OIL AND NATURAL GAS CORPORATION LIMITED
COMPANY SECRETARIAT

CS/ONGC/SE/2022-23 **14.02.2023**

National Stock Exchange of India Ltd.
Listing Department
Exchange Plaza
Bandra-Kurla Complex, Bandra (E)
Mumbai – 400 051
Symbol-**ONGC**; Series **- EQ**

BSE Limited
Corporate Relationship Department
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai – 400 001
BSE Security Code No.**- 500312**

Sub: Outcome of the Board Meeting

i) *Un-audited Financial Results for the Quarter and Nine months ended 31st December, 2022;and*

ii) *Declaration of 2nd Interim Dividend for the Financial Year 2022-23*

Madam/ Sir,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby informed that the Board of Directors of the Company at its meeting held today i.e. 14.02.2023, has inter-alia considered and approved the followings business items :-

1. **Un-audited Financial Results (Standalone and Consolidated) for the Quarter and Nine months ended 31st December, 2022**

   Pursuant to Regulation 33 & 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has approved Un-audited Financial Results (Standalone and Consolidated) for the Quarter and Nine months ended 31st December, 2022.

   Statements of Unaudited Financial Results along with Limited Review Report of the Auditors thereon for the Quarter and Nine months ended 31st December, 2022 are enclosed.

2. **Declaration of 2nd Interim Dividend for the Financial Year 2022-23**

   The Board of Directors has declared 2nd interim dividend at the rate **Rs.4 per** equity share of face value of Rs. 5/- each i.e.**@ 80 %** for the Financial Year 2022-23.

   As informed vide letter dated 09.02.2023, **Friday**, the **24.02.2023** has been fixed as **Record Date** for determining eligibility of shareholders for the payment of the said Interim Dividend. The dividend will be paid to the eligible shareholders on or before 16.03.2023.

The said meeting of Board commenced at 15:10 hrs and concluded at 17:30 hrs.

This is for your information and record, please.

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

RAJNI KANT Digitally signed by RAJNI KANT Date: 2023.02.14 19:08:53 +05'30'

Rajni Kant
Company Secretary & Compliance Officer

Encl.: As above (28 Pages)

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

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2022

(₹ in Crore unless otherwise stated)

Sl. No.	Particulars	Financial results for					
		Quarter ended 31.12.2022	Quarter ended 30.09.2022	Quarter ended 31.12.2021	Nine Months ended 31.12.2022	Nine Months ended 31.12.2021	Year ended 31.03.2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations	38,583.29	38,320.76	28,472.91	119,224.77	75,848.16	110,345.40
II	Other income	1,411.34	3,529.43	1,491.64	5,698.44	5,171.84	6,515.58
III	**Total income (I+II)**	**39,994.63**	**41,850.19**	**29,964.55**	**124,923.21**	**81,020.00**	**116,860.98**
IV	**EXPENSES**						
	Cost of materials consumed*	1,290.05	685.20	872.76	2,723.48	2,390.05	3,272.46
	Purchase of stock-in-trade	-	-	-	-	-	-
	Changes in inventories of finished/ semi finished goods and work in progress	513.55	(828.55)	(43.07)	(605.06)	(142.36)	(142.95)
	Employee benefits expense**	683.06	612.84	694.98	2,006.62	2,123.28	2,887.71
	Statutory levies	11,142.18	14,631.59	6,989.64	36,388.52	19,076.21	27,932.24
	Exploration costs written off						
	a. Survey Costs	1,229.90	201.16	279.35	2,190.98	1,032.60	1,764.36
	b. Exploratory well Costs	376.58	2,518.94	838.51	3,334.89	1,934.97	3,743.93
	Finance costs	689.50	666.85	581.60	1,991.91	1,780.06	2,359.86
	Depreciation, depletion, amortisation and impairment	4,854.51	2,594.63	4,338.07	11,959.26	12,446.59	17,545.70
	Other expenses	4,543.26	4,408.04	3,989.55	13,558.11	11,052.91	16,457.68
	Total expenses (IV)	**25,322.59**	**25,490.70**	**18,541.39**	**73,548.71**	**51,694.31**	**75,820.99**
V	**Profit before exceptional items and tax (III-IV)**	**14,672.04**	**16,359.49**	**11,423.16**	**51,374.50**	**29,325.69**	**41,039.99**
VI	Exceptional items	-	-	-	-	-	-
VII	**Profit before tax (V+VI)**	**14,672.04**	**16,359.49**	**11,423.16**	**51,374.50**	**29,325.69**	**41,039.99**
VIII	Tax expense:						
	(a) Current tax relating to:						
	- current year	2,386.00	2,191.00	2,604.00	9,733.00	6,381.00	9,454.00
	- earlier years	(479.24)	-	(33.18)	(479.24)	(480.52)	(478.00)
	(b) Deferred tax	1,720.55	1,342.50	88.62	3,044.17	(8,020.99)	(8,241.75)
	Total tax expense (VIII)	**3,627.31**	**3,533.50**	**2,659.44**	**12,297.93**	**(2,120.51)**	**734.25**
IX	**Profit for the period (VII-VIII)**	**11,044.73**	**12,825.99**	**8,763.72**	**39,076.57**	**31,446.20**	**40,305.74**
X	**Other comprehensive income (OCI)**						
	(a) Items that will not be reclassified to profit or loss						
	(i) Re-measurement of the defined benefit obligations	(7.13)	(57.59)	(11.23)	(21.45)	(32.61)	170.81
	- Deferred Tax	1.80	14.49	2.83	5.40	(146.71)	(197.91)
	(ii) Equity instruments through other comprehensive income	2,209.60	(1,564.99)	(2,491.16)	(813.75)	2,490.41	4,062.74
	- Deferred Tax	(195.84)	95.99	185.41	(197.40)	(187.07)	(303.73)
	Total other comprehensive income (X)	**2,008.43**	**(1,512.10)**	**(2,314.15)**	**(1,027.20)**	**2,124.02**	**3,731.91**
XI	**Total comprehensive income for the period (IX+X)**	**13,053.16**	**11,313.89**	**6,449.57**	**38,049.37**	**33,570.22**	**44,037.65**
XII	**Paid-up Equity Share Capital (Face value of ₹ 5/- each)**	**6,290.14**	**6,290.14**	**6,290.14**	**6,290.14**	**6,290.14**	**6,290.14**
XIII	Net worth##	262,617.13	258,055.67	228,882.21	262,617.13	228,882.21	237,148.09
XIV	Paid up Debt Capital / Outstanding Debt$	9,757.40	9,821.85	6,778.90	9,757.40	6,778.90	6,396.90
XV	Other equity	256,326.99	251,765.53	222,592.07	256,326.99	222,592.07	230,857.95
XVI	Debenture Redemption Reserve#	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
XVII	Earnings Per Share (Face value of ₹ 5/- each) - not annualised						
	(a) Basic (₹)	8.78	10.20	6.97	31.06	25.00	32.04
	(b) Diluted (₹)	8.78	10.20	6.97	31.06	25.00	32.04
XVIII	Debt Equity Ratio##	0.04	0.04	0.03	0.04	0.03	0.03
XIX	Debt Service Coverage Ratio##	184.79	225.54	163.42	231.19	129.92	142.18
XX	Interest Service Coverage Ratio##	184.79	225.54	163.42	231.19	129.92	142.18
XXI	Current Ratio##	1.58	1.84	1.03	1.58	1.03	0.98
XXII	Long Term Debt to Working Capital##	0.26	0.22	7.35	0.26	7.35	***
XXIII	Bad debts to Account Receivable Ratio##	-	-	-	-	-	-
XXIV	Current Liability Ratio##	0.38	0.33	0.33	0.38	0.33	0.37
XXV	Total Debts to Total Assets##	0.03	0.03	0.02	0.03	0.02	0.02
XXVI	Debtors Turnover##	3.75	3.36	3.56	10.72	9.46	11.27
XXVII	Inventory Turnover##	4.46	4.47	3.56	14.65	9.25	13.51
XXVIII	Operating Margin (%)##	39.81	44.43	42.16	44.76	41.01	39.33
XXIX	Net Profit Margin (%)##	28.63	33.47	30.78	32.78	41.46	36.53

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

$ comprises non-current and current borrowings. # Debenture Redemption Reserve is not required to be created by the company as per Companies (Share Capital and Debentures) Rules, 2014, as amended. ## Refer Note No.6. *** Not disclosed as denominator is negative.

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

STANDALONE SEGMENT WISE REVENUE, RESULTS, ASSETS & LIABILITIES

(₹ in Crore)

Sl. No.	Particulars	Quarter ended 31.12.2022	Quarter ended 30.09.2022	Quarter ended 31.12.2021	Nine Months ended 31.12.2022	Nine Months ended 31.12.2021	Year ended 31.03.2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	**Segment Revenue**						
	Revenue from Operations						
	a) Offshore	25,936.06	25,174.04	18,598.86	79,100.48	48,908.36	71,541.33
	b) Onshore	12,647.23	13,146.72	9,874.05	40,124.29	26,939.80	38,804.07
	Total	38,583.29	38,320.76	28,472.91	119,224.77	75,848.16	110,345.40
	Less: Inter Segment Operating Revenue	-	-	-	-	-	-
	Revenue from operations	**38,583.29**	**38,320.76**	**28,472.91**	**119,224.77**	**75,848.16**	**110,345.40**
2	**Segment Result Profit(+)/Loss(-) before tax and interest from each segment**						
	a) Offshore	12,619.87	11,300.71	9,558.99	39,957.08	24,548.78	32,506.66
	b) Onshore	2,071.06	2,811.21	1,524.53	9,772.54	3,176.14	7,043.08
	Total	**14,690.93**	**14,111.92**	**11,083.52**	**49,729.62**	**27,724.92**	**39,549.74**
	Less:						
	i. Finance Cost	689.50	666.85	581.60	1,991.91	1,780.06	2,359.86
	ii. Other unallocable expenditure net of unallocable income.	(670.61)	(2,914.42)	(921.24)	(3,636.79)	(3,380.83)	(3,850.11)
	Profit before Tax	**14,672.04**	**16,359.49**	**11,423.16**	**51,374.50**	**29,325.69**	**41,039.99**
3	**Segment Assets**						
	a) Offshore	152,745.76	151,422.02	145,864.35	152,745.76	145,864.35	149,437.80
	b) Onshore	76,364.92	75,759.05	68,892.65	76,364.92	68,892.65	73,731.20
	c) Other Unallocated	141,623.22	136,531.30	113,158.97	141,623.22	113,158.97	114,095.24
	Total	**370,733.90**	**363,712.37**	**327,915.97**	**370,733.90**	**327,915.97**	**337,264.24**
4	**Segment Liabilities**						
	a) Offshore	51,941.99	51,370.53	45,184.72	51,941.99	45,184.72	48,106.98
	b) Onshore	16,580.51	16,349.31	14,264.29	16,580.51	14,264.29	15,908.87
	c) Other Unallocated	39,594.27	37,936.86	39,584.75	39,594.27	39,584.75	36,100.30
	Total	**108,116.77**	**105,656.70**	**99,033.76**	**108,116.77**	**99,033.76**	**100,116.15**

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

Notes:

1. The above financial results of the Company for the quarter and nine months ended December 31, 2022 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors in their respective meetings held on the February 14, 2023.

2. The financial results for the quarter and nine months ended December 31, 2022 have been reviewed by the Statutory Auditors as required under Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. 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 (BGEPIL) 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 & BGEPIL (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 (BGEPIL & RIL). MoP&NG has also stated that the Arbitral Award would be applicable to the Company also as a constituent of the Contract 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 BGEPIL that on issues relating to the aforesaid disputes, additional Audit Award on January 11, 2018, Agreement Case Award on October 1, 2018 and Jurisdictional Award on March 12, 2019 were pronounced. 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 Government's 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 ₹ 13,446 Crore (March 31, 2022: ₹ 12,302 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 January 2018, the Company along with the JV partners had filed an application with Management Committee (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. One of the JV partners has further informed the Company that the hearing before the Arbitral Tribunal has been partially heard during the quarter of October – December 2021.Further the additional hearing scheduled for quarter 2 and quarter 3 of the year 2022 have been deferred for hearing in February 2023. 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 GOI 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 BGEPIL and RIL and also remitted the matter in the Revised Award back to Arbitral Tribunal for reconsideration. Based on the information shared by BGEPIL, the Tribunal issued a verdict in January 2021, favouring BGEPIL/RIL on the remitted matter, which was challenged by the GOI before the English Court. The English Court delivered its verdict on June 9, 2022 dismissing the GoI's challenges and upholding the Revised Agreements Award. The GOI filed an appeal against the English Court verdict of June 9, 2022 that was rejected by the English courts in August 2022.

Based on the information shared by BGEPIL, 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. BGEPIL / RIL contend that GOI's execution petition is not maintainable and have opposed the reliefs sought by the GOI under the said petition. The hearings in the matter before the Hon'ble Delhi High Court concluded on August 4, 2022. Final orders on the reliefs sought by the GOI is awaited.

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 ₹ 265 Crore (March 31, 2022: ₹ 243 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 ₹ 13,446 Crore (March 31, 2022: ₹ 12,302 Crore) has been considered as contingent liability.

4. 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 Gujarat High Court. In this matter, Hon. 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 20, 2021. The next date of hearing before Hon. 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. High Court of Rajasthan. The Hon. 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 Hon. High Court of Madras seeking stay on the levy of

GST on royalty. The Hon. High Court of Madras heard the matter on April 3, 2019 and issued notice to Central Government and State Government. The Central Government filed their counter affidavit on August 26, 2019. The Company filed additional grounds to the writ petition and filed rejoinder to the counter of the Central Government on January 24, 2020. The Hon. High Court of Madras closed the writ petition in hearing held on July 6, 2022 based on the department's rejection of ONGC's GST refund applications without further examination on merit. However liberty was granted to challenge the refund rejection order of department in accordance with law, accordingly, an appeal was filed before the appellate authority on September 30, 2022 challenging the department's refund rejection order dated June 24, 2022. Disputes are also pending at various forums for various work centres in respect to GST on Royalty.

The total estimated amount (including penalty and interest up to December 31, 2022) works out towards Service Tax is ₹ 4,062 Crore (upto March 31, 2022: ₹ 4,017 Crore) and GST is ₹ 13,271 Crore (upto March 31, 2022: ₹ 10,273 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 (upto March 31, 2022: ₹ 1,352 Crore) and ₹ 9,542 Crore (upto March 31, 2022: ₹ 7,404 Crore) respectively.

Considering the expert opinion on the subject, ₹ 1,783 Crore being GST deposited under protest for the financial year 2021-22 has been claimed as an allowable expenditure under the Income Tax Act, 1961, in the Income Tax return filed in November 2022 for the relevant assessment year. Further an amount of ₹ 2,196 Crore being GST deposited under protest for the current period has also been considered as an allowable expenditure while calculating the current tax for the quarter and nine months ended December 31, 2022. Accordingly, the Company has created deferred tax liability amounting to ₹ 940 crore in respect of the amount deposited under protest during the above periods. The necessary adjustments for the previous years shall be made as and when such claims for the allowable expenditure will be made during the course of assessment/appellate proceedings for the relevant assessment years.

5. Certain discovered small fields (DSF) of the Company falling under various Contract Areas were identified by Directorate General of Hydrocarbon, Ministry of Petroleum & Natural Gas, and Government of India for bidding under Discovered Small Field Round III - 2021, in terms of the said bid documents the value of such fields were considered as Nil. The identified contract areas has been awarded to the winning bidders (awardees) in the month of August 2022 and the PML/PELs of these contract areas have been transferred / being transferred to the said awardees. Accordingly, during the nine months ended December 31, 2022, the Company has charged off exploratory wells, development wells in progress and capital work in progress amounting to ₹ 2,184 Crore lying in the fields falling under contract areas offered under DSF – III and reversed the accumulated impairment of ₹ 2,172 Crore on the said assets.

6. Formula used for computation of:

   a. Net worth (Total equity) = Equity share capital + Other equity
   b. Debt Equity Ratio = Total borrowings / Total equity.
   c. Interest Service Coverage Ratio = Earnings before interest, tax and exceptional item / Interest on borrowings (net of transfer to expenditure during construction).
   d. 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.

e. Current Ratio = Current assets / Current liabilities
f. Long term debt to Working capital = Non-current borrowings (including current maturity of non-current borrowings) / Working capital (excluding current maturity of non-current borrowings).
g. Bad debts to Accounts receivable Ratio = Bad debts / Average trade receivables.
h. Current liability Ratio = Current liabilities / Total liabilities.
i. Total debts to Total assets = Total borrowings / Total assets.
j. Debtors turnover = Revenue from operations / Average trade receivables.
k. Inventory turnover = Revenue from operations / Average inventories.
l. Operating Margin (%) = Earnings before interest, tax and exceptional items / Revenue from operations.
m. Net Profit Margin (%) = Profit for the period / Revenue from operations.

7. The Board of Directors in its meeting held on February 14, 2023 has declared a second interim dividend of ₹ 4/- per equity share (80 %). This is in addition to the interim dividend of ₹ 6.75 per equity share (135%) declared on November 14, 2022.

8. Previous period's figures have been regrouped by the Company, wherever necessary, to conform to current period's grouping.

By order of the Board

POMILA JASPAL Digitally signed by POMILA JASPAL Date: 2023.02.14 16:59:30 +05'30'

(Pomila Jaspal)
Director (Finance)

Place: New Delhi
Date: February 14, 2023

In terms of our report of even date attached

For SARC & Associates
Chartered Accountants
Firm Reg. No. 006085N
PANKAJ SHARMA Digitally signed by PANKAJ SHARMA Date: 2023.02.14 18:12:10 +05'30'
(Pankaj Sharma)
Partner (M. No. 086433)

For Kalani & Co.
Chartered Accountants
Firm Reg. No: 000722C
VIKAS GUPTA Digitally signed by VIKAS GUPTA Date: 2023.02.14 18:12:28 +05'30'
(Vikas Gupta)
Partner (M. No. 077076)

For R.G.N. Price & Co.
Chartered Accountants
Firm Reg. No.002785S
SURENDRANATH GIRIDHAR RAO Digitally signed by SURENDRANATH GIRIDHAR RAO Date: 2023.02.14 18:12:47 +05'30'
(S G Surendranath Rao)
Partner (M. No. 022693)

For S. Bhandari & Co. LLP
Chartered Accountants
Firm Reg. No. 000560C/C400334
Sudha Jaideep Shetty Digitally signed by Sudha Jaideep Shetty Date: 2023.02.14 18:28:10 +05'30'
(Sudha Jaideep Shetty)
Partner (M. No. 047684)

For J Gupta & Co. LLP
Chartered Accountants
Firm Reg. No. 314010E/E300029
ABHISHEK RAJ Digitally signed by ABHISHEK RAJ Date: 2023.02.14 18:13:00 +05'30'
(Abhishek Raj)
Partner (M. No. 302648)

Place: New Delhi
Date : February 14, 2023

SARC & ASSOCIATES
Chartered Accountants
SARC Towers, D-191,
Okhla Industrial Estate,
Phase I, New Delhi – 110020

Kalani & Co
Chartered Accountants
703, VII Floor,
Milestone Building,
Gandhi Nagar Crossing,
Tonk Road, Jaipur-302015

R.G.N. Price & Co
Chartered Accountants
Simpsons Building,
861, Anna Salai,
Chennai - 600 002

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

J Gupta & Co LLP
Chartered Accountants
YMCA Building
Mezzanine Floor,
25, Jawaharlal Nehru Road,
Kolkata –700 087

INDEPENDENT AUDITORS' LIMITED REVIEW REPORT ON THE UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2022

TO THE BOARD OF DIRECTORS OF

OIL AND NATURAL GAS CORPORATION LIMITED

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of Oil and Natural Gas Corporation Limited ("the Company") for the quarter and nine months ended December 31, 2022 (hereinafter referred to as "the Statement" and digitally signed by us for the purpose of identification), being submitted by the Company pursuant to the requirements of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("the Regulations").

2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, *"Review of Interim Financial information performed by the Independent Auditor of the Entity"* issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement read with Notes thereon, prepared in accordance with applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of the Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. **Emphasis of Matter**

   We draw attention to the following matters in the Notes to the Statement: -

   (i) Note No. 3, 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 (BGEPIL) and Reliance Industries Limited (RIL) (together “the Claimants”) and the Company (all three together referred to as “Contractors”), towards differential Government of India (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. 13,446 Crore, including interest upto 30th November, 2016). Subsequent to Tribunal Orders dated October 12, 2016, DGH vide letter dated May 25, 2017, June 4, 2018 and January 14, 2019 had asked contractor for re-casting of accounts of the PMT JV for the year 2017-18 and for remitting the respective PI share of balance dues. As the company is not a party to the arbitration, the details of the proceedings of arbitration and copy of the order of English Commercial Court (London High Court) are not available with the company. The Company has informed that 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 BGEPIL 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 BGEPIL/RIL on the remitted matter, which has been challenged by the GOI before the English Court. The English Court had delivered its verdict on June 9, 2022 dismissing the challenge made by GOI. The GOI filed an appeal against the English Court verdict of June 9, 2022 that was rejected by the English courts in August 2022.

   Based on the information shared by BGEPIL, 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. BGEPIL / RIL contend that GOI's execution petition is not maintainable and have opposed the reliefs sought by the GOI under the said petition. The hearings in the matter before the Hon'ble Delhi High Court concluded on August 4, 2022 and orders are awaited. Pending finalization of the decision of the Arbitral Tribunal, the Company has indicated in their 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 demand raised by DGH, amounting to US$ 1,624.05 million equivalent to Rs. 13,446 Crore has been considered necessary and has been treated as contingent liability.

(ii) Note No. 4, with respect to ongoing disputes/demands raised on various work centres of the Company by tax authorities under Service Tax (ST) and Goods & Service Tax (GST) in respect of ST and GST on Royalty levied on Crude Oil and Natural Gas. Based on the legal opinion, the Company has disputed such levies and is contesting the same at various forums. The estimated amounts under disputes as worked out towards ST and GST (including interest and penalty upto Dec 31, 2022) of Rs. 4,062 Crore and Rs. 13,271 Crore respectively (Total Rs 17,333 Crore), 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 Crore and Rs 9,542 Crore respectively (Total Rs. 10,894 Crore).

As stated in the said Note, considering the expert opinion, GST deposited under protest for the FY 2021-22 of Rs. 1,783 Crore has been claimed by the company as an allowable expenditure in the Income Tax return filed for the relevant assessment year and GST deposited under protest for the current period of Rs. 2,196 Crore has also been considered as an allowable expenditure while calculating the current tax for the quarter and nine months ended December 31, 2022, and accordingly deferred tax liability of Rs. 940 crore has been created by the company in respect of the amount deposited under protest during the above periods. As per the said Note, the necessary adjustments for the previous years shall be made as and when such claims for the allowable expenditure will be made during the course of assessment/appellate proceedings for the relevant assessment years.

(iii) Note No. 5, which explains that certain discovered small fields (DSF) of the Company were identified by Directorate General of Hydrocarbons, Ministry of Petroleum & Natural Gas, and Government of India for bidding under Discovered Small Field Round III - 2021, and in terms of the said bid documents, the value of such fields was considered as Nil. These identified contract areas have been awarded to the winning bidders (awardees) in the month of August 2022 and the PML/PELs of these contract areas have been transferred / being transferred to the said awardees. Accordingly, during the nine months ended December 31, 2022, the company has charged off exploratory wells, development wells in progress and capital work in progress amounting to Rs. 2,184 Crore and reversed the accumulated impairment of Rs. 2,172 Crore on the said assets.

Our conclusion on the Statement is not modified in respect of the above matters.

6. **Other Matters**

(i) We have placed reliance on technical/commercial evaluation by the management in respect of categorization by the Company of wells as exploratory, development, producing and dry wells, allocation of costs incurred on them, proved (developed and undeveloped) / probable hydrocarbon reserves and depletion thereof on Oil and Gas Assets, impairment, liability for decommissioning costs, liability for NELP/ HELP and nominated blocks for under performance against agreed Minimum Work Programme.

(ii) The Statement includes the Company's proportionate share in the total value of expenditure and Income of 193 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. 1 block has been certified by other Chartered Accountant. In respect of this block, revenue for the quarter and nine months ended December 31, 2022 amounting to Rs. 2,241.40 Crore and Rs. 8,045.00 Crore respectively and profit before tax including other comprehensive income for the quarter and nine months ended December 31, 2022 amounting to Rs. 194.19 Crore and Rs. 1,249.57 Crore respectively. Our conclusion is solely based on the certificate of the other Chartered Accountant.

b. 25 blocks have been certified by the management. In respect of these blocks, the Statement includes revenue for the quarter and nine months ended December 31, 2022 amounting to Rs. 378.47 Crore and Rs. 1,167.87 Crore respectively and profit/(loss) before tax including other comprehensive income for the quarter and nine months ended December 31, 2022 amounting to Rs. (126.86) Crore and Rs. (258.35) Crore respectively. Our conclusion is solely based on management certified accounts in respect of these blocks.

(iii) The Statement includes comparative figures for the quarter ended December 31, 2021, corresponding quarter and nine months ended December 31, 2021, reviewed by the joint auditors of the Company, two of whom were the predecessor audit firms, where they had expressed an unmodified conclusion vide their report dated February 11, 2022 on such Standalone Financial Results.

The Statement also includes figures for the year ended March 31, 2022, audited by the joint auditors of the Company, two of whom were the predecessor audit firms, where they had expressed an unmodified opinion on such standalone financial statements vide their report dated May 28, 2022.

Our conclusion on the Statement is not modified in respect of the above matters.

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

PANKAJ SHARMA Digitally signed by PANKAJ SHARMA Date: 2023.02.14 18:02:51 +05'30'

(Pankaj Sharma)
Partner (M. No. 086433)
UDIN: 23086433BGZHWZ6216

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

VIKAS GUPTA Digitally signed by VIKAS GUPTA Date: 2023.02.14 18:03:19 +05'30'

(Vikas Gupta)
Partner (M. No. 077076)
UDIN: 23077076BGZDBU5791

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

SURENDRANATH GIRIDHAR RAO Digitally signed by SURENDRANATH GIRIDHAR RAO Date: 2023.02.14 18:03:43 +05'30'

(G. Surendranath Rao)
Partner (M. No. 022693)
UDIN: 23022693BGRKPY8915

For S. Bhandari & Co LLP
Chartered Accountants
Firm Reg. No.:
000560C/C400334

Sudha Jaideep Shetty Digitally signed by Sudha Jaideep Shetty Date: 2023.02.14 18:23:41 +05'30'

(Sudha Jaideep Shetty)
Partner (M. No. 047684)
UDIN: 23047684BGWZFD5618

For J Gupta & Co LLP
Chartered Accountants
Firm Reg. No.:
314010E/E300029

ABHISHEK RAJ Digitally signed by ABHISHEK RAJ Date: 2023.02.14 18:11:12 +05'30'

(Abhishek Raj)
Partner (M. No. 302648)
UDIN: 23302648BGYBEJ8121

Place: New Delhi
Dated: February 14, 2023

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

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2022

(₹ in Crore unless otherwise stated)

Sl. No.	Particulars	Financial results for					
		Quarter ended 31.12.2022	Quarter ended 30.09.2022	Quarter ended 31.12.2021	Nine months ended 31.12.2022	Nine months ended 31.12.2021	Year ended 31.03.2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations	169,212.63	168,656.12	145,672.96	520,762.50	375,843.55	531,761.83
II	Other income	1,828.69	2,328.16	2,181.42	5,412.00	4,726.21	7,437.63
III	**Total income (I+II)**	**171,041.32**	**170,984.28**	**147,854.38**	**526,174.50**	**380,569.76**	**539,199.46**
IV	**Expenses**						
	(a) Cost of materials consumed*	47,032.80	48,612.10	31,802.83	146,903.95	69,694.00	109,292.93
	(b) Purchase of Stock-in-Trade	60,428.92	64,223.13	61,842.40	203,138.02	165,871.10	224,871.34
	(c) Changes in inventories of finished goods, stock-in-trade and work-in progress	4,004.04	1,709.87	320.58	3,614.96	1,206.13	(2,303.07)
	(d) Employee benefits expense**	1,649.69	1,553.03	1,561.25	4,891.40	5,041.38	6,877.83
	(e) Statutory levies	22,723.47	25,071.38	18,867.95	69,888.63	50,298.03	71,366.84
	(f) Exploration costs written off						
	(i) Survey costs	1,241.16	210.40	297.84	2,227.05	1,229.86	1,988.53
	(ii) Exploration well costs	379.98	2,556.83	840.71	3,388.23	1,939.39	3,904.61
	(g) Finance costs	2,188.43	1,992.94	1,388.50	5,821.25	4,205.12	5,696.04
	(h) Depreciation, depletion, amortisation and impairment	6,784.01	4,442.76	6,849.53	17,837.86	19,502.84	26,883.16
	(i) Other expenses	9,881.78	10,914.94	8,772.03	32,180.02	25,117.75	35,889.16
	Total expenses (IV)	**156,314.28**	**161,287.38**	**132,543.62**	**489,891.37**	**344,105.60**	**484,467.37**
V	**Profit before share of profit/(loss) of associates and joint ventures, exceptional items and tax (III - IV)**	**14,727.04**	**9,696.90**	**15,310.76**	**36,283.13**	**36,464.16**	**54,732.09**
VI	Share of profit of associates & joint ventures	983.21	(461.14)	700.34	1,557.13	1,843.04	1,463.93
VII	**Profit before exceptional items (V+VI)**	**15,710.25**	**9,235.76**	**16,011.10**	**37,840.26**	**38,307.20**	**56,196.02**
VIII	Exceptional items - Income/(expenses)	(8.28)	(11.34)	-	(693.28)	-	(2,104.91)
IX	**Profit before tax (VII+VIII)**	**15,701.97**	**9,224.42**	**16,011.10**	**37,146.98**	**38,307.20**	**54,091.11**
X	**Tax expense**						
	(a) Current tax relating to:						
	- current year	2,672.28	1,939.35	3,809.31	10,929.37	9,587.18	14,017.28
	- earlier years	(525.53)	-	(33.21)	(525.53)	(637.36)	(665.25)
	(b) Deferred tax	1,889.98	454.91	598.33	(333.01)	(7,875.24)	(8,554.98)
	Total tax expense (X)	**4,036.73**	**2,394.26**	**4,374.43**	**10,070.83**	**1,074.58**	**4,797.05**
XI	**Profit for the period (IX-X)**	**11,665.24**	**6,830.16**	**11,636.67**	**27,076.15**	**37,232.62**	**49,294.06**
XII	**Other comprehensive income (OCI)**						
	A Items that will not be reclassified to profit or loss						
	(a) Remeasurement of the defined benefit plans	(4.90)	(55.01)	(9.56)	(15.22)	(26.50)	351.13
	- Deferred tax	1.37	14.07	2.56	4.22	(147.81)	(243.18)
	(b) Equity instruments through other comprehensive income	2,299.88	(1,771.10)	(2,655.15)	(894.54)	2,694.38	4,372.38
	- Deferred tax	(195.84)	95.99	185.41	(197.40)	(187.07)	(303.73)
	(c) Share of other comprehensive income in associates and joint ventures, to the extent not to be reclassified to profit or loss	(0.44)	(1.47)	0.18	(1.00)	1.87	2.70
	- Deferred tax	-	-	-	-	-	-
	B Items that will be reclassified to profit or loss						
	(a) Exchange differences in translating the financial statement of foreign operation	(2,140.82)	(261.65)	(204.30)	7,613.02	1,030.72	657.35
	- Deferred tax	745.20	85.77	71.38	(2,676.57)	(362.20)	(235.04)
	(b) Effective portion of gains (losses) on hedging instruments in cash flow hedges	75.46	375.17	(36.75)	(93.51)	(13.18)	(185.31)
	- Deferred tax	(18.99)	(94.42)	9.25	23.54	3.32	46.64
	(c) Share of other comprehensive income in associates and joint ventures, to the extent to be reclassified to profit or loss	(52.56)	(34.30)	5.59	(138.89)	(18.32)	(65.68)
	Total Other Comprehensive Income (XII)	**708.36**	**(1,646.95)**	**(2,631.39)**	**3,623.65**	**2,975.21**	**4,397.26**
XIII	**Total Comprehensive Income for the period (XI+XII)**	**12,373.60**	**5,183.21**	**9,005.28**	**30,699.80**	**40,207.83**	**53,691.32**
XIV	Profit for the period attributable to:						
	- Owners of the Company	11,488.99	8,299.37	10,931.61	31,725.00	34,971.82	45,522.11
	- Non-controlling interests	176.25	(1,469.21)	705.06	(4,648.85)	2,260.80	3,771.95
		11,665.24	**6,830.16**	**11,636.67**	**27,076.15**	**37,232.62**	**49,294.06**
XV	Other comprehensive income attributable to:						
	- Owners of the Company	669.91	(1,658.29)	(2,547.46)	3,773.18	2,897.74	4,296.82
	- Non-controlling interests	38.45	11.34	(83.93)	(149.53)	77.47	100.44
		708.36	**(1,646.95)**	**(2,631.39)**	**3,623.65**	**2,975.21**	**4,397.26**
XVI	Total comprehensive income attributable to:						
	- Owners of the Company	12,158.90	6,641.08	8,384.15	35,498.18	37,869.56	49,818.93
	- Non-controlling interests	214.70	(1,457.87)	621.13	(4,798.38)	2,338.27	3,872.39
		12,373.60	**5,183.21**	**9,005.28**	**30,699.80**	**40,207.83**	**53,691.32**
XVII	**Paid up equity share capital (Face value of ₹5/- each)**	**6,290.14**	**6,290.14**	**6,290.14**	**6,290.14**	**6,290.14**	**6,290.14**
XVIII	Net worth#	301,317.97	297,214.13	271,817.55	301,317.97	271,817.55	283,327.84
XIX	Paid up Debt Capital / Outstanding Debt$	132,882.25	136,670.13	104,356.71	132,882.25	104,356.71	107,775.81
XX	Other Equity	276,286.59	272,620.71	243,237.57	276,286.59	243,237.57	253,212.77
XXI	Capital Redemption Reserve	191.75	191.75	191.75	191.75	191.75	191.75
XXII	Debenture Redemption Reserve	2,814.49	2,825.63	2,830.95	2,814.49	2,830.95	2,831.81
XXIII	Earnings per equity share: (Face value of ₹5/- each) - not annualised						
	(a) Basic (₹)	9.13	6.60	8.69	25.22	27.80	36.19
	(b) Diluted (₹)	9.13	6.60	8.69	25.22	27.80	36.19
XXIV	Debt Equity Ratio#	0.44	0.46	0.38	0.44	0.38	0.38
XXV	Debt Service Coverage Ratio#	2.12	7.93	2.94	3.91	2.95	2.92
XXVI	Interest Service Coverage Ratio#	12.87	10.45	23.80	13.65	20.67	22.64
XXVII	Current Ratio#	0.92	0.95	0.80	0.92	0.80	0.83
XXVIII	Long Term Debt to Working Capital#	***	19.51	***	***	***	***
XXIX	Bad debts to Account Receivable Ratio#	-	-	-	-	-	-
XXX	Current Liability Ratio#	0.45	0.43	0.42	0.45	0.42	0.42
XXXI	Total Debts to Total Assets#	0.21	0.22	0.18	0.21	0.18	0.18
XXXII	Debtors Turnover#	8.25	7.77	7.58	24.17	19.40	26.43
XXXIII	Inventory Turnover#	3.56	3.23	3.25	10.43	8.52	10.77
XXXIV	Operating Margin (%)#	10.58	6.66	11.94	8.38	11.31	11.64
XXXV	Net Profit Margin (%)#	6.89	4.05	7.99	5.20	9.91	9.27

* Represents consumption of raw materials and stores & spares. ** Employee benefits expense shown above is net of allocation to different activities. $ comprises non-current and current borrowings. # Refer Note No. 11 *** Not disclosed as denominator is negative.

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 SEGMENT WISE REVENUE, RESULTS, ASSETS & LIABILITIES

(₹ in Crore)

Sl. No.	Particulars	Quarter ended 31.12.2022	Quarter ended 30.09.2022	Quarter ended 31.12.2021	Nine months ended 31.12.2022	Nine months ended 31.12.2021	Year ended 31.03.2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	**Segment Revenue**						
	A. In India						
	(i) E&P						
	a) Offshore	25,936.07	25,174.04	18,598.87	79,100.49	48,908.36	71,541.33
	b) Onshore	12,574.08	13,087.63	9,809.49	39,902.97	26,777.05	38,568.99
	(ii) Refining & Marketing	147,250.67	142,729.50	128,586.66	447,481.16	326,794.33	460,425.75
	B. Outside India	2,520.29	3,149.71	4,506.77	9,437.94	12,562.99	17,322.03
	C. Others Unallocated	36.26	33.32	29.64	100.56	73.01	103.06
	Total	**188,317.37**	**184,174.20**	**161,531.43**	**576,023.12**	**415,115.74**	**587,961.16**
	Less: Inter Segment Revenue	19,104.74	15,518.08	15,858.47	55,260.62	39,272.19	56,199.33
	Revenue from operations	**169,212.63**	**168,656.12**	**145,672.96**	**520,762.50**	**375,843.55**	**531,761.83**
2	**Segment Result Profit(+)/Loss(-) before tax and interest from each segment**						
	A. In India						
	(i) E&P						
	a) Offshore	12,519.43	11,405.34	9,981.68	39,912.96	24,189.84	32,384.86
	b) Onshore	2,150.68	2,911.27	1,397.14	9,879.58	3,080.64	6,836.97
	(ii) Refining & Marketing	663.51	(4,748.44)	2,540.21	(13,021.35)	7,213.78	11,719.39
	B. Outside India	677.10	545.42	1,680.24	1,788.36	4,492.92	4,414.26
	Total	**16,010.72**	**10,113.59**	**15,599.27**	**38,559.55**	**38,977.18**	**55,355.48**
	Less:						
	i. Finance Cost	2,188.43	1,992.94	1,388.50	5,821.25	4,205.12	5,696.04
	ii. Other unallocable expenditure net of unallocable income.	(896.48)	(1,564.91)	(1,100.00)	(2,851.56)	(1,692.10)	(2,967.75)
	Add: Share of profit/(loss) of joint ventures and associates:						
	A. In India						
	(i) Refining & Marketing	319.13	48.58	471.57	1,573.11	828.46	892.01
	(ii) Unallocated	(50.34)	(92.79)	7.66	(569.68)	215.83	95.75
	B. Outside India-E&P	714.41	(416.93)	221.10	553.69	798.75	476.16
	Profit before Tax	**15,701.97**	**9,224.42**	**16,011.10**	**37,146.98**	**38,307.20**	**54,091.11**
3	**Segment Assets**						
	A. In India						
	(i) E&P						
	a) Offshore	150,287.15	149,104.34	143,647.58	150,287.15	143,647.58	146,053.54
	b) Onshore	76,345.65	75,744.91	68,872.65	76,345.65	68,872.65	73,718.72
	(ii) Refining & Marketing	197,651.34	194,182.20	176,131.82	197,651.34	176,131.82	192,172.49
	B. Outside India	118,877.35	131,166.38	121,066.89	118,877.35	121,066.89	116,849.97
	C. Others Unallocated	83,303.59	78,359.32	55,933.31	83,303.59	55,933.31	56,654.60
	Total	**626,465.08**	**628,557.15**	**565,652.25**	**626,465.08**	**565,652.25**	**585,449.32**
4	**Segment Liabilities**						
	A. In India						
	(i) E&P						
	a) Offshore	51,929.58	51,301.69	45,123.88	51,929.58	45,123.88	48,024.12
	b) Onshore	16,566.25	16,339.26	14,252.11	16,566.25	14,252.11	15,898.38
	(ii) Refining & Marketing	159,353.31	156,424.35	131,351.20	159,353.31	131,351.20	141,143.01
	B. Outside India	57,814.85	69,453.50	64,123.62	57,814.85	64,123.62	61,097.14
	C. Others Unallocated	39,483.12	37,824.22	38,983.89	39,483.12	38,983.89	35,958.83
	Total	**325,147.11**	**331,343.02**	**293,834.70**	**325,147.11**	**293,834.70**	**302,121.48**

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 (E&P) b) Refining & Marketing of Petroleum products

Notes:

1. The above consolidated financial results of the Company for the quarter and nine months ended December 31, 2022 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors in their respective meetings held on the February 14, 2023.

2. The consolidated financial results of the Group [The Holding Company (the Company) and its subsidiaries] for the quarter and nine months ended December 31, 2022 have been reviewed by the Statutory Auditors as required under Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. 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 (BGEPIL) 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 & BGEPIL (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 (BGEPIL & RIL). MoP&NG has also stated that the Arbitral Award would be applicable to the Company also as a constituent of the Contract 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 BGEPIL that on issues relating to the aforesaid disputes, additional Audit Award on January 11, 2018, Agreement Case Award on October 1, 2018 and Jurisdictional Award on March 12, 2019 were pronounced. 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 Government's 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 ₹ 13,446 Crore (March 31, 2022: ₹ 12,302 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 January 2018, the Company along with the JV partners had filed an application with Management Committee (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. One of the JV partners has further informed the Company that the hearing before the Arbitral Tribunal has been partially heard during the quarter of October – December 2021.Further the additional hearing scheduled for quarter 2 and quarter 3 of the year 2022 have been deferred for hearing in February 2023. 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 GOI 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 BGEPIL and RIL and also remitted the matter in the Revised Award back to Arbitral Tribunal for reconsideration. Based on the information shared by BGEPIL, the Tribunal issued a verdict in January 2021, favouring BGEPIL/RIL on the remitted matter, which was challenged by the GOI before the English Court. The English Court delivered its verdict on June 9, 2022 dismissing the GoI's challenges and upholding the Revised Agreements Award. The GOI filed an appeal against the English Court verdict of June 9, 2022 that was rejected by the English courts in August 2022.

Based on the information shared by BGEPIL, 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. BGEPIL / RIL contend that GOI's execution petition is not maintainable and have opposed the reliefs sought by the GOI under the said petition. The hearings in the matter before the Hon'ble Delhi High Court concluded on August 4, 2022. Final orders on the reliefs sought by the GOI is awaited.

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 ₹ 265 Crore (March 31, 2022: ₹ 243 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 ₹ 13,446 Crore (March 31, 2022: ₹ 12,302 Crore) has been considered as contingent liability.

4. 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 Gujarat High Court. In this matter, Hon. 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 20, 2021. The next date of hearing before Hon. 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. High Court of Rajasthan. The Hon. 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 Hon. High Court of Madras seeking stay on the levy of GST on royalty. The Hon. High Court of Madras heard the matter on April 3, 2019 and issued notice to Central Government and State Government. The Central Government filed their counter affidavit on August 26, 2019. The Company filed additional grounds to the writ petition and filed rejoinder to the counter of the Central Government on January 24, 2020. The Hon. High Court of Madras closed the writ petition in hearing held on July 6, 2022 based on the department's rejection of ONGC's GST refund applications without further examination on merit. However liberty was granted to challenge the refund rejection order of department in accordance with law, accordingly, an appeal was filed before the appellate authority on September 30, 2022 challenging the department's refund rejection order dated June 24, 2022. Disputes are also pending at various forums for various work centres in respect to GST on Royalty.

The total estimated amount (including penalty and interest up to December 31, 2022) works out towards Service Tax is ₹ 4,062 Crore (upto March 31, 2022: ₹ 4,017 Crore) and GST is ₹ 13,271 Crore (upto March 31, 2022: ₹ 10,273 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 (upto March 31, 2022: ₹ 1,352 Crore) and ₹ 9,542 Crore (upto March 31, 2022: ₹ 7,404 Crore) respectively.

Considering the expert opinion on the subject, ₹ 1,783 Crore being GST deposited under protest for the financial year 2021-22 has been claimed as an allowable expenditure under the Income Tax Act, 1961, in the Income Tax return filed in November 2022 for the relevant assessment year. Further an amount of ₹ 2,196 Crore being GST deposited under protest for the current period has also been considered as an allowable expenditure while calculating the current tax for the quarter and nine months ended December 31, 2022. Accordingly, the Company has created deferred tax liability amounting to ₹ 940 crore in respect of the amount deposited under protest during the above periods. The necessary adjustments for the previous years shall be made as and when such claims for the allowable expenditure will be made during the course of assessment/appellate proceedings for the relevant assessment years.

5. Certain discovered small fields (DSF) of the Company falling under various Contract Areas were identified by Directorate General of Hydrocarbon, Ministry of Petroleum & Natural Gas, and Government of India for bidding under Discovered Small Field Round III - 2021, in terms of the said bid documents the value of such fields were considered as Nil. The identified contract areas has been awarded to the winning bidders (awardees) in the month of August 2022 and the PML/PELs of these contract areas have been transferred / being transferred to the said awardees.

Accordingly, during the nine months ended December 31, 2022, the Company has charged off exploratory wells, development wells in progress and capital work in progress amounting to ₹ 2,184 Crore lying in the fields falling under contract areas offered under DSF – III and reversed the accumulated impairment of ₹ 2,172 Crore on the said assets.

6. The subsidiary Mangalore Refinery and Petrochemicals Limited (MRPL) is in the process of Human Resources (HR) integration of the employees of the erstwhile step down subsidiary company ONGC Mangalore Petrochemicals Limited (OMPL) and the financial impact (if any) would be considered upon finalization.

7. Government of India has recently approved a one-time grant of ₹ 5,617 Crore to compensate under-recoveries incurred by the subsidiary Hindustan Petroleum Corporation Limited on sale of domestic LPG during financial year 2021-22 and current period, which has been duly recognized in quarter ended September, 2022 and nine months ended December, 2022.

8. The Group has considered the possible effects that may result from the special operations carried out by Russia in Ukraine, various sanctions that have been imposed on Russia by several countries and Russian Government's recent decrees in relation thereto. Our wholly owned subsidiary ONGC Videsh Limited (OVL), has assessed the impact of these on its operations/assets in Russia namely Sakhalin-1 (Joint arrangement – 20% Stake), Vankorneft (Associate – 26% Stake) and Imperial Energy (Wholly owned subsidiary) as follows :

   a) OVL acquired a 20% participating interest (PI) in Sakhalin-1(S-1) project, an oil and gas field located in far-east offshore Russia through Production Sharing Agreement (PSA) in July 2001. Exxon Neftgaz Limited (ENL), a US major Exxon Mobil subsidiary, was the project's Operator. The OVL Group accounted for its 20% interest in the project as joint operations. In line with the PSA, joint operating agreement and crude-offtake agreement, OVL was entitled to lift, and sell oil and gas proportionate to its PI, and discharge its obligation. Due to the special operations carried out by Russia in Ukraine from February 2022, various restrictions were imposed including international sanctions on Russia, thereby constraining crude oil evacuation and production from the S-1 project. Subsequently, the Operator ENL declared Force Majeure (FM) in April 2022.

   On 7th October 2022, the Russian President issued a decree for the transfer of all rights and obligations of the S-1 Consortium under the PSA to a Russian limited liability company. Further, the Government of the Russian Federation on 12th October 2022, notified a Resolution conveying that all the rights and obligations of the Consortium under the PSA shall be transferred to a new company Sakhalin-1 Limited Liability Company (Sakhalin-1 LLC). Sakhalin-1 LLC was registered in Yuzhno-Sakhalinsk, Russia on 14th October 2022 and the existing foreign parties in the PSA were required to give their consent to receive their stake in Sakhalin-1 LLC proportionate to their holdings in the S-1 project.

   OVL submitted the consent to claim its right in the Sakhalin-1 LLC on 7th November 2022. The Government of Russia vide order dated 9th November 2022 granted a proportionate share of 20% to the Company in the authorized capital (nominal value of RUR 10,000) of Sakhalin-1 LLC. The consent was conditioned with the transfer of the accumulated site restoration fund amount relating to the S-1 project. OVL is engaged with the Foreign Party Administrator under the Abandonment Funding Agreement for the transfer of the accumulated site restoration fund and expects to fulfil the condition precedent along with the payment. ONGC Videsh Limited will pay for its 20% share in the authorised share capital of Sakhalin-1 LLC on fulfilment of the condition precedent.

In view of the above action by the Russian Federation, the Group is of the view that the status of the OVL in the S-1 project shall be that of the shareholder in Sakhalin-1 LLC. The Group, therefore may now no longer be able to account for its proportionate share of assets and liabilities relating to the S-1 project in its financial statements. Accordingly, the OVL Group has accounted for the same on net assets basis i.e., carrying values of the assets net of liabilities pertaining to Sakhalin-1 project previously accounted for by the Company on proportionate consolidation basis are transferred to "Investment Pending Proportionate Ownership Interest in Equity of Sakhalin-1 LLC" effective from 14th October 2022 amounting to ₹ 14,320 crore.

Upon initial recognition, value of the "Investment Pending Proportionate Ownership Interest in Equity of Sakhalin-1 LLC" has been assessed for impairment based on currently available information and assumptions for estimation of future cash flows from the project. In view of the estimated value in use of the project being higher than the value of the investment, no impairment has been recognized. The Group will review and revise the accounting treatment for the S-1 project on finalisation of the arrangement.

Post such transition as mentioned above, the financial statements of Sakhalin-1 LLC for the interim period (14 October 2022 to 31 December 2022) have not been received. However, OVL has received limited information about volumes of production, despatches, etc. Based on such limited information and historical data available about costs, an estimation of the profitability of Sakhalin-1 LLC for the period has been made by the OVL Group. The estimate indicates operating profit for the interim period from S-1 project and as a matter of prudence the estimated share of profit has not been accounted for by the OVL Group.

b) In case of JSC Vankorneft, being an equity-accounted entity, the Group is entitled to dividends. Dividends for the calendar year 2021 have been received. Dividends up to the first half of calendar year 2022 have been received. Production from the field continues as per the Business Plan 2022

c) Imperial Energy's operations are continuing as per the Business Plan except for the price of crude oil sales being affected due to prevailing discount.

9. Exceptional items include provision for impairment recognized by our subsidiary ONGC Videsh Limited (OVL) in respect of CGU Sakhalin-1 project and against investment in associate Tamba BV in view of decision of its management to liquidate Tamba BV.

10. In respect of Subsidiary ONGC Videsh Limited (OVL), in case of Area 1, Mozambique, wherein the OVL Group holds 16% participating interest through its subsidiaries ONGC Videsh Rovuma Ltd and Beas Rovuma Energy Mozambique Ltd., the operator intimated suspension of

development activities due to declaration of force majeure in the project on account of security threat. Considering the force majeure, capitalisation of borrowing cost has been suspended effective from 22nd April, 2021. Accordingly, the said borrowing cost amounting to ₹ 480 crore along with stand-by expenditures of ₹ 257 crore has been charged to the Statement of Profit and Loss. Additionally, the OVL Group has adjusted interest and proportionate commitment fee amounting to ₹ 32 crore from the share of profit of the associate entity Moz LNG1 Holding Company Ltd in view of draw down made by the associate from facilities under Common Term Agreement entered into with financers.

11. Formula used for computation of:

    a. Net worth (Total equity) = Equity share capital + Other equity
    b. Debt Equity Ratio = Total borrowings / Total equity.
    c. Interest Service Coverage Ratio = Earnings before interest, tax and exceptional item / Interest on borrowings (net of transfer to expenditure during construction).
    d. 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.
    e. Current Ratio = Current assets / Current liabilities
    f. Long term debt to Working capital = Non-current borrowings (including current maturity of non-current borrowings) / Working capital (excluding current maturity of non-current borrowings).
    g. Bad debts to Accounts receivable Ratio = Bad debts / Average trade receivables.
    h. Current liability Ratio = Current liabilities / Total liabilities.
    i. Total debts to Total assets = Total borrowings / Total assets.
    j. Debtors turnover = Revenue from operations / Average trade receivables.
    k. Inventory turnover = Revenue from operations / Average inventories.
    l. Operating Margin (%) = Earnings before interest, tax and exceptional items / Revenue from operations.
    m. Net Profit Margin (%) = Profit for the period / Revenue from operations.

12. The Board of Directors in its meeting held on February 14, 2023 has declared a second interim dividend of ₹ 4/- per equity share (80%). This is in addition to the interim dividend of ₹ 6.75 per equity share (135%) declared on November 14, 2022.

13. Previous period's figures have been regrouped by the Company, wherever necessary, to conform to current period's grouping.

By order of the Board

POMILA JASPAL Digitally signed by POMILA JASPAL Date: 2023.02.14 16:55:44 +05'30'

(Pomila Jaspal)
Director (Finance)

Place: New Delhi
Date: February 14, 2023

In terms of our report of even date attached

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

PANKAJ SHARMA Digitally signed by PANKAJ SHARMA Date: 2023.02.14 18:25:00 +05'30'

(Pankaj Sharma)
Partner (M. No. 086433)

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

Varun Bansal Digitally signed by Varun Bansal Date: 2023.02.14 18:25:20 +05'30'

(Varun Bansal)
Partner (M. No. 402856)

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

SANJAY SURENDRA NATH Digitally signed by SANJAY SURENDRANATH Date: 2023.02.14 18:25:34 +05'30'

(Sanjay S)
Partner (M. No. 243151)

For S. Bhandari & Co. LLP
Chartered Accountants
Firm Reg. No. 000560C/C400334

Prem Prakash Pareek Digitally signed by Prem Prakash Pareek Date: 2023.02.14 18:25:55 +05'30'

(P P Pareek)
Partner (M. No. 071213)

For J Gupta & Co LLP
Chartered Accountants
Firm Reg. No. 314010E/E300029

ABHISHEK RAJ Digitally signed by ABHISHEK RAJ Date: 2023.02.14 18:26:15 +05'30'

(Abhishek Raj)
Partner (M. No. 302648)

Place: New Delhi
Date : February 14, 2023

SARC & ASSOCIATES
Chartered Accountants
SARC Towers, D-191,
Okhla Industrial Estate,
Phase I, New Delhi – 110020

Kalani & Co
Chartered Accountants
703, VII Floor,
Milestone Building,
Gandhi Nagar Crossing,
Tonk Road, Jaipur-302015

R.G.N. Price & Co
Chartered Accountants
Simpsons Building,
861, Anna Salai,
Chennai - 600 002

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

J Gupta & Co LLP
Chartered Accountants
YMCA Building
Mezzanine Floor,
25, Jawaharlal Nehru Road,
Kolkata –700 087

INDEPENDENT AUDITOR'S REVIEW REPORT ON UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2022

TO THE BOARD OF DIRECTORS OF

OIL AND NATURAL GAS CORPORATION LIMITED

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Oil and Natural Gas Corporation Limited ("the Holding Company") and its Subsidiaries (the Holding Company and its subsidiaries together referred to as ("the Group"), and its share of the net profit/(loss) after tax and total comprehensive income / (loss) of its Joint Ventures and Associates for the quarter and nine months ended December 31, 2022 (hereinafter referred to as "the Statement" and digitally signed by us for the purpose of identification), being submitted by the Holding Company pursuant to the requirements of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Regulations").

2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 *"Review of Interim Financial Information Performed by the Independent Auditor of the Entity"* and also considering the requirements of Standard on Auditing (SA 600) on *"Using the Work*

of Another Auditor" including materiality, both issued by the Institute of Chartered Accountants of India. This SRE requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:

Sr. No.	Name of the entity
A	**Holding Company**
1	Oil and Natural Gas Corporation Limited
B	**Subsidiaries**
1	ONGC Videsh Limited *
2	Mangalore Refinery and Petrochemicals Limited *
3	Petronet MHB Limited
4	Hindustan Petroleum Corporation Limited *
C	**Joint Ventures**
1	ONGC Teri Biotech Limited
2	ONGC Tripura Power Company Limited *
3	ONGC Petro Additions Limited
4	Mangalore SEZ Limited *
5	Indradhanush Gas Grid Limited
6	Dahej SEZ Limited
D	**Associates**
1	Petronet LNG Limited *
2	Pawan Hans Limited
3	Rohini Heliport Limited

* As per consolidated financial results

5. Based on our review conducted and procedures performed as stated in paragraph 3 as above, and based on the consideration of the Review Reports of other auditors referred to in paragraph 9 below, nothing has come to our attention that causes us to believe that the accompanying Statement read with Notes thereon, prepared in accordance with applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of the Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of Matter

6. We draw attention to the following matters in the Notes to the Statement:
    i. Note No. 3, 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 (BGEPIL) and Reliance Industries Limited (RIL) (together “the Claimants”) and the Holding Company (all three together referred to as “Contractors”), towards differential Government of India (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 1624.05 million equivalent to Rs. 13,446 Crore, including interest upto 30th November, 2016). Subsequent to Tribunal Orders dated October 12, 2016, DGH vide letter dated May 25, 2017, June 4, 2018 and January 14, 2019 had asked contractor for re-casting of accounts of the PMT JV for the year 2017-18 and for remitting the respective PI share of balance dues. As the Holding company is not a party to the arbitration, the details of the proceedings of arbitration and copy of the order of English Commercial Court (London High Court) are not available with the Holding company. The Holding Company has informed that 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 BGEPIL 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 BGEPIL/RIL on the remitted matter, which has been challenged by the GOI before the English Court. The English Court had delivered its verdict on June 9, 2022 dismissing the challenge made

by GOI. The GOI filed an appeal against the English Court verdict of June 9, 2022 that was rejected by the English courts in August 2022.

Based on the information shared by BGEPIL, 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. BGEPIL / RIL contend that GOI's execution petition is not maintainable and have opposed the reliefs sought by the GOI under the said petition. The hearings in the matter before the Hon'ble Delhi High Court concluded on August 4, 2022 and orders are awaited.

Pending finalization of the decision of the Arbitral Tribunal, the Holding Company has indicated in their 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 demand raised by DGH, amounting to US$ 1,624.05 million equivalent to Rs. 13,446 Crore has been considered necessary and has been treated as contingent liability.

ii. Note No. 4, with respect to ongoing disputes/demands raised on various work centres of the Holding Company by tax authorities under Service Tax (ST) and Goods & Service Tax (GST) in respect of ST and GST on Royalty levied on Crude Oil and Natural Gas. Based on the legal opinion, the Holding Company has disputed such levies and is contesting the same at various forums. The estimated amounts under disputes as worked out towards ST and GST (including interest and penalty upto Dec 31, 2022) of Rs. 4,062 Crore and Rs. 13,271 Crore respectively (Total Rs 17,333 Crore), 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 Crore and Rs 9,542 Crore respectively (Total Rs. 10,894 Crore).

As stated in the said Note, considering the expert opinion, GST deposited under protest for the FY 2021-22 of Rs. 1,783 Crore has been claimed by the Holding company as an allowable expenditure in the Income Tax return filed for the relevant assessment year and GST deposited under protest for the current period of Rs. 2,196 Crore has also been considered as an allowable expenditure while calculating the current tax for the quarter and nine months ended December 31, 2022 and accordingly deferred tax liability of Rs. 940 Crore has been created by the holding company in respect of the amount deposited under protest during the above periods. As per the said Note, the necessary adjustments for the previous years shall be made as and when such claims for the allowable expenditure will be made during the course of assessment/appellate proceedings for the relevant assessment years.

iii. Note No. 5**,** which explains that certain discovered small fields (DSF) of the holding Company were identified by Directorate General of Hydrocarbons, Ministry of Petroleum & Natural Gas, Government of India for bidding under Discovered Small Field Round III - 2021, and in terms of the said bid documents, the value of such fields was considered as Nil. These identified contract areas have been awarded to the winning bidders (awardees) in the month of August 2022 and the PML/PELs of these contract areas have been transferred / being transferred to the said awardees. Accordingly, during the nine months ended December 31, 2022, the company has charged off exploratory wells, development wells in progress and capital work in progress amounting to Rs. 2,184 Crore and reversed the accumulated impairment of Rs. 2,172 Crore on the said assets.

iv. Note No.6 to the Statement and the Emphasis of Matter (EOM) paragraph included in para 7(i) of the Independent Auditor's Review Report on the Consolidated Financial Results of Mangalore Refinery and Petrochemicals Limited, a subsidiary of the Holding Company, issued by an independent firm of Chartered Accountants vide their report dated January 30th, 2023, the said EOM is reproduced as under:

"We draw attention to Note No. 5 of the statement which prescribes that the Company is in the process of Human Resources (HR) integration of the employees of the erstwhile subsidiary company ONGC Mangalore Petrochemicals Limited (OMPL) with the company and the financial impact (if any) would be considered upon finalisation of the same."

v. Note 8(a) to the Statement and the Emphasis of Matter paragraphs (EOM) paragraph included in para 6(i) of the Independent Auditor's Review Report on the Consolidated Financial results respectively of ONGC Videsh Limited, a subsidiary of the Holding Company, issued by an independent firm of Chartered Accountants vide their respective report dated February 10, 2023, the said EOM's are reproduced as under:

"We draw your attention to Note no 45(iii) of the Consolidated Ind AS Financial Results regarding significant event arising out of Decree of the Russian President leading to acquisition and transfer of all Rights & Obligations of the Consortium of "Sakhalin - 1 Project" (The key Oil & Gas producing asset which had been contributing significant portion of the operating revenue of the Holding Company) to a new entity "Sakhalin- 1 Limited Liability Company". The Holding Company is yet to receive shares in new entity, since as per Decree, the allotment of shares is subject to transfer of amount equal to "Investment made by the Holding Company against the Site Restoration Fund for INR 48,235.05 million" to the Bank Account of Sakhalin-1 LLC.

The Holding Company has classified all Oil & Gas producing assets including all other assets and liabilities relating to this project as "Investment - Pending Proportionate Ownership Interest in Equity of Sakhalin -1 LLC" at net carrying value as on 14th October 2022 amounting to INR 143,201.33 million (refer note 12.2 for details). Since, the legal and contractual position due to Decree is still evolving and rights & obligations as shareholder are yet to be crystalized, the accounting treatment done is subject to review and revision basis further developments.

Further, Crude oil evacuation and production from such assets was impacted due to sanctions imposed in February 2022, force majeure declared by the Operator in May 2022 and subsequently due to Decree by the Russian President."

Our conclusion on the Statement is not modified in respect of the above matters.

Other Matters

7. We have placed reliance on technical/commercial evaluation by the management in respect of categorization by the Holding Company of wells as exploratory, development, producing and dry wells, allocation of costs incurred on them, proved (developed and undeveloped) / probable hydrocarbon reserves and depletion thereof on Oil and Gas Assets, impairment, liability for decommissioning costs, liability for NELP/ HELP and nominated blocks for under performance against agreed Minimum Work Programme.
8. The Statement includes the Holding Company's proportionate share in the total value of expenditure and Income of 193 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. 1 block has been certified by other Chartered Accountant. In respect of this block, revenue for the quarter and nine months ended December 31, 2022 amounting to Rs. 2,241.40 Crore and Rs. 8,045.00 Crore respectively and profit before tax including other comprehensive income for the quarter and nine months ended December 31, 2022 amounting to Rs. 194.19 Crore and Rs. 1,249.57 Crore respectively. Our conclusion is solely based on the certificate of the other Chartered Accountant.

b. 25 blocks have been certified by the management. In respect of these blocks, the Statement includes revenue for the quarter and nine months ended December 31, 2022 amounting to Rs. 378.47 Crore and Rs. 1,167.87 Crore respectively and profit/(loss) before tax including other comprehensive income for the quarter and nine months ended December 31, 2022 amounting to Rs. (126.86) Crore and Rs. (258.35) Crore respectively. Our conclusion is solely based on management certified accounts in respect of these blocks.

9. We did not review the interim financial results/information in respect of four subsidiaries included in the Statement, whose interim financial results/information reflect total revenues of Rs. 1,49,734.08 Crore and Rs. 4,56,798.35 Crore, total net profit/(loss) after tax of Rs. 829.35 Crore and Rs. (9,575.95) Crore and total comprehensive income of Rs. (471.36) Crore and Rs. (4,920.38) Crore for the quarter and nine months ended December 31, 2022 respectively as considered in the Statement. The Statement also include the Group's share of net profit/(loss) after tax of Rs. (142.61) Crore and Rs. (695.33) Crore and total comprehensive income of Rs. (142.41) Crore and Rs. (694.88) Crore for the quarter and nine months ended December 31, 2022 respectively, as considered in the Statement, in respect of six Joint Ventures and one Associate, whose financial results/information have not been reviewed by us. These interim financial results/ information have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

   The Statement also includes the Group's share of net profit/(loss) after tax of Rs. (10.82) Crore and Rs. (38.64) Crore and total comprehensive income of Rs. (10.82) Crore and Rs. (38.64) Crore for the quarter and nine months ended December 31, 2022 respectively, as considered in the Statement, in respect of two Associates, based on their interim financial results/information, which have not been reviewed by their auditors or by us. These, interim financial results/information are certified by the management of the Holding Company. According to the information and explanations given to us by the Management, these, interim financial results/information are not material to the Group.

10. The Statement includes comparative figures for the quarter ended December 31, 2021, corresponding quarter and nine months ended December 31, 2021, reviewed by the joint auditors of the Holding Company, two of whom were the predecessor audit firms, where they had expressed an unmodified conclusion vide their report dated February 11, 2022 on such Consolidated Financial Results.

    The Statement also includes figures for the year ended March 31, 2022, audited by the joint auditors of the Holding Company, two of whom were the predecessor audit firms, where they had expressed an unmodified opinion on such consolidated financial statements vide their report dated May 28, 2022.

    Our conclusion on the Statement is not modified in respect of the above matters.

For SARC & ASSOCIATES
Chartered Accountants
Firm Reg. No.: 006085N
PANKAJ SHARMA Digitally signed by PANKAJ SHARMA Date: 2023.02.14 18:18:36 +05'30'
(Pankaj Sharma)
Partner (M. No. 086433)
UDIN: 23086433BGZHXA7492

For Kalani & Co
Chartered Accountants
Firm Reg. No.: 000722C
Varun Bansal Digitally signed by Varun Bansal Date: 2023.02.14 18:18:58 +05'30'
(Varun Bansal)
Partner (M. No. 402856)
UDIN: 23402856BGTNZN1181

For R.G.N. Price & Co
Chartered Accountants
Firm Reg. No.: 002785S
SANJAY SURENDRANATH Digitally signed by SANJAY SURENDRANATH Date: 2023.02.14 18:19:23 +05'30'
(Sanjay S)
Partner (M. No. 243151)
UDIN: 23243151BGTYGQ3350

For S. Bhandari & Co LLP
Chartered Accountants
Firm Reg. No.: 000560C/C400334
Prem Prakash Pareek Digitally signed by Prem Prakash Pareek Date: 2023.02.14 18:19:53 +05'30'
(P. P. Pareek)
Partner (M. No. 071213)
UDIN: 23071213BGZHWS5325

For J Gupta & Co LLP
Chartered Accountants
Firm Reg. No: 314010E/E300029
ABHISHEK RAJ Digitally signed by ABHISHEK RAJ Date: 2023.02.14 18:20:44 +05'30'
(Abhishek Raj)
Partner (M. No. 302648)
UDIN: 23302648BGYBEK8141

Place: New Delhi
Dated: February 14, 2022