



OIL AND NATURAL GAS CORPORATION LIMITED

COMPANY SECRETARIAT

CS/ONGC/SE/2021-22

11.02.2022

National Stock Exchange of India Ltd.

Listing Department

Exchange Plaza

Bandra-Kurla Complex, Bandra (E)

Mumbai – 400 051

BSE Limited

Corporate Relationship Department

PhirozeJeejeebhoy Towers

Dalal Street, Fort

Mumbai – 400 001

Symbol-ONGC; Series - EQ

BSE Security Code No.- 500312

Sub: Outcome of the Board Meeting

- i) Unaudited Financial Results (Standalone and Consolidated) for the Quarter and Nine months ended 31st December 2021; and
- ii) Declaration of 2nd Interim Dividend for the Financial Year 2021-22

Madam/Sir,

This is in continuation of our letter dated 04.02.2022 and 08.02.2022, it is hereby informed that the Board of Directors of the Company at the meeting held today i.e 11.02.2022 has inter-alia considered and approved the following:-

1. Unaudited Financial Results (Standalone and Consolidated) for the Quarter and Nine Months ended 31st December 2021

The Board of Directors have approved the Unaudited Financial Results (Standalone and Consolidated) for the quarter and Nine months ended 31st December 2021.

Pursuant to Regulation 33 & 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Unaudited Financial Results (Standalone and Consolidated) along with limited review report of the Auditors, are enclosed.

Pursuant to Regulations 54 and 56 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Statutory Auditor's certificate in respect of listed Non-convertible Debentures is also enclosed.

2. Declaration of 2nd Interim Dividend for the Financial Year 2021-22

The Board of Directors have declared 2nd Interim Dividend of **Rs.1.75** per equity share of face value of Rs.5/- each i.e. 35%, for the Financial year 2021-2022.

Further, as informed vide letter dated 08.02.2022, **Tuesday, the 22nd February, 2022** is the **Record Date** for determining eligibility of shareholders for payment of the said Interim Dividend. The dividend will be paid to the eligible shareholders on or before 12.03.2022.



OIL AND NATURAL GAS CORPORATION LIMITED

COMPANY SECRETARIAT

Meeting of Board of Directors commenced at 18:00 hrs and concluded at 20:00 hrs.

This for your information and records please.

Thanking You,
Yours faithfully
For Oil and Natural Gas Corporation Ltd.


(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, 2021

(₹ in Crore unless otherwise stated)

Sl. No.	Particulars	Financial results for					
		Quarter ended 31.12.2021	Quarter ended 30.09.2021	Quarter ended 31.12.2020^	Nine Months ended 31.12.2021	Nine Months ended 31.12.2020^	Year ended 31.03.2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations	28,472.91	24,353.61	17,023.80	75,848.16	46,952.18	68,141.09
II	Other income	1,491.64	3,146.53	1,218.76	5,171.84	4,010.12	7,142.51
III	Total income (I+II)	29,964.55	27,500.14	18,242.56	81,020.00	50,962.30	75,283.60
IV	EXPENSES						
	Cost of materials consumed*	872.76	787.49	492.96	2,390.05	1,428.24	1,980.73
	Purchase of stock-in-trade	-	-	-	-	-	-
	Changes in inventories of finished/ semi finished goods and work in progress	(43.07)	(69.85)	(46.38)	(142.36)	(289.94)	(426.35)
	Employee benefits expense**	694.98	698.13	562.05	2,123.28	1,676.60	2,307.25
	Statutory levies	6,989.64	6,117.01	4,097.26	19,076.21	11,012.96	16,423.68
	Exploration costs written off	-	-	-	-	-	-
	a. Survey Costs	279.35	197.48	363.76	1,032.60	1,110.53	1,724.55
	b. Exploratory well Costs	838.51	501.18	1,474.76	1,934.97	3,300.83	4,660.98
	Finance costs	581.60	578.75	598.20	1,780.06	1,645.75	2,214.54
	Depreciation, depletion, amortisation and impairment	4,338.07	3,942.95	4,427.02	12,446.59	11,928.81	16,327.38
	Other expenses	3,989.55	3,594.64	3,571.80	11,052.91	10,435.14	15,043.08
	Total expenses (IV)	18,541.39	16,347.78	15,541.43	51,694.31	42,248.92	60,255.84
V	Profit before exceptional items and tax (III-IV)	11,423.16	11,152.36	2,701.13	29,325.69	8,713.38	15,027.76
VI	Exceptional items	-	-	-	-	(1,238.18)	1,375.03
VII	Profit before tax (V+VI)	11,423.16	11,152.36	2,701.13	29,325.69	7,475.20	16,402.79
VIII	Tax expense:###						
	(a) Current tax relating to:						
	- current year	2,604.00	1,491.00	948.00	6,381.00	2,824.00	3,056.00
	- earlier years	(33.18)	(447.34)	497.04	(480.52)	501.19	1,148.95
	(b) Deferred tax	88.62	(8,239.03)	(2.03)	(8,020.99)	(362.46)	951.40
	Total tax expense (VIII)	2,659.44	(7,195.37)	1,443.01	(2,120.51)	2,962.73	5,156.35
IX	Profit for the period (VII-VIII)	8,763.72	18,347.73	1,258.12	31,446.20	4,512.47	11,246.44
X	Other comprehensive income (OCI)						
	(a) Items that will not be reclassified to profit or loss						
	(i) Re-measurement of the defined benefit obligations	(11.23)	(7.81)	(75.89)	(32.61)	(233.17)	(51.21)
	- Deferred Tax	2.83	(154.28)	26.52	(146.71)	81.48	17.89
	(ii) Equity instruments through other comprehensive income	(2,491.16)	2,527.14	3,073.88	2,490.41	2,260.79	2,647.96
	- Deferred Tax	185.41	(189.08)	(228.79)	(187.07)	(167.32)	(195.77)
	Total other comprehensive income (X)	(2,314.15)	2,175.97	2,795.72	2,124.02	1,941.78	2,418.87
XI	Total comprehensive income for the period (IX+X)	6,449.57	20,523.70	4,053.84	33,570.22	6,454.25	13,665.31
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##	2,28,882.21	2,29,351.82	1,99,549.06	2,28,882.21	1,99,549.06	2,04,558.57
XIV	Paid up Debt Capital / Outstanding Debt\$	6,778.90	7,896.83	12,815.58	6,778.90	12,815.58	15,022.66
XV	Other equity	2,22,592.07	2,23,061.68	1,93,258.92	2,22,592.07	1,93,258.92	1,98,268.43
XVI	Debt 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 (₹)	6.97	14.58	1.00	25.00	3.59	8.94
	(b) Diluted (₹)	6.97	14.58	1.00	25.00	3.59	8.94
XVIII	Debt Equity Ratio###	0.03	0.03	0.06	0.03	0.06	0.07
XIX	Debt Service Coverage Ratio###	163.42	159.20	43.62	129.92	46.70	55.95
XX	Interest Service Coverage Ratio###	163.42	159.20	43.62	129.92	46.70	55.95
XXI	Current Ratio###	1.03	0.97	0.92	1.03	0.92	0.86
XXII	Long Term Debt to Working Capital###	7.35	(6.12)	(1.70)	7.35	(1.70)	(1.25)
XXIII	Bad debts to Account Receivable Ratio###	-	-	-	-	-	-
XXIV	Current Liability Ratio###	0.33	0.35	0.32	0.33	0.32	0.32
XXV	Total Debts to Total Assets###	0.02	0.02	0.04	0.02	0.04	0.05
XXVI	Debtors Turnover###	3.56	3.07	3.10	9.46	8.73	10.84
XXVII	Inventory Turnover###	3.56	2.95	1.91	9.25	5.42	8.00
XXVIII	Operating Margin (%)###	42.16	48.17	19.38	41.01	22.06	25.30
XXIX	Net Profit Margin (%)###	30.78	75.34	7.39	41.46	9.61	16.50

* 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.8. ### Refer Note No.7. ^ Restated, refer Note No. 5.

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 31.12.2021	Quarter ended 30.09.2021	Quarter ended 31.12.2020^	Nine Months ended 31.12.2021	Nine Months ended 31.12.2020^	Year ended 31.03.2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenue						
	Revenue from Operations						
	a) Offshore	18,598.86	15,636.22	10,797.18	48,908.36	30,576.66	44,475.71
	b) Onshore	9,874.05	8,717.39	6,226.62	26,939.80	16,375.52	23,665.38
	Total	28,472.91	24,353.61	17,023.80	75,848.16	46,952.18	68,141.09
	Less: Inter Segment Operating Revenue	-	-	-	-	-	-
	Revenue from operations	28,472.91	24,353.61	17,023.80	75,848.16	46,952.18	68,141.09
2	Segment Result Profit(+)/Loss(-) before tax and interest from each segment						
	a) Offshore	9,558.99	8,099.05	3,104.25	24,548.78	8,779.77	14,075.66
	b) Onshore	1,524.53	1,026.69	23.74	3,176.14	(687.53)	1,504.50
	Total	11,083.52	9,125.74	3,127.99	27,724.92	8,092.24	15,580.16
	Less:						
	i. Finance Cost	581.60	578.75	598.20	1,780.06	1,645.75	2,214.54
	ii. Other unallocable expenditure net of unallocable income.	(921.24)	(2,605.37)	(171.34)	(3,380.83)	(1,028.71)	(3,037.17)
	Profit before Tax	11,423.16	11,152.36	2,701.13	29,325.69	7,475.20	16,402.79
3	Segment Assets						
	a) Offshore	1,45,864.35	1,43,242.40	1,36,297.58	1,45,864.35	1,36,297.58	1,41,591.75
	b) Onshore	68,892.65	68,130.01	64,074.62	68,892.65	64,074.62	67,735.65
	c) Other Unallocated	1,13,158.97	1,15,894.32	1,08,561.90	1,13,158.97	1,08,561.90	1,09,126.18
	Total	3,27,915.97	3,27,266.73	3,08,934.10	3,27,915.97	3,08,934.10	3,18,453.58
4	Segment Liabilities						
	a) Offshore	45,184.72	43,916.47	42,796.06	45,184.72	42,796.06	45,219.64
	b) Onshore	14,264.29	14,551.62	14,706.33	14,264.29	14,706.33	14,803.83
	c) Other Unallocated	39,584.75	39,446.82	51,882.65	39,584.75	51,882.65	53,871.54
	Total	99,033.76	97,914.91	1,09,385.04	99,033.76	1,09,385.04	1,13,895.01

^ Restated, refer Note No. 5

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

Notes:

1. The above financial results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors in its meeting held on February 11, 2022.
2. The financial results for the quarter and nine months ended December 31, 2021 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 (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 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 ₹ 12,096 Crore (March 31, 2021: ₹ 11,935 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 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 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.

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 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 hearings for CRL increase before the Arbitral Tribunal as informed by BGEPIL are ongoing and the final decision may be expected by mid of 2022.

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 ₹ 239 Crore (March 31, 2021: ₹ 236 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 ₹ 12,096 Crore (March 31, 2021: ₹ 11,935 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 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 20, 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 next hearing for the writ petition is scheduled to be held on February 17, 2022. 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 scheduled in February, 2022.

The total estimated amount (including penalty and interest up to December 31, 2021) works out towards Service Tax is ₹ 4,003 Crore (March 31, 2021: ₹ 3,960 Crore) and GST is ₹ 9,534 Crore (March 31, 2021: ₹ 7,717 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 (March 31, 2021: ₹ 1,352 Crore) and ₹ 6,906 Crore (March 31, 2021: ₹ 5,678 Crore) respectively.

5. Based on the Expert Advisory Committee opinion of the Institute of Chartered Accountants of India, the figures for the quarter and nine months ended December 31, 2020 have been restated, consequent to retrospective recognition of financial liabilities for the Company's 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 Step down Subsidiary ONGC Mangalore Petrochemicals Limited (OMPL) and Joint Venture ONGC Petro additions Limited in the financial statement for the year ended March 31, 2021.
6. The Company 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.

However, the revenue for the quarter and nine months ended December 31, 2020 were 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 quarter and nine months ended December 31, 2021.

7. Pursuant to the introduction of Section 115BAA of the Income Tax Act, 1961 vide Taxation Laws (Amendment) Act, 2019 the company has an option to pay corporate income tax at the rate of 22% plus applicable surcharge and cess (lower rate) as against the earlier rate of 30% plus applicable surcharge and cess, subject to certain conditions. Considering all the provisions under said section 115BAA of the Income Tax Act, 1961, during the nine months ended December 31, 2021 the Company has decided to avail the option of lower rate with effect from the financial year 2020-21. Accordingly, the Company has recognized provision for tax expenses in the financial results for the nine months ended December 31, 2021 and re-measured its net Deferred Tax liabilities on the basis of the provision prescribed in the said section.

The net impact due to availing the above option has resulted in decrease in deferred tax by ₹ 8,689 Crore (of which ₹ (-) 158 crore has been accounted in Other Comprehensive Income) and decrease in current tax by ₹ 2,107 Crore (including ₹ 164 Crore relating to earlier years).

8. 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.

G.M. Kapadia & Co
Chartered Accountants
1007, Raheja Chambers,
213, Nariman Point,
Mumbai – 400002

R. Gopal & Associates
Chartered Accountants
1/1-A Vansittart Row,
Kolkata- 700001

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.
Chartered Accountants
P-7, Tilak Marg,
C-Scheme,
Jaipur-302005

INDEPENDENT AUDITOR’S REVIEW REPORT ON UNAUDITED STANDALONE QUARTERLY AND YEAR TO DATE FINANCIAL RESULTS OF OIL AND NATURAL GAS CORPORATION LIMITED PURSUANT TO THE REGULATION 33 & 52 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

TO THE BOARD OF DIRECTORS

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, 2021 (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 Engagement (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

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

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 (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. 12,096 Crores, 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 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 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 same has been considered necessary and has been considered as contingent liability.
- (ii) Note No. 4, 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

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

demands at various forums and estimated amounts worked out towards ST and GST (including interest and penalty upto December 31, 2021) at Rs. 4,003 crore and Rs. 9,534 crore respectively (Total Rs 13,537 crore), 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 crore and Rs 6,906 crore respectively (Total Rs 8,258 crore).

- (iii) Note No. 6, which describes the management's assessment of the impact of COVID-19 pandemic on the basis of internal and external sources of information, on its business, operations 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.
- (iv) Note No. 7, which states that pursuant to Section 115BAA of the Income Tax Act, 1961, during the period of nine months ended December 31, 2021 the Company has decided to avail the option of lower tax rate with effect from the financial year 2020-21. Accordingly, the Company has recognised provision for tax expenses in the financial results for the quarter and nine months ended December 31, 2021 and re-measured its net Deferred Tax liabilities on the basis of the provision prescribed in the said section. The net impact due to availing the said option has resulted in decrease in deferred tax by Rs. 8,689 Crore (of which Rs. (-) 158 crore has been accounted in Other Comprehensive Income) and decrease in current tax by Rs. 2,107 Crore (including Rs. 164 Crore relating to earlier years).

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 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. 1 block accounts have been certified by other Chartered Accountant. In respect of this block, the Statement includes revenue for the quarter and nine months ended December 31, 2021 amounting to Rs. 2,211.69 Crore and Rs. 6,058.80 Crores respectively and profit before tax including other comprehensive income for the quarter and nine months ended December 31,

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

2021 amounting to Rs. 385.20 Crores and Rs. 913.15 Crores respectively. Our conclusion is solely based on the certificate of the other Chartered Accountant.

- b. 17 blocks have been certified by the management. In respect of these 17 blocks, the Statement includes revenue for the quarter and nine months ended December 31, 2021 amounting to Rs. 257.40 Crore and Rs. 777.70 Crores respectively and profit before tax including other comprehensive income for the quarter and nine months ended December 31, 2021 amounting to Rs. 24.34 Crores and Rs. 41.94 Crores respectively. Our conclusion is solely based on management certified accounts in respect of these blocks.

- (iii) Attention is drawn to facts stated in Note No.5 regarding restatement of the figures for the quarter and nine months ended December 31, 2020.

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

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

ABHISHEK SINGH
Digitally signed by ABHISHEK SINGH
DN: c=IN, o=Uttar Pradesh,
2.5.4.20=0720242156087310961a022
634374134176050a3a3020495a0408
4, postalCode=302006, street=5, ST=IN
ROAD/JANTA
NAGAR, email=rajasthan302006,
serialNumber=officerwscw1321a761
00902307791000a0a20a755660323a
a17090b1, ou=controller, o=KALANI & CO.,
cn=MIAS GUPTA,
pseudoym=04f27561781b1b0ee7724
c20da17c,
2022.02.11 19:56:02 +05'30'

(Abhishek Singh)
Partner (M. No. 407549)
UDIN: 22407549ABKPDR3365
Place: New Delhi

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

SANDEEP KUMAR SAWARIA
Digitally signed by
SANDEEP KUMAR
SAWARIA
Date: 2022.02.11
20:40:16 +05'30'

(Sandeep Kumar Sawaria)
Partner (M. No. 061771)
UDIN: 22061771ABJCSC7010
Place: Kolkata

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

PANKAJ SHARMA
Digitally signed
by PANKAJ
SHARMA
Date: 2022.02.11
21:13:57 +05'30'

(Pankaj Sharma)
Partner (M. No. 086433)
UDIN: 22086433ABIOID2913
Place: New Delhi

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

VIKAS GUPTA
MIAS GUPTA
c=IN, o=Rajasthan,
2.5.4.20=0720242156087310961a022
634374134176050a3a3020495a0408
4, postalCode=302006, street=5, ST=IN
ROAD/JANTA
NAGAR, email=rajasthan302006,
serialNumber=officerwscw1321a761
00902307791000a0a20a755660323a
a17090b1, ou=controller, o=KALANI & CO.,
cn=MIAS GUPTA,
pseudoym=04f27561781b1b0ee7724
c20da17c,
2022.02.11 19:56:02 +05'30'

(Vikas Gupta)
Partner (M. No. 077076)
UDIN: 22077076ABKSVS3447
Place: Jaipur

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

SURENDRANATH GIRIDHAR RAO
Digitally signed by
SURENDRANATH
GIRIDHAR RAO
Date: 2022.02.11
20:50:15 +05'30'

(G Surendranath Rao)
Partner (M. No. 022693)
UDIN: 22022693ABHZUT8247
Place: Kochi

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

SUDHA JAIDEEP SHETTY
Digitally signed by
SUDHA JAIDEEP
SHETTY
Date: 2022.02.11
20:09:39 +05'30'

(Sudha Shetty)
Partner (M. No. 047684)
UDIN: 22047684ABKOWR9518
Place: Mumbai

Dated: February 11, 2022

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, 2021

(₹ in Crore unless otherwise stated)

SI. NO.	Particulars	Financial results for					
		Quarter ended 31.12.2021	Quarter ended 30.09.2021	Quarter ended 31.12.2020 [^]	Nine Months ended 31.12.2021	Nine Months ended 31.12.2020 [^]	Year ended 31.03.2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations	145,685.58	122,029.47	100,288.83	375,850.68	246,404.05	360,572.31
II	Other income	2,129.09	1,415.48	2,128.01	4,710.76	5,285.12	9,323.02
III	Total income (I+II)	147,814.67	123,444.95	102,416.84	380,561.44	251,689.17	369,895.33
IV	Expenses						
	(a) Cost of materials consumed*	31,797.55	21,725.18	16,470.99	69,679.92	37,100.39	56,663.68
	(b) Purchase of Stock-in-Trade	61,842.40	57,013.63	44,406.77	165,871.10	98,363.08	144,561.83
	(c) Changes in inventories of finished goods, stock-in-trade and work-in progress	331.22	(1,316.08)	(3,019.32)	1,227.35	(5,611.12)	(9,916.66)
	(d) Employee benefits expense **	1,560.68	1,713.30	1,651.87	5,039.71	5,019.12	6,313.72
	(e) Statutory levies	18,867.95	15,722.85	19,658.70	50,298.03	51,053.88	74,530.92
	(f) Exploration costs written off						
	(i) Survey costs	297.84	283.52	404.86	1,229.86	1,209.64	1,967.72
	(ii) Exploration well costs	840.71	500.62	1,618.85	1,939.39	3,538.69	5,167.82
	(g) Finance costs	1,388.50	1,376.56	1,157.65	4,205.12	3,963.47	5,079.03
	(h) Depreciation, depletion, amortisation and impairment	6,849.53	6,230.43	6,494.80	19,502.84	17,966.44	25,538.47
	(i) Other expenses	8,727.53	8,631.46	7,816.75	25,103.96	21,742.24	31,817.28
	Total expenses (IV)	132,503.91	111,881.47	96,661.92	344,097.28	234,345.83	341,723.81
	Profit before share of profit/(loss) of associates and joint ventures, exceptional items and tax (III - IV)	15,310.76	11,563.48	5,754.92	36,464.16	17,343.34	28,171.52
V	Share of profit of associates & joint ventures	700.34	538.20	251.10	1,843.04	340.39	1,019.36
VI	Profit before exceptional items (V+VI)	16,011.10	12,101.68	6,006.02	38,307.20	17,683.73	29,190.88
VII	Exceptional items - Income/(expenses)	-	-	-	-	(1,238.19)	918.77
VIII	Profit before tax (VII+VIII)	16,011.10	12,101.68	6,006.02	38,307.20	16,445.54	30,109.65
IX	Tax expense##						
X	(a) Current tax relating to:						
	- current year	3,809.31	2,672.40	2,104.65	9,587.18	6,261.23	8,081.52
	- earlier years	(33.21)	(604.15)	362.59	(637.36)	366.75	982.03
	(b) Deferred tax	598.33	(8,715.74)	(98.50)	(7,875.24)	(579.65)	(297.35)
	Total tax expense (X)	4,374.43	(6,647.49)	2,368.74	1,074.58	6,048.33	8,766.20
XI	Profit for the period (IX-X)	11,636.67	18,749.17	3,637.28	37,232.62	10,397.21	21,343.45
XII	Other comprehensive income (OCI)						
	A Items that will not be reclassified to profit or loss						
	(a) Remeasurement of the defined benefit plans	(9.56)	(3.00)	(83.73)	(26.50)	(261.00)	(181.07)
	- Deferred tax	2.56	(154.55)	27.67	(147.81)	86.01	47.81
	(b) Equity instruments through other comprehensive income	(2,655.15)	2,802.54	3,121.09	2,694.38	2,326.88	2,754.84
	- Deferred tax	185.41	(189.08)	(228.79)	(187.07)	(167.32)	(195.77)
	(c) Share of other comprehensive income in associates and joint ventures, to the extent not to be reclassified to profit or loss	0.18	0.53	(0.55)	1.87	(0.34)	1.14
	- Deferred tax	-	-	-	-	-	0.55
	B Items that will be reclassified to profit or loss						
	(a) Exchange differences in translating the financial statement of foreign operation	(225.27)	(68.56)	(353.11)	1,009.75	(1,468.27)	(1,062.60)
	- Deferred tax	78.71	24.66	125.53	(354.87)	520.58	379.05
	(b) Effective portion of gains (losses) on hedging instruments in cash flow hedges	(36.75)	36.89	(5.64)	(13.18)	(62.03)	(1.09)
	- Deferred tax	9.25	(9.28)	1.42	3.32	15.61	0.27
	(c) Share of other comprehensive income in associates and joint ventures, to the extent to be reclassified to profit or loss	5.59	12.39	31.90	(18.32)	97.50	121.59
	Total Other Comprehensive Income (XII)	(2,645.03)	2,452.54	2,635.79	2,961.57	1,087.62	1,864.72
XIII	Total Comprehensive Income for the period (XI+XII)	8,991.64	21,201.71	6,273.07	40,194.19	11,484.83	23,208.17
XIV	Profit for the period attributable to:						
	- Owners of the Company	10,931.61	18,055.01	2,518.10	34,971.82	6,844.52	16,248.69
	- Non-controlling interests	705.06	694.16	1,119.18	2,260.80	3,552.69	5,094.76
		11,636.67	18,749.17	3,637.28	37,232.62	10,397.21	21,343.45
XV	Other comprehensive income attributable to:						
	- Owners of the Company	(2,561.10)	2,309.75	2,597.97	2,884.10	1,026.71	1,789.42
	- Non-controlling interests	(83.93)	142.79	37.82	77.47	60.91	75.30
		(2,645.03)	2,452.54	2,635.79	2,961.57	1,087.62	1,864.72
XVI	Total comprehensive income attributable to:						
	- Owners of the Company	8,370.51	20,364.76	5,116.07	37,855.92	7,871.23	18,038.11
	- Non-controlling interests	621.13	836.95	1,157.00	2,338.27	3,613.60	5,170.06
		8,991.64	21,201.71	6,273.07	40,194.19	11,484.83	23,208.17
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	Other Equity						
	Earnings per equity share: (Face value of ₹5/- each) - not annualised						
	(a) Basic (₹)	8.69	14.35	2.00	27.80	5.44	12.92
	(b) Diluted (₹)	8.69	14.35	2.00	27.80	5.44	12.92

* 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. 5. ##Refer Note No.7

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)

(in Crores)							
Sl. No.	Particulars	Quarter ended 31.12.2021	Quarter ended 30.09.2021	Quarter ended 31.12.2020^	Nine Months ended 31.12.2021	Nine Months ended 31.12.2020^	Year ended 31.03.2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenue						
	A. In India						
	(i) E&P						
	a) Offshore	18,598.87	15,636.22	10,797.18	48,908.36	30,576.66	44,475.71
	b) Onshore	9,809.49	8,670.67	6,182.66	26,777.05	16,265.00	23,519.26
	(ii) Refining & Marketing	128,586.45	105,417.40	91,604.98	326,784.49	215,491.39	321,619.31
	B. Outside India	4,519.60	4,386.17	3,017.91	12,579.96	8,434.46	11,965.17
	C. Others Unallocated	29.64	24.34	24.01	73.01	49.19	77.37
	Total	161,544.05	134,134.80	111,626.74	415,122.87	270,816.70	401,656.82
	Less: Inter Segment Revenue	15,858.47	12,105.33	11,337.91	39,272.19	24,412.65	41,084.51
	Revenue from operations	145,685.58	122,029.47	100,288.83	375,850.68	246,404.05	360,572.31
2	Segment Result Profit(+) / Loss(-) before tax and interest from each segment						
	A. In India						
	(i) E&P						
	a) Offshore	9,981.68	7,982.87	3,062.50	24,189.84	8,524.51	13,745.67
	b) Onshore	1,397.14	1,013.78	(26.85)	3,080.64	(757.77)	1,483.28
	(ii) Refining & Marketing	2,540.21	1,969.16	2,571.92	7,213.78	8,805.54	13,170.35
	B. Outside India	1,680.24	1,562.97	769.31	4,492.92	2,557.24	2,681.39
	Total	15,599.27	12,528.78	6,376.88	38,977.18	19,129.52	31,080.69
	Less:						
	i. Finance Cost	1,388.50	1,376.56	1,157.65	4,205.12	3,963.47	5,079.03
	ii. Other unallocable expenditure net of unallocable income.	(1,100.00)	(411.25)	(535.69)	(1,692.10)	(939.10)	(3,088.62)
	Add: Share of profit/(loss) of joint ventures and associates:						
	A. In India						
	(i) Refining & Marketing	471.57	81.22	95.03	828.46	237.21	267.43
	(ii) Unallocated	7.66	211.63	(58.96)	215.83	(228.38)	42.15
	B. Outside India-E&P	221.10	245.36	215.03	798.75	331.56	709.79
	Profit before Tax	16,011.10	12,101.68	6,006.02	38,307.20	16,445.54	30,109.65
3	Segment Assets						
	A. In India						
	(i) E&P						
	a) Offshore	143,647.58	141,446.32	135,053.56	143,647.58	135,053.56	139,676.35
	b) Onshore	68,872.65	68,110.78	64,057.48	68,872.65	64,057.48	67,719.58
	(ii) Refining & Marketing	176,131.82	173,801.81	162,173.65	176,131.82	162,173.65	166,532.09
	B. Outside India	121,066.89	118,161.98	116,669.09	121,066.89	116,669.09	117,318.28
	C. Others Unallocated	55,933.31	58,954.02	59,900.54	55,933.31	49,900.54	52,018.31
	Total	565,652.25	560,474.91	527,854.32	565,652.25	527,854.32	543,264.61
4	Segment Liabilities						
	A. In India						
	(i) E&P						
	a) Offshore	45,123.88	43,853.85	42,742.56	45,123.88	42,742.56	45,148.50
	b) Onshore	14,252.11	14,536.61	14,690.55	14,252.11	14,690.55	14,794.13
	(ii) Refining & Marketing	131,351.20	131,450.20	121,009.43	131,351.20	121,009.43	123,196.44
	B. Outside India	64,116.29	62,272.59	64,945.31	64,116.29	64,945.31	63,867.98
	C. Others Unallocated	38,983.89	38,843.34	50,389.70	38,983.89	50,389.70	53,660.77
	Total	293,827.37	290,956.59	293,777.55	293,827.37	293,777.55	300,667.82
^Restated, refer Note No. 5							
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							

Notes:

1. The above consolidated financial results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors in the meeting held on February 11, 2022.
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, 2021 have been reviewed by the Statutory Auditors as required under Regulation 33 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 (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 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 ₹ 12,096 Crore (March 31, 2021: ₹ 11,935 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 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 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.

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 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 hearings for CRL increase before the Arbitral Tribunal as informed by BGEPIL are ongoing and the final decision may be expected by mid of 2022.

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 ₹ 239 Crore (March 31, 2021: ₹ 236 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 ₹ 12,096 Crore (March 31, 2021: ₹ 11,935 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 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 20, 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 next hearing for the writ petition is scheduled to be held on February 17, 2022. 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 scheduled in February, 2022.

The total estimated amount (including penalty and interest up to December 31, 2021) works out towards Service Tax is ₹ 4,003 Crore (March 31, 2021: ₹ 3,960 Crore) and GST is ₹ 9,534 Crore (March 31, 2021: ₹ 7,717 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 (March 31, 2021: ₹ 1,352 Crore) and ₹ 6,906 Crore (March 31, 2021: ₹ 5,678 Crore) respectively.

5. Based on the Expert Advisory Committee opinion of the Institute of Chartered Accountants of India, the figures for the quarter and nine months ended December 31, 2020 have been restated, consequent to retrospective recognition of financial liabilities for the Company's 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 Step down Subsidiary ONGC Mangalore Petrochemicals Limited (OMPL) and Joint Venture ONGC Petro additions Limited in the financial statement for the year ended March 31, 2021.

Similar restatement has been carried out by subsidiary Mangalore Refinery and Petrochemicals Limited (MRPL), which is the co-sponsor of the backstopping support with reference to the Compulsory Convertible debentures (CCDs) issued by OMPL.

Furthermore, 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 2020-21, OVL Group reassessed such presentation, and reclassified the Deemed Capital Contribution that is owned by the Non-Controlling interest.

6. The management of the holding Company 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.

However, the revenue for the quarter and nine months ended December 31, 2020 were 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 quarter and nine months ended December 31, 2021.

7. Pursuant to the introduction of Section 115BAA of the Income Tax Act, 1961 vide Taxation Laws (Amendment) Act, 2019 the company has an option to pay corporate income tax at the rate of 22% plus applicable surcharge and cess (lower rate) as against the earlier rate of 30% plus applicable surcharge and cess, subject to certain conditions. Considering all the provisions under said section 115BAA of the Income Tax Act, 1961, during the nine months ended December 31, 2021 the Company has decided to avail the option of lower rate with effect from the financial year 2020-21. Accordingly, the Company has recognized provision for tax expenses in the financial results for the nine months ended December 31, 2021 and re-measured its net Deferred Tax liabilities on the basis of the provision prescribed in the said section.

The net impact due to availing the above option has resulted in decrease in deferred tax by ₹ 8,641 Crore (of which ₹ (-) 158 crore has been accounted in Other Comprehensive Income) and decrease in current tax by ₹ 2,107 Crore (including ₹ 164 Crore relating to earlier years).

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 nine months ended December 31, 2021 as per the earlier provisions.

8. The shares buy-back program of Company's Subsidiary Hindustan Petroleum Corporation Limited (HPCL) which commenced on November 17, 2020 has concluded on May 14, 2021. During the entire buy-back period, a total 10,52,74,280 shares, representing 6.91% of paid up Share Capital (prior to commencement of buy-back) having a face value of ₹ 1,05,27,42,800 have been bought back and extinguished. Consequently Company's shareholding in the subsidiary HPCL has increased from 53.64% as on March 31, 2021 to 54.90 % as on May 14, 2021.
9. The management of ONGC Manglore Petrochemicals Limited (OMPL) which is a fully owned subsidiary of Company's subsidiary Manglore Refinery and Petrochemicals Limited (MRPL) has undertaken impairment test of its non-financial assets as required under Ind AS 36 by taking into consideration the future cash flow projections which was duly taken on record by the Board of Directors of OMPL.

Considering all the aspects related to the impairment assessment considered by OMPL and the outcome thereon, it has been assessed that no impairment of assets of OMPL would arise during the period under consideration and accordingly no impairment of OMPL's assets has been considered in the Consolidated Financial Statements of the Group for the quarter and nine months ended 31.12.2021.

10. The Board of Directors of the Company in its meeting held on February 11, 2022 has declared 2nd interim dividend of ₹ 1.75 per share (35%). This is in addition to the 1st interim dividend of ₹ 5.50 per share (110%) paid during the year.

Place: New Delhi
Date: February 11, 2022

ANURAG
SHARMA

Digitally signed by
ANURAG SHARMA
Date: 2022.02.11
19:44:47 +05'30'

(Anurag Sharma)
Director (Finance)

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

ABHISHEK
SINGH

Digitally signed by ABHISEK SINGH
DN: c=IN, st=Uttar Pradesh,
2.5.4.20=c1930d2b3c869fb033355a8:d
ceb0cd5c8ba49f6c30ffcf520a9abf5e537,
postalCode=201301, serial=100, CN=IANYA
NIGITAN SOCIETY, STREET=LOK CHETAN
SECTOR-49, SECTOR-42, GAUTAM
BUDHA NAGAR,
serialNumber=6c0cbb91b199cc7b3272d9
3ca1019a6241bb0b6f0a501a1c24f89aff51
c2d57, o=Personal, cn=ABHISEK SINGH,
pseudonym=285723036009461670228BA
52ca7045
Date: 2022.02.11 20:40:17 +05'30'

(Abhishek Singh)
Partner (M. No. 407549)
Place: New Delhi

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

SUNIL
KUMAR
AGARWAL

Digitally signed
by SUNIL KUMAR
AGARWAL
Date: 2022.02.11
21:17:20 +05'30'

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

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

PANKA.
SHARM
A

Digitally signed
by PANKAJ
SHARMA
Date: 2022.02.11
21:29:00 +05'30'

(Pankaj Sharma)
Partner (M. No. 086433)
Place: New Delhi

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

VARUN
BANSA

VARUN BANSAL
c.in@stud.joystech,
2.5.10-1997b58c664382f57626d5fd
6344fd9793f1eckb71c62dd6a4a205b
b5b, postalCode=302015, street=73
MILSTONE BUILDING VII FLOOR TORX
ROAD GANDHI NAGAR,
pseudonym=6d7b39f2d31456442193
e778c013,
serialNumber=B022f9ac6d70b0dc2b
944fb3c963c32dd6d9a31cfbbcb78c7
91985ab43, ou=SERVICE, o=KALANI
AND CO, cn=VARUN BANSAL
002.00.02.17949480.001000.

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

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

SURENDRAN
ATH
GIRIDHAR
BAO

Digitally signed by
SURENDRANATH
GRIDHAR RAO
Date: 2022.02.11
20:17:02 +05'30'

(G Surendranath Rao)
Partner (M. No. 022693)
Place: Kochi

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

SUDHA
JAIDEEP
SHETTY

Digitally signed by
SUDHA JAIDEEP
SHETTY
Date: 2022.02.11
20:30:59 +05'30'

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

February 11, 2022

G.M. Kapadia & Co

Chartered Accountants
1007, Raheja Chambers,
213, Nariman Point,
Mumbai – 400002

R. Gopal & Associates

Chartered Accountants
1/1-A Vansittart Row,
Kolkata- 700001

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.

Chartered Accountants
P-7, Tilak Marg,
C-Scheme,
Jaipur-302005

INDEPENDENT AUDITOR'S REVIEW REPORT ON UNAUDITED CONSOLIDATED QUARTERLY AND YEAR TO DATE FINANCIAL RESULTS OF OIL AND NATURAL GAS CORPORATION LIMITED PURSUANT TO THE REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

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, 2021 (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 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 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

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

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. 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

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

Basis of Qualified Conclusion

4. In case of one of the Subsidiary of the Holding Company, Mangalore Refinery and Petrochemicals Limited (MRPL), not reviewed by us, the auditors who have reviewed the financial results of MRPL, have issued a modified conclusion in respect of the impairment of ONGC Mangalore Petrochemicals Limited (OMPL), a subsidiary of MRPL and step down subsidiary of the Holding Company.

Considering above, we draw attention to Note No. 9 to the Statement regarding the fact that the management of OMPL has undertaken Impairment test of non-financial assets as required under Ind AS-36 by taking into consideration the future cash flow projections, which have been duly taken on record by the Board of Directors of OMPL. However, the auditors of MRPL have stated that the appropriateness of impairment testing is dependent upon the realization of such projections estimated by the Board of Directors of OMPL. The auditors of MRPL have considered the material adverse variances between the budgeted estimates and the actual financial results of OMPL during the earlier years, the reliability of such figures could not be convincingly established before the auditors of MRPL, and as stated by them, based on the information available in public domain regarding the existing legal issues with NCLT to the major prospective buyer of para-xylene with whom the OMPL has entered into an Off-take agreement for a period of 10 years, which is the major source of inflows to OMPL, the management's contention about the recoverability of future cash flows is a matter of major concern for the auditors of MRPL. For the reasons stated above, as the performance and financial position of OMPL over the foreseeable future is dependent on the outcome of resolution of various matters stated above, the auditors of MRPL have not been able to corroborate the impairment testing adopted by the OMPL management. Accordingly, the auditors of MRPL were unable to comment on its consequential impact on the consolidated financial results of the MRPL for the quarter and nine months ended December 31, 2021 and its appropriateness of conforming with the strictures of Ind AS -36. Thus, we are unable to comment on its consequential impact on the Statement of the Group for the quarter and nine months ended December 31, 2021 and its appropriateness of conforming with the requirements of Ind AS -36.

Qualified Conclusion

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the Review Reports of other auditors referred to in paragraph 12 below, except for the possible effects of observations as stated in Basis of Qualified Conclusion paragraph above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, 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.

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

Emphasis of Matter

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

6. 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 (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 1624.05 million equivalent to Rs. 12,096 Crore, including interest upto November 30, 2016). Subsequent to Tribunal Order 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 the same has been considered as contingent liability.
7. Note No. 4, 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 at various forums and estimated amounts worked out towards ST and GST (including interest and penalty upto December 31, 2021) at Rs. 4,003 Crore and Rs. 9,534 Crore respectively (Total Rs. 13,537 Crore), 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 Crore and Rs. 6,906 Crore respectively (Total Rs. 8,258 Crore).

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

8. Note No. 6, which describes the management's assessment of the impact of COVID-19 pandemic on the basis of internal and external sources of information, on its business, operations and other related components. As stated in the said Note, the management expects no significant impact of COVID-19 on the affairs of the Group on a long term basis.
9. Note No.7, which states that pursuant to Section 115BAA of the Income Tax Act, 1961, during the period of nine months ended December 31, 2021 the Holding Company has decided to avail the option of lower tax rate with effect from the financial year 2020-21. Accordingly, the provision for tax expenses has been recognized in the Statement along with re-measurement of Deferred Tax liabilities, on the basis of the provisions prescribed in the said section. The net impact due to availing the said option has resulted in decrease in Deferred Tax by Rs. 8,641 Crore (of which Rs. (-) 158 Crore has been accounted in Other Comprehensive Income) and decrease in current tax by Rs. 2,107 Crore (including Rs. 164 Crore relating to earlier year).

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

Other Matters

10. 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.
11. The Statement includes the Holding Company's proportionate share in the total value of 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. 1 block accounts have been certified by other Chartered Accountant. In respect of this block, the Statement includes revenue for the quarter and nine months ended December 31, 2021 amounting to Rs. 2,211.69 Crore and Rs. 6,058.80 Crore respectively and profit before tax including other comprehensive income for the quarter and nine months ended December 31, 2021 amounting to Rs. 385.20 Crore and Rs. 913.15 Crore respectively. Our conclusion is solely based on the certificate of the other Chartered Accountant.

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. 17 blocks have been certified by the management. In respect of these 17 blocks, the Statement includes revenue for the quarter and nine months ended December 31, 2021 amounting to Rs. 257.40 Crore and Rs. 777.70 Crore respectively and profit before tax including other comprehensive income for the quarter and nine months ended December 31, 2021 amounting to Rs. 24.34 Crore and Rs. 41.94 Crore respectively. Our conclusion is solely based on management certified accounts in respect of these blocks.

12. 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. 1,33,071.13 Crore and Rs. 3,39,274 Crore, total net profit/(loss) after tax of Rs. 2,887.27 Crore and Rs. 7,971.22 Crore and total comprehensive income of Rs. 2,555.77 Crore and Rs. 8,807.10 Crore for the quarter and nine months ended December 31, 2021 respectively as considered in the Statement. The Statement also include the Group's share of net profit/(loss) after tax of (Rs. 2.51 Crore) and Rs. 286.38 Crore and total comprehensive income of (Rs. 2.34 Crore) and Rs. 286.83 Crore for the quarter and nine months ended December 31, 2021 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. 3.55 Crore) and (Rs. 15.71 Crore) and total comprehensive income of (Rs. 3.55 Crore) and (Rs. 15.71 Crore) for the quarter and nine months ended December 31, 2021 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. According to the information and explanations given to us by the Management, these, interim financial results/information are not material to the Group.

Kalani & Co.
Chartered Accountants

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

S. Bhandari & Co.
Chartered Accountants

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

[illegible]

**SUNIL
KUMAR
AGARWAL**

Digitally signed
by SUNIL KUMAR
AGARWAL
Date: 2022.02.11
21:18:16 +05'30'

PANKAJ SHARMA Digitally signed by PANKAJ SHARMA
Date: 2022.02.11 21:27:40 +05'30'

VARUN BANSAAL

C-0N, 2c-Rajasthan,
2-5, 420-9997868r64-6420766d66dc6e
c4df9f9793a4bcdf71c662dd65a4205bf5b.
postalCode=302015, street=-203 MLSTONE
BUILDING VF Floor TONK ROAD GANDHI
NAGAR,
pageid=66770d3982c4356442199077
87c013, serialNumber=0400279ac6d0769cc6ebff
3c9bd63632dcd9a31cf0bbcb78c791985a
ba4, om=SERVICES, om=KALAHAHNDI CO,
om=VARUN BANSAAL,
2022020311:00PM

SURENDRA
NATH
GIRIDHAR
RAO

Digitally signed by
SURENDRANATH
GIRIDHAR RAO
Date: 2022.02.11
20:16:27 +05'30'

SUDHA
JAIDEEP
SHETTY

Digitally signed
by SUDHA
JAIDEEP SHETTY
Date: 2022.02.11
20:33:15 +05'30'

Page 7 of 7

IDBI Trusteeship Services Limited

Asian Building, Ground Floor,
17, R. Kamani Marg, Ballard Estate,
Mumbai - 400 001

Subject: Certificate for Asset Cover in respect of listed debt securities aggregating to Rs. 4,140 Crore issued by Oil and Natural Gas Corporation Limited

Oil and Natural Gas Corporation Limited (the Company) is required to submit the Asset Cover Certificate in accordance with Regulations 56(1)(d) and 54(3) of SEBI (LODR) Regulation, 2015 read with SEBI Circular SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/230 dated 12th November, 2020.

We have examined the relevant records of the Company, having its Registered Office at Plot No. 5A-5B, Nelson Mandela Road, Vasant Kunj, South West Delhi-110070 and based on examination of books of accounts and other relevant records/documents, we hereby certify that:

- a) The Company vide its Board Resolution and information memorandum/ offer document and under various Debenture Trust Deeds, has issued the following listed debt securities as at 31st December 2021:

ISNI No.	Private Placement / Public Issue	Secured / Unsecured	Sanctioned Amount (Rs. In Crore)
INE213A08016	Private Placement	Unsecured	500
INE213A08024	Private Placement	Unsecured	1,000
INE213A08032	Private Placement	Unsecured	1,140
INE213A08040	Private Placement	Unsecured	1,500
	Total		4,140



b) Asset Cover for listed debt securities:

- i. The financial information as on 31-December-2021 has been extracted from the standalone books of accounts for the year ended 31-December-2021 and other relevant records of the listed entity;
- ii. The total assets of the listed entity provide coverage of **34.05 times** of the principal, which is in accordance with the terms of issue (calculation as per statement of asset coverage ratio available for the unsecured debt securities - Table II) (as per requirement of Regulation 54 read with Regulation 56(1)(d) of SEBI (LODR) Regulations).

Table-II:

SN	Particulars		Amount (Rs. In Cr.)
i.	Net assets of the listed entity available for unsecured lenders (Property Plant & Equipment (excluding intangible assets and prepaid expenses) + Investments + Cash & Bank Balances + Other current/ Non-current assets excluding deferred tax assets (-) Total assets available for secured lenders/creditors on pari passu/exclusive charge basis under the above heads (-) unsecured current/ non-current liabilities (-) interest accrued/ payable on unsecured borrowings)	A	230,819.47
ii.	Total Borrowings (unsecured)	B	6,778.90
	• Term loan		-
	• Non-convertible Debt Securities		4,140.00
	• CC/ OD Limits		12.30
	• Other Borrowings		2,642.45
	• IND - AS adjustment for effective Interest rate on unsecured borrowings		(15.85)
iii.	Assets Coverage Ratio (100% or higher as per the terms of Offer Document/ Information Memorandum/ Debenture Trust Deed)	(A/B)	3405%



c) Compliance of all the covenants/terms of the issue in respect of listed debt securities of the listed entity

We have examined the compliances made by the Company in respect of the covenants/terms of the issue of the listed debt securities (NCD's) and certify that the such covenants/terms of the issue have been complied by the Company.

Yours sincerely,

For SARC & Associates

Chartered Accountants

Firm Reg. No. 006085N



CA PANKAJ SHARMA

(PARTNER)

Membership No.: 086433

Date: **11.02.2022**

Place: **New Delhi**

UDIN: **22086433ABIHEA6725**