'ble Gujarat High Court in the hearing held on January 04, 2021 directed the revenue authorities to file counter affidavit by January 21, 2021. The Central Government has filed counter affidavit on January 21, 2021. The next date of hearing before Hon'ble Gujarat High court is not scheduled as yet. The Company had also obtained legal opinion as per which the Service Tax/GST on Royalty in respect of Crude oil and Natural gas is not applicable. Meanwhile, the Company also received demand order dated January 01, 2019 on account of GST on Royalty in the State of Rajasthan against which the Company filed Writ petition (4919/2019) before Hon'ble High Court of Rajasthan. The Hon'ble High Court of Rajasthan heard the matter on April 3, 2019 and issued notice to Department with a direction that no coercive action shall be taken against the Company. The final hearing has not yet taken place. The Company also filed writ of mandamus (9961/2019) before the Hon'ble High Court of Madras seeking stay on the levy of GST on royalty. The Hon'ble High Court of Madras heard the matter on April 3, 2019 and issued notice to Central Government and State Government. The Central Government has filed their counter affidavit on August 26, 2019. The Company has filed additional grounds to the writ petition and filed rejoinder to the counter of the Central Government before Hon. Madras High Court on January 24, 2020. The date of next hearing is not scheduled as yet.

The total estimated amount (including penalty and interest up to March 31, 2021) works out towards Service Tax is ₹ 3,960 Crore (Previous year ₹ 3,900 Crore) and GST is ₹ 7,717 Crore (Previous year ₹ 6,104 Crore). Since the Company is contesting the matter, it has been considered as contingent liability. Further, as an abundant caution, the Company has deposited Service Tax and GST along-with interest under-protest amounting to ₹ 1,352 Crore (Previous year ₹ 1,351 Crore) and ₹ 5,678 Crore (Previous year ₹ 4,553 Crore) respectively.

7. On January 01, 2021, the Company sold its entire holding (48.99 %) of 1,246,653,746 Nos. of equity shares in its step-down subsidiary company ONGC Mangalore Petrochemicals Limited, having face value ₹10 per share at a value of ₹ 9.76 per share to Mangalore Refinery & Petrochemicals Limited (MRPL), a subsidiary of the Company.

Further, the Board of subsidiary MRPL at their meeting held on June 10, 2021, has approved the scheme of amalgamation of ONGC Mangalore Petrochemicals Limited ("OMPL") subject to receipt of requisite approvals of the Ministry of Corporate Affairs and that of other concerned authorities and agencies, as may be required, and subject to the approval of the shareholders and creditors by requisite majority as required under the Companies Act, 2013.

8. In accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and Ind AS 1 'Presentation of Financial Statements', the Company has retrospectively restated its Balance Sheet as at March 31, 2020 and April 1, 2019 (beginning of the preceding period) and Statement of Profit and Loss for the year ended March 31, 2020 for the reasons as stated below.

During the year opinion of Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India was taken by the Company's Step down Subsidiary ONGC Mangalore Petrochemicals Limited (OMPL) on treatment of Compulsory Convertible Debentures (CCDs) issued by it amounting to ₹ 1,000 Crore in their financial statements. Company and subsidiary MRPL are sponsors of the CCDs according to their respective shareholding on the date of issue of CCDs i.e. 49% by the Company and 51% by MRPL. According to the terms of issue the sponsors are mandatorily required to buy out the outstanding debentures and interest, if any. Further, Subsidiary Mangalore Refinery and Petrochemicals Limited (MRPL) also sought opinion of EAC on treatment of Compulsory Convertible Debentures (CCDs) issued by Step down Subsidiary OMPL in its Standalone and Consolidated Financial Statements. Based on the EAC opinion, OMPL has recognized the entire amount of CCDs as financial liability as against the earlier treatment of recognizing CCDs as Compound Financial Instrument, resulting in derecognition of equity part of CCDs as financial liability. Further, based on EAC opinion, the Company & its Subsidiary MRPL, in their standalone financial statements recognized a financial liability at fair value for their respective share of backstopping support towards repayment of principal and a financial guarantee obligation towards coupon amount with a corresponding recognition of Deemed Investment in its step-down Subsidiary OMPL. However, being a transaction with Subsidiary, the same has been eliminated in the Consolidated Financial statements of the Company.

Similarly, the Company has also entered into an arrangement for backstopping support towards repayment of principal and coupon of Compulsory Convertible Debentures (CCDs) amounting to ₹ 7,778 Crore issued by the Company's Joint Venture ONGC Petro additions Limited (OPaL) in three tranches which were also shown under Commitments in financial statements. Based on the aforesaid EAC opinion, the principal portion of the CCDs have also been recognized as financial liability at fair value and a financial guarantee obligation has been recognized towards coupon amount with a corresponding recognition of Deemed Investment in Joint Venture OPaL.

The aforesaid adjustments related to CCDs have been accounted retrospectively as per the requirements of Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'.

Also, Subsidiary ONGC Videsh Limited (OVL) in its consolidated financial statements presented the Deemed Capital Contribution, pertaining to the Non Controlling interest of Beas Rovuma Energy Mozambique Limited, as the company's Deemed Capital Contribution upto the year ended March 31, 2020. During the year, OVL Group has reassessed such presentation, and has reclassified the Deemed Capital Contribution that is owned by the Non Controlling interest.



The impact of the said changes in accounting policies on the Consolidated financial results (to the extent practicable) are as under:

(₹ in Crore)

| Particulars                              | Quarter ended<br>31.03.2020 | Quarter ended<br>31.12.2020 | Nine months<br>ended<br>31.12.2020 | Year<br>ended<br>31.03.2020 |
|--|-----------------------------|-----------------------------|------------------------------------|-----------------------------|
| Assets                                   | 6,117                       | 6,237                       | 6,237                              | 6,117                       |
| Liabilities                              | 7,387                       | 7,798                       | 7,798                              | 7,387                       |
| Finance Cost                             | 120                         | 132                         | 394                                | 490                         |
| Other Income                             | -                           | -                           | 119                                | 505                         |
| Share of profit of<br>Associates and JVs | (28)                        | -                           | -                                  | (121)                       |
| Profit before tax                        | (148)                       | (132)                       | (275)                              | (106)                       |

Figures in ( ) denotes decrease in values

9. Oil, Gas and Petroleum Products are declared as essential services by Government of India during lockdown due to Covid 19 pandemic. Since, India has import dependency of more than 80% in case of crude and around 50% in case of natural gas/ LNG, no significant impact was observed on Company's existing production of crude oil and natural gas during the year due to reduction in global demand. The crude oil produced by the Company is allocated by Government to PSU Refineries. Similarly, majority of gas produced by the Company is allocated by Government to priority sectors like Power, Fertilizer, City Gas Distribution etc. The Company continued producing and supplying crude oil and natural gas to its customers during lockdown period. Offtake of crude oil by Refineries was not affected during the lockdown period. Few Gas customers had served notices of Force majeure on the Company due to lock down restrictions causing marginal reduction in Gas sales which is not material.

The outbreak of COVID-19 globally and resultant lockdown in many countries, including India has impacted the business of the Company. The revenue for the year ended March 31, 2021 are impacted by low crude oil and natural gas prices due to the COVID-19 pandemic and volatile global crude oil and natural gas markets. Accordingly, the same are not comparable with those for the previous year.

The management has assessed the possible impact of continuing COVID-19 on the basis of internal and external sources of information and expects no significant impact on the continuity of operations, useful life of Property Plant and Equipment, recoverability of assets, trade receivables etc., and the financial position of the Company on a long term basis.

As regards Subsidiaries, Hindustan Petroleum Corporation Limited (HPCL) and Mangalore Refinery and Petrochemicals Limited (MRPL), the outbreak of COVID-19 pandemic resulted in lower demand for petroleum petroducts during part of the year and resulted in reduction in sales for the Group. The capacity utilization however, gradually improved subsequently during the year. Group expects no significant impact on the continuity of operations of the business on long term basis and expects to recover carrying amount of assets and discharge its debts & obligations.

10. The outbreak of Covid-19 pandemic globally and volatility in global crude oil and natural gas markets has caused significant disturbance and slowdown of economic activity during previous year. During the year, there has been a rebound in global Crude Oil and Natural Gas

prices due to ease in pandemic driven lockdown restrictions globally. The Company has considered possible effects of regained stability in product market on the recoverability of its Cash Generating Units. The Company has considered the prevailing business conditions to make an assessment of future crude oil and natural gas prices based on internal and external information / indicators of future economic conditions. Based on the assessment, the Company has recorded a net impairment reversal to the extent the value in use exceeds the carrying amount subject to accumulated impairment provision and has disclosed the same as an exceptional item amounting to ₹ 2,613 Crore and ₹ 1,375 Crore for the quarter and year March 31, 2021 respectively (Net impairment loss of ₹ 4,899 Crore for the quarter and year ended March 31, 2020). Similarly, Subsidiary of the Company ONGC Videsh Limited, carried out impairment test as at March 31, 2021 and provided net impairment loss of ₹ 456 Crore during the quarter and year ended March 31, 2021 (for the quarter and year ended March 31, 2020 ₹ 3,126 Crore ) and the same has been considered as exceptional item.

Consequently, the Consolidated Profit before tax for the quarter and year ended March 31, 2021 is higher by ₹ 2,157 Crore and ₹ 919 Crore respectively.

11. The Government of India through “The Taxation Laws (Amendment) Act, 2019” has inserted Section 115BAA of the Income Tax Act, 1961, whereby a domestic company can irrevocably opt for a lower corporate tax rate subject to foregoing of certain tax deductions and incentives, including accumulated MAT credit eligible for set-off in subsequent years. The company has still not exercised this option and continues to evaluate the benefit of exercising the option of a lower corporate tax rate vis-à-vis the pre-existing provisions. The Company can exercise the option till the filing of return of income. Pending exercising of the option, the company continues to recognize the taxes on income for the year ended March 31, 2021 as per the earlier provisions.

Also, Subsidiaries ONGC Videsh Limited (OVL) and Mangalore Refinery and Petrochemicals Limited (MRPL) have not exercised aforesaid option and continue to recognize the taxes on income for the quarter and year ended March 31, 2021 as per the earlier provisions.

12. The Government of India has enacted Direct Tax Vivad Se Vishwas Act, 2020, providing a mechanism for settlement of disputes related to Direct Tax matters. The company has opted to settle certain Income-tax disputes and accordingly, has filed application before the designated authority as prescribed under the Act. After considering existing provision, in respect of these disputes, a sum of ₹ 506 Crore payable under the said Act has been charged as current tax relating to earlier years in the Consolidated Statement of Profit and Loss during the current year.
13. During the year Company’s Subsidiary Hindustan Petroleum Corporation Limited (HPCL) has executed buy-back program through Open Market Operations and has bought back 71,801,491 nos. shares from persons other than promoters, representing 4.71% of Share Capital (prior to commencement of buy-back), as on the reporting date, March 31, 2021. Out of this 67,977,038 nos. shares have been extinguished as on the reporting date and rest on April 20, 2021. Considering the effect of subsequent extinguishment as an adjusting event under Ind AS, Company’s shareholding in the subsidiary HPCL has increased from 51.11% as on March 31, 2020 to 53.64% as on March 31, 2021.
14. In respect of subsidiary OVL, trade receivables from Government of Sudan amounting to ₹ 2,900 Crore has been assessed for lifetime expected credit loss method and a reversal of ₹ 447 Crore has been made. The total outstanding provision against these receivables stands at ₹ 335 Crore.

15. The Consolidated Financial Results have been audited by the Statutory Auditors as required under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements), Regulation, 2015. The Statutory Auditors have issued unmodified opinion on the Consolidated Financial Results for the year ended March 31, 2021.
16. The Board of Directors has recommended a final dividend of ₹ 1.85 per share (37%) which works out to ₹ 2,327 Crore over and above the interim dividend of ₹ 1.75 per share (35%).
17. Previous period's figures have been regrouped, wherever necessary, to conform to current period's grouping.

**By order of the Board**

**SUBHASH KUMAR**

Digitally signed by SUBHASH KUMAR  
Date: 2021.06.24 20:01:45 +05'30'

Place: New Delhi  
Date: June 24, 2021

**(Subhash Kumar)**  
Chairman & Managing Director

**In terms of our report of even date attached**

**For G M Kapadia & Co.**  
Chartered Accountants  
Firm Reg. No. 104767W

Rajen  
Ratansi  
Ashar

Digitally signed by  
Rajen Ratansi Ashar  
Date: 2021.06.24  
20:44:23 +05'30'

(Rajen Ashar)  
Partner (M. No. 048243)  
Place: Mumbai

**For R Gopal & Associates**  
Chartered Accountants  
Firm Reg. No.000846C

**SANDEEP  
KUMAR  
SAWARIA**

Digitally signed by  
SANDEEP KUMAR  
SAWARIA  
Date: 2021.06.24  
20:52:59 +05'30'

(Sandeep Kumar Sawaria)  
Partner (M. No. 061771)  
Place: Kolkata

**For SARC & Associates**  
Chartered Accountants  
Firm Reg. No. 006085N

**SUNIL  
KUMAR  
GUPTA**

Digitally signed  
by SUNIL KUMAR  
GUPTA  
Date: 2021.06.24  
20:37:37 +05'30'

(Sunil Kumar Gupta)  
Partner (M. No. 084884)  
Place: New Delhi

**For Kalani & Co.**  
Chartered Accountants  
Firm Reg. No: 000722C

**VARUN  
BANSAL**

VARUN BANSAL  
c=PK, o=KALANI AND CO,  
ou=CONTRACTOR,  
postalCode=302015, st=Rajasthan,  
2.5.1.20=ec79ef6038034393267469,  
dn=200004d83517e6a6d50c7c17a7a7a  
3271906518c,  
serialNumber=40123779ec0778d04  
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BANSAL  
2021.06.24 20:24:23 +05'30'

(Varun Bansal)  
Partner (M.No. 402856)  
Place: Jaipur

**For R.G.N. Price & Co.**  
Chartered Accountants  
Firm Reg. No.002785S

**Rangarajan  
Raghavan  
Iyengar**

Digitally signed by  
Rangarajan Raghavan  
Iyengar  
Date: 2021.06.24  
21:16:00 +05'30'

(Rangarajan Raghavan Iyengar)  
Partner (M. No. 041883)  
Place: Mumbai

**For S. Bhandari & Co.**  
Chartered Accountants  
Firm Reg. No. 000560C

**SUDHA  
JAIDEEP  
SHETTY**

Digitally signed  
by SUDHA  
JAIDEEP SHETTY  
Date: 2021.06.24  
21:22:05 +05'30'

(Sudha Shetty)  
Partner (M. No. 047684)  
Place: Mumbai

June 24, 2021

**G M Kapadia & Co.**  
Chartered Accountants  
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Mumbai -400021

**R Gopal & Associates**  
Chartered Accountants  
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Chartered Accountants  
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Chennai -600002

**S. Bhandari & Co.**  
Chartered Accountants  
P-7, Tilak Marg,  
C-Scheme,  
Jaipur-302005

**Independent Auditors' Report on Quarterly and Year to Date Audited Consolidated Financial Results of OIL AND NATURAL GAS CORPORATION LIMITED pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**To the Board of Directors of  
Oil and Natural Gas Corporation Limited**

**Report on the Audit of the Consolidated Financial Results**

**Opinion**

We have audited the accompanying statement of quarterly and year to date consolidated financial results of **Oil and Natural Gas Corporation Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its Joint Ventures and Associates, for the quarter ended March 31, 2021 and the year to date results for the period from April 1, 2020 to March 31, 2021 ("the Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on separate audited financial statements and other financial information of subsidiaries, joint ventures and associates referred to in Other Matter paragraph below, the Statement:

- i) includes the quarterly and year to date financial results of the following entities:

| <b>Sr. No.</b> | <b>Name of the entity</b>                       |
|----------------|---|
| <b>A</b>       | <b>Subsidiaries</b>                             |
| 1              | ONGC Videsh Limited *                           |
| 2              | Mangalore Refinery and Petrochemicals Limited * |
| 3              | Petronet MHB Limited                            |
| 4              | Hindustan Petroleum Corporation Limited*        |
| <b>B</b>       | <b>Joint Ventures</b>                           |
| 1              | ONGC Teri Biotech Limited                       |
| 2              | Mangalore SEZ Limited *                         |

**G.M. Kapadia & Co.**  
**Chartered Accountants**

**R Gopal & Associates**  
**Chartered Accountants**

**SARC & ASSOCIATES**  
**Chartered Accountants**

**Kalani & Co.**  
**Chartered Accountants**

**R.G.N. Price & Co.**  
**Chartered Accountants**

**S. Bhandari & Co.**  
**Chartered Accountants**

| <b>Sr. No.</b> | <b>Name of the entity</b>            |
|----------------|--------------------------------------|
| 3              | ONGC Tripura Power Company Limited * |
| 4              | ONGC Petro Additions Limited         |
| 5              | Dahej SEZ Limited                    |
| 6              | Indradhanush Gas Grid Limited        |
| <b>C</b>       | <b>Associates</b>                    |
| 1              | Pawan Hans Limited                   |
| 2              | Petronet LNG Limited *               |
| 3              | Rohini Heliport Limited              |

\* As per the Consolidated Financial Statements.

- ii) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian accounting standards (Ind AS) and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the quarter ended March 31, 2021 as well as year to date results for the period from April 1, 2020 to March 31, 2021.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group, its joint ventures and associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

### **Emphasis of Matter**

We draw attention to following Notes of the Consolidated Financial results:-

- i. Note No. 1 which states that the Holding Company's Board does not have the requisite number of Independent Directors and also does not have a woman Independent director from September 8, 2020, as required by the provisions of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, Department of Public

Enterprises (DPE) Guidelines and the provisions of the Act, so as to constitute proper Board of the Directors and its sub-committees, which inter alia includes the Audit Committee. As a result, in the absence of valid quorum, no Audit Committee's meetings have been convened after September 8, 2020, and in such circumstances, as implied from the said Note, the mandatory functions of the Audit Committee, such as review of quarterly results/annual financial statements, approval of related party transactions etc. have been directly carried out by the Board of Directors of the Holding Company. Accordingly, the enclosed Consolidated Financial Statements have been directly approved by the Holding Company's Board of Directors.

- ii. Note No. 5, wherein it is stated that Directorate General of Hydrocarbons (DGH) had raised a demand on all the JV partners under the Production Sharing Contract with respect to Panna-Mukta and Mid and South Tapti contract areas (PMT JV), being BG Exploration and Production India Limited (BGEPIIL) and Reliance Industries Limited (RIL) (together "the Claimants") and the Holding Company (all three together referred to as "Contractors"), towards differential GOI share of Profit Petroleum and Royalty alleged to be payable by contractors pursuant to Government's interpretation of the Final Partial Award of Arbitral Tribunal (40% share of the Holding Company amounting to USD 1,624.05 million equivalent to Rs 11,935 Crores, including interest upto 30th November, 2016). Subsequent to Tribunal Orders dated October 12, 2016, DGH vide letters dated May 25, 2017, June 4, 2018 and January 14, 2019 had asked contractor for re-casting of accounts of the PMT JV and for remitting the respective PI share of balance dues including interest till the date of remittance. As the Holding Company is not a party to the arbitration, the details of the proceedings of arbitration and copy of the order of London High Court are not available with the Holding Company. The Holding Company has responded that The English High Court has delivered its final verdict on May 2, 2018 following which the Arbitral Tribunal re-considered some of its earlier findings from the 2016 FPA (Revised Award); The Government of India and JV Partners have challenged parts of the Revised Award before English Court. On February 12, 2020, the English Court passed a verdict favouring the challenges made by BGEPIIL and RIL and also remitted the matter in the Revised Award back to Arbitral Tribunal for reconsideration. In January 2021, the Tribunal issued a verdict favouring BGEPIIL/RIL on the remitted matter, which has been challenged by the GOI before the English Court. Pending finalization of the decision of the Arbitral Tribunal, the Holding Company has indicated in its letters to DGH that the final recasting of the accounts is premature and the issues raised by DGH may be kept in abeyance and therefore no provision for the same has been considered necessary and has been disclosed as contingent liability.
- iii. Note No. 6, with respect to demand orders served on various work centres of the Holding Company by tax authorities under Service Tax (ST) and Goods & Service Tax (GST) demanding ST and GST on Royalty in respect of Crude Oil and Natural Gas. Based on the legal opinion, the Holding Company is contesting such demands and estimated amounts worked out towards ST and GST (including interest and penalty upto March 31, 2021) of Rs 3,960 Crores and Rs. 7,717 Crores respectively (Total Rs 11,677 Crores), which has been considered as contingent liability. As a measure of abundant caution, the Holding Company has deposited ST and GST along with interest under protest amounting to Rs 1,352 Crores and Rs 5,678 Crores respectively (Total Rs 7,030 Crores).

**G.M. Kapadia & Co.**  
**Chartered Accountants**

**R Gopal & Associates**  
**Chartered Accountants**

**SARC & ASSOCIATES**  
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**R.G.N. Price & Co.**  
**Chartered Accountants**

**S. Bhandari & Co.**  
**Chartered Accountants**

- iv. Refer Note No. 14 regarding receivables from Government of Sudan amounting to Rs. 2,900 Crores have been assessed for lifetime expected credit loss method and during the year a reversal of provision of Rs. 447 Crores has been made. The total outstanding provision against these receivables stands at Rs. 335 Crores. There is a significant estimation uncertainty and future events can have a significant impact on the valuation/ recoverability of these receivables.
- v. Note No. 9, which describes the Holding Company's managements' assessment of the impact of COVID-19 pandemic on the basis of internal and external sources of information on its business, operation and other related components. As stated in the said Note, the Holding Company's management expects no significant impact of COVID-19 on the affairs of the group on a long term basis.

Our opinion on the Statement is not modified in respect of these matters.

#### **Management's Responsibilities for the Consolidated Financial Results**

These quarterly financial results as well as the year to date consolidated financial results have been prepared on the basis of the reviewed Consolidated Financial Results for the nine-month period ended December 31, 2020, the audited Consolidated Financial Statements as at and for the year ended March 31, 2021.

The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group including its joint ventures and associates, in accordance with the applicable Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group, of its joint ventures and associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group, its joint ventures and associates and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Results, the respective Board of Directors of the companies included in the Group, of its joint ventures and associates are responsible for assessing the ability of the Group and its joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

**G.M. Kapadia & Co.**  
**Chartered Accountants**

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The respective Board of Directors of the companies included in the Group, of its joint ventures and associates is responsible for overseeing the financial reporting process of the Group, of its joint ventures and associates.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Results**

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group, its associates and its joint ventures to cease to continue as a going concern.



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**Chartered Accountants**

- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group, its joint ventures and associates to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with Those Charged With Governance (TCWG) of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

#### **Other Matters**

- i. We have placed reliance on technical/commercial evaluation by the management in respect of categorization of wells as exploratory, development, producing and dry well, allocation of cost incurred on them, production profile, proved (developed and undeveloped)/ probable hydrocarbon reserves, and depletion thereof on Oil and Gas Assets, impairment, liability for decommissioning costs, liability for NELP and nominated blocks for under performance against agreed Minimum Work Programme.
- ii. The Statement include the Holding Company's share in the total value of assets, liabilities, expenditure and income of 167 blocks under New Exploration Licensing Policy (NELPs)/ Hydrocarbon Exploration and Licensing Policy (HELPS) / Joint Operations (JOs) accounts for exploration and production out of which:
  - a. 8 NELPs/ HELPs/ JOs accounts have been certified by other Chartered Accountants. In respect of these 8 NELPs/ HELPs/ JOs, Consolidated Financial Statements include proportionate share in assets and liabilities as on March 31, 2021 amounting to Rs 8,648.41 Crores and Rs 4,549.73 Crores respectively and revenue and profit including other comprehensive Income for the year ended March 31, 2021 amounting to Rs 6,062.99 Crores and Rs 1,974.95 Crores respectively, Our opinion is based solely on the certificate of the other Chartered Accountants.

**G.M. Kapadia & Co.**  
Chartered Accountants

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**S. Bhandari & Co.**  
Chartered Accountants

- b. 10 NELPs / HELPs/ JOs have been certified by the holding company management in respect of NELPs / HELPs/ JOs operated by other operators. In respect of these 10 NELPs / HELPs/ JOs, Consolidated Financial Statements include proportionate share in assets and liabilities as on March 31, 2021 amounting to Rs 870.58 Crores and Rs. 804.71 Crores respectively and revenue and profit including other comprehensive Income for the year ended March 31, 2021 amounting to Rs 13.08 Crores and Rs 17.76 Crores respectively, Our opinion is based solely on holding company's management certified accounts.

iii. The consolidated financial results include the audited Financial Results of:

- a. Four subsidiaries whose financial statements reflect total assets and total net assets as at March 31, 2021, total revenues and net cash inflow/(outflow) for the year ended on that date considered as under in the Statement based on financial statements audited by other auditors:

(Rs.in crores)

| Name of the Subsidiary                                 | Total Assets as at March 31, 2021 | Total Net Assets as at March 31, 2021 | Total Revenue for the year ended March 31, 2021 | Net Cash Inflow/ (Outflow) |
|--|-----------------------------------|---------------------------------------|---|----------------------------|
| ONGC Videsh Limited (OVL) #                            | 117,447.59                        | 50,306.38                             | 13,154.28                                       | (973.91 )                  |
| Mangalore Refinery and Petrochemicals Limited (MRPL) # | 34,729.42                         | 4,248.10                              | 50,992.10                                       | 24.03                      |
| Hindustan Petroleum Corporation Limited (HPCL) #       | 134,159.70                        | 38,080.86                             | 273,221.69                                      | 841.48                     |
| Petronet MHB Limited (PMHBL)                           | 676.33                            | 607.05                                | 111.28  | (239.42)                   |

# As per the consolidated financial statements.

- b. following joint ventures & associates having Group's share of net profit/loss (including Other Comprehensive Income) for the year ended March 31, 2021 as considered in the Statement whose financial statements/ financial information have not been audited by us.

(` in crores)

| Name of the Company          | Group share in Net Profit for the year ended March 31, 2021 | Group share in Net Other Comprehensive Income for the year ended March 31, 2021 | Group share – Total |
|------------------------------|---|---|---------------------|
| <b>Joint Ventures</b>        |   |   |                     |
| ONGC Teri Biotech Limited \$ | 4.41  | (0.00)  | 4.41                |

**G.M. Kapadia & Co.**  
**Chartered Accountants**

**R Gopal & Associates**  
**Chartered Accountants**

**SARC & ASSOCIATES**  
**Chartered Accountants**

**Kalani & Co.**  
**Chartered Accountants**

**R.G.N. Price & Co.**  
**Chartered Accountants**

**S. Bhandari & Co.**  
**Chartered Accountants**

|                                      |          |        |          |
|--------------------------------------|----------|--------|----------|
| ONGC Tripura Power Company Limited * | 112.08   | 0.06   | 112.13   |
| ONGC Petro additions Limited \$      | (446.31) | 0.60   | (445.71) |
| Mangalore SEZ Limited *              | (8.62)   | 0.02   | (8.59)   |
| Indradhanush Gas Grid Limited\$      | 0.41     | 0.00   | 0.41     |
| <b>Associate</b>                     |          |        |          |
| Petronet LNG Limited *               | 367.40   | (0.26) | 367.14   |

\$ As per the standalone financial statements.

\* As per the consolidated financial statements.

The financial statements/ financial information of subsidiaries, joint ventures and associates, mentioned above in para (iii) (a) & (iii) (b), have been audited by other auditors whose reports have been furnished to us by the Holding Company's Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and associates is based solely on the reports of the other auditors, after considering the requirement of Standard on Auditing (SA 600) on 'Using the work of Another Auditor' including materiality.

- c. The consolidated financial statements also include the group's share of net profit (including Other Comprehensive Income) for the year ended March 31, 2021 considered as under based on financial statements not audited by us:

**(Rs. in crores)**

| <b>Name of the Company</b> | <b>Group share in Net Profit for the year ended March 31, 2021</b> | <b>Group share in Net Other Comprehensive Income for the year ended March 31, 2021</b> | <b>Group share – Total</b> |
|----------------------------|--|--|----------------------------|
| <b>Joint Venture</b>       |  |  |                            |
| Dahej SEZ Limited          | 17.95  | 0.00   | 17.95                      |
| <b>Associates</b>          |  |  |                            |
| Pawan Hans Limited         | (5.16)   | (1.56)   | (6.72)                     |
| Rohini Heliport Limited    | (0.01)   | 0.00   | (0.01)                     |

\* As per the consolidated financial statements.

These financial statements/ financial information of a joint venture and two associate are unaudited and have been furnished to us by the Holding Company's Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this joint venture and associate, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid joint venture and associate, is based solely on such unaudited financial statements/ financial information. In our opinion and according to the information and explanations given to us by the Holding Company's Management, these financial statements / financial information are not material to the Group.

**G.M. Kapadia & Co.**  
Chartered Accountants

**R Gopal & Associates**  
Chartered Accountants

**SARC & ASSOCIATES**  
Chartered Accountants

**Kalani & Co.**  
Chartered Accountants

**R.G.N. Price & Co.**  
Chartered Accountants

**S. Bhandari & Co.**  
Chartered Accountants

- iv. We audited the restatement/retrospective adjustments, as disclosed in Note No. 8 to the Consolidated Financial results, which have been made to the comparative Consolidated Financial results presented for the years prior to year ended March 31, 2021, in accordance with the requirement of applicable Ind AS. In our opinion, such adjustments are appropriate and have been properly applied.
- v. The Statement includes the results for the quarter ended March 31, 2021 and the corresponding quarter ended in the previous year as reported in these Consolidated Financial Results, are the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current and previous financial year respectively, which were subject to limited review, as required under the Listing Regulations.
- vi. The Statement includes comparative figures of corresponding quarter and year ended March 31, 2020, audited/reviewed by the joint auditors of the Holding Company, five of whom were the predecessor audit firms, where they had expressed an unmodified opinion vide their report dated June 30, 2020 on such Consolidated Financial Results.

Our opinion on the Statement is not modified in respect of these matters.

**For G.M. Kapadia & Co.**

Chartered Accountants

Firm Reg. No.: 104767W

**Rajen Ratansi Ashar**  
Digitally signed by Rajen Ratansi Ashar  
Date: 2021.06.24 20:45:54 +05'30'

(Rajen Ashar)

Partner (M. No. 048243)

UDIN: 21048243AAAADH4950

Place: Mumbai

**For R Gopal & Associates**

Chartered Accountants

Firm Reg. No.: 000846C

**SANDEEP KUMAR SAWARIA**  
Digitally signed by SANDEEP KUMAR SAWARIA  
Date: 2021.06.24 20:55:15 +05'30'

(Sandeep Kumar Sawaria)

Partner (M. No. 061771)

UDIN: 21061771AAAAEI3631

Place: Kolkata

**For SARC & ASSOCIATES**

Chartered Accountants

Firm Reg. No.: 006085N

**SUNIL KUMAR GUPTA**  
Digitally signed by SUNIL KUMAR GUPTA  
Date: 2021.06.24 20:36:23 +05'30'

(Sunil Kumar Gupta)

Partner (M. No. 084884)

UDIN: 21084884AAAAAD1110

Place: New Delhi

**For Kalani & Co.**

Chartered Accountants

Firm Reg. No.: 000722C

**VARUN BANSAL**  
Digitally signed by VARUN BANSAL  
Date: 2021.06.24 20:25:53 +05'30'

(Varun Bansal)

Partner (M. No. 402856)

UDIN: 21402856AAAAAT2662

Place: Jaipur

**For R.G.N. Price & Co.**

Chartered Accountants

Firm Reg. No.: 002785S

**Rangarajan Raghavan Iyengar**  
Digitally signed by Rangarajan Raghavan Iyengar  
Date: 2021.06.24 21:13:05 +05'30'

(Rangarajan Raghavan Iyengar)

Partner (M. No. 041883)

UDIN: 21041883AAAAAH7171

Place: Mumbai

**For S. Bhandari & Co.**

Chartered Accountants

Firm Reg. No.: 000560C

**SUDHA JAIDEEP SHETTY**  
Digitally signed by SUDHA JAIDEEP SHETTY  
Date: 2021.06.24 21:18:46 +05'30'

(Sudha Shetty)

Partner (M. No. 047684)

UDIN: 21047684AAAAAE2195

Place: Mumbai

Dated: June 24, 2021