

ONGC declares results for FY'23; posts net profit of Rs 38,829 crore for FY'23, highest ever total dividend of 225% for FY'23

New Delhi | 26th May, 2023

Highlights:

- **Gross Revenue Rs. 36,293 crore in Q4FY'23, up by 5.2 %; Rs. 1,55,517 crore in FY'23, up by 40.9%**
- **Total dividend for FY'23 Rs. 11.25 per share (225%) considering interim dividend of Rs. 10.75 per share (215%) and Final dividend of Rs. 0.50 per share (10%)**
- **Eight discoveries made and three monetized in FY'23**

ONGC Board of Directors in its 364th Meeting held on 26th May, 2023, approved the annual results for FY'23.

1. Financial Performance (Standalone)

Particulars	Q4FY'23	Q4FY'22	% Var	FY'23	FY'22	% Var
Gross Revenue (Rs. Crore)	36,293	34,497	5.2	1,55,517	1,10,345	40.9
Exceptional items (including current year provision for ST/GST on royalty)*	(12,107)	-	-	(12,107)	-	-
Profit/(loss) Before Tax (PBT) * (Rs. Crore)	(979)	11,714	(108.4)	50,395	41,040	22.8
Profit/(loss) After Tax (PAT)* (Rs. Crore)	(248)	8,860	(102.8)	38,829	40,306	(3.7)

*** The company has reviewed the entire issue of disputed Service tax and GST on royalty and has decided to make a provision towards these disputed taxes as a prudent and conservative practice. Accordingly, during the quarter and year ended March 31, 2023, the Company has provided Rs. 12,107 crore towards disputed taxes of ST/GST on Royalty for the period from April 1, 2016 to March 31, 2023 together with interest thereon.**

The above adjustments have adversely impacted the profitability for Q4 and FY'23. However, the Company shall continue to contest such disputed matters before various forums based on the legal opinion.

Crude Oil Price-Nominated

Realization (US\$/bbl)	77.12	94.98	(18.8)	91.90	76.62	19.9
Realization (Rs./bbl)	6,344	7,147	(11.2)	7,388	5,709	29.4



Particulars	Q4FY'23	Q4FY'22	% Var	FY'23	FY'22	% Var
Crude Oil Price-JV						
Realization (US\$/bbl)	77.11	95.53	(19.3)	93.02	77.15	20.6
Realization (Rs./bbl)	6,343	7,189	(11.8)	7,478	5,748	30.1
Gas Price						
Price on GCV basis (\$/mmbtu)	8.57	2.90	195.5	7.34	2.35	212.3

2. Dividend pay out

The total dividend for FY'23 would be 225% (Rs.11.25 per share of face value Rs 5 each) with a total payout of Rs. 14,153 crore. This includes interim dividend of 215% (Rs. 10.75 per share) already paid during the year and final dividend of 10% (Rs.0.50 per share) recommended by the Board.

3. Production Performance

Particulars	Q4FY'23	Q4FY'22	% Var	FY'23	FY'22	% Var
Crude Oil-ONGC (MMT)	4.518	4.651	(2.9)	18.540	18.604	(0.3)
Crude Oil-JV share (MMT)	0.442	0.513	(13.8)	1.901	2.162	(12.1)
Condensate (MMT)	0.275	0.226	21.7	1.044	0.941	10.9
Total Crude Oil (MMT)	5.235	5.390	(2.9)	21.485	21.707	(1.0)
Gas - ONGC (BCM)	5.073	5.167	(1.8)	20.628	20.907	(1.3)
Gas - JV share (BCM)	0.188	0.172	9.3	0.723	0.773	(6.5)
Total Gas (BCM)	5.261	5.339	(1.5)	21.351	21.680	(1.5)
Value Added Products (KT)	612	753	(18.7)	2,598	3,089	(15.9)

The decrease in oil/gas production is mainly due to delay in implementation of KG-98/2, cluster-II project and less than envisaged production from WO-16 and Cluster-7 and reservoir issues in S1-VA fields.



4. Exploration Performance

a. Discoveries notified during FY 2022-23:

ONGC has declared total 8 discoveries (5 in onland and 3 in offshore) during FY 2022-23 in its operated acreages. Out of these, 3 (2 in onland and 1 in offshore) are prospects and 5 (3 in onland and 2 in offshore) are pools.

The details of the latest discovery notified during FY 2022-23, since last press release in this regard on 14.02.2023 are as under:

(i) Hatipoti-1(NGAE) in Mekeypore-Santak-Nazira ML, Assam & Assam Arakan Basin

Exploratory well Hatipoti-1(NGAE) in Mekeypore-Santak-Nazira ML, Assam & Assam Arakan Basin flowed oil @ 142 m³/day and gas@29,101 m³/day from one object and oil @ 34.55 m³/day and gas @ 14,328 m³/day from another object. This success has opened up the play in this area for further exploration. The discovery has been put on production through fast track monetization.

Out of eight discoveries notified during FY 2022-23, three discoveries viz. Mandapeta-60, Kesanapalli West Deep-7 and Hatipoti-1 have been monetized by ONGC during the year itself.

b. Discoveries notified during FY 2023-24:

During FY 2023-24, ONGC has notified two new prospect discoveries so far (both in offshore OALP blocks)

(i) MBS182HDA-1 (MBS182HDA-A) in OALP block MB-OSHP-2018/2, Mumbai Offshore Basin

Exploratory well MBS182HDA-1 (MBS182HDA-A) in OALP block MB-OSHP-2018/2, Mumbai Offshore Basin flowed oil @ 786 BPD and gas@ 7,154 m³/day. The discovery has been named as "Moonga".

(ii) MBS181HCA-1 (MBS181HCA-A) in OALP block MB-OSHP-2018/1, Mumbai Offshore Basin

Exploratory well MBS181HCA-1 (MBS181HCA-A) in OALP block MB-OSHP-2018/1, Mumbai Offshore Basin flowed oil @ 1,668 BPD and gas@ 90, 672 m³/day. The discovery has been named as "Moti".



C. Reserve Accretion (Estimated Ultimate Recovery: EUR, 2P): FY'23

(in MMTOE)	
ONGC operated domestic areas	40.62
ONGC share in Domestic JVs	0.42
Total Domestic	41.04
ONGC Videsh's Share in Foreign Assets	6.62
ONGC Group	47.66

d. Reserve Replacement Ratio (RRR) of ONGC-Operated Domestic Areas

Reserve Replacement Ratio (2P) from domestic fields (excluding JV share) was 1.01. With this, ONGC has achieved Reserve Replacement Ratio (2P) of more than one for the 17th consecutive year.

5. Consolidated Financial Results

1.	Consolidated Turnover Rs.6,84,829 Crore in FY'23 as against Rs. 5,31,793 Crore in FY'22
2.	Consolidated Group Net Profit (PAT) Rs.32,778 Crore in FY'23 as against Rs. 49,294 Crore in FY'22

6. ONGC Group of Companies

1.	Oil and Natural Gas Corporation Ltd
2.	Subsidiaries:
i	ONGC Videsh Ltd
ii	Hindustan Petroleum Corporation Ltd
iii	Mangalore Refinery and Petrochemicals Ltd
iv	Petronet MHB Ltd
3.	Joint Ventures
i	ONGC Petro Additions Ltd
ii	ONGC Tripura Power Company Ltd



iii	Mangalore SEZ Ltd
iv	Dahej SEZ Ltd
v	ONGC TERI Biotech Ltd
vi	Indradhanush Gas Grid Ltd
4.	Associates:
i	Petronet LNG Ltd
ii	Pawan Hans Helicopters Ltd
iii.	Rohini Heliport Ltd.

7. ONGC Videsh Ltd

Production

ONGC's overseas arm, ONGC Videsh Ltd. registered production of oil and gas of 10.171 MMTOE in FY'23, as compared to 12.330 MMTOE in FY'22. Key factors affecting overseas production include Russia-Ukraine conflict leading to declaration of Force Majeure with effect from 21st April 22, FPSO shutdown in BC-10; expiry of Nare Association Contract in MECL Colombia with effect from 4th November 2021; Wells resumption deferment and heavy floods in GPOC, South Sudan and Block 06.1, Vietnam project nearing end of life/expiry.

Production	Unit	FY'23	FY'22
Crude Oil	MMT	6.349	8.099
Natural Gas	BCM	3.822	4.231
Total Oil and Oil Equivalent Gas	MMTOE	10.171	12.330

Turnover

The Company has achieved a turnover of Rs.11,676 crore during FY'23 against the turnover of Rs. 17,322 crore during FY'22.

Profit After Tax (PAT) and Dividend

The Company registered a PAT of Rs.1700 crore in FY'23, as against a PAT of Rs. 1,589 crore in FY'22. The Board of Directors of the Company has recommended final dividend of Rs. 0.50 per share on fully paid equity share par value of Rs. 100 each, subject to approval by the shareholders. The total dividend amounts to Rs.75 crore.



8. Hindustan Petroleum Corporation Ltd (HPCL)

Refining throughput and Sales Volume

Highest ever combined crude thru-put of 19.09 MMT was achieved by HPCL in FY 22-23 with a growth of 36.7% over 13.97 MMT crude processed during FY 21-22. Highest ever annual MS, HSD and LOBS production was also achieved during the year. HPCL achieved its highest ever annual sales during FY 22-23 of 43.45 MMT (39.14 MMT during corresponding period of previous year) with growth of 11%.

With commissioning of 1,161 new Retail outlets, HPCL has crossed the milestone of 21,000 Retail outlets during the year and has a total of 21,186 Retail outlets under its network.

Gross Refinery Margin (GRM)

The combined GRM for HPCL Refineries for FY2022-23 is US\$ 12.09/bbl compared to US\$ 7.19/bbl in the corresponding previous year.

Turnover and PAT

HPCL reported its highest ever Revenue from Operations of Rs. 4,66,192 crore for FY 2022-23 as against Rs. 3,73,897 crore last year, growth of 24.7%. For the FY 22-23, exceptionally high international oil prices along with suppressed marketing margins on select Transport fuel, had severely impacted the profitability, resulting in Net Loss of Rs. 8,974 crore for FY 2022-23 as compared to Profit after Tax (PAT) of Rs 6,383 crore during the corresponding period of previous year.

9. Mangalore Refinery and Petrochemicals Ltd (MRPL)

Throughput

MRPL achieved highest ever throughput of 17.14 MMT for the FY'23 as against 15.05 MMT during last year due to increase in demand.

During the year the company has added 31 Retail Outlets making total retail outlets to 63 as on 31.03.2023.

Turnover

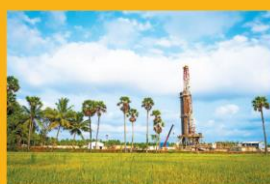
MRPL has achieved revenue from operations of Rs. 1,24,736 crore during FY'23 as against Rs. 86,094 crore during the FY'22

Gross Refinery Margin (GRM)

MRPL registered a GRM of US\$ 9.88/bbl during FY'23 as against GRM of US\$ 8.60/bbl during FY'22.

Profit After Tax (PAT)

MRPL has posted net profit of Rs. 2,638 crore in FY'23 as against Rs. 2,955 crore in FY'22.



10. Petronet MHB Limited (PMHBL)

Petronet MHB Limited (PMHBL) is a subsidiary company of ONGC where ONGC and its subsidiary HPCL hold 49.99% shareholding each. PMHBL achieved throughput of 3.894 MMT during FY'23. PMHBL has earned total revenue of Rs. 168 crore with profit of Rs. 85 crore in FY'23. During the year PMHBL has paid interim dividend of Rs. 1.47 per equity share and ONGC got its share of dividend amounting to Rs. 40.33 crore.

11. ONGC Petro additions Limited (OPaL)

ONGC Petro Additions Ltd (OPaL) a JV company of ONGC has stabilized its operations and has established itself in domestic / export market with sale of prime grade products. OPaL operated at average 95% capacity in FY'22-23. OPaL has earned revenue from operations of Rs. 14,593 crore during FY'23 as against Rs. 16,048 crore during FY'22. OPaL has reported EBIDTA of Rs.486 crore in FY'23. The company has successfully completed its first major turnaround (MTA) in the current financial year.

12. ONGC Tripura Power Company (OTPC)

OTPC's two power units of 363.3 MW each are fully operational. Power generation increased to 4936 MU in FY 23 as compared to 4124 MU in FY 22. This is the highest production by any gas based power station in India for FY 23.

In FY'23, OTPC has earned revenue from operations of Rs. 1,631 crore and PAT of Rs. 201 crore. The company has paid interim dividend of 7% i.e. Rs. 0.70 per share during the year. The company has also declared final dividend of 6% i.e. 0.60 per share. ONGC would get a total dividend of Rs. 72.8 crore from OTPC for FY'23.

13. Other Highlights:

- ONGC received **Gold Award in Risk Management Category by Grow Care India on 03rd April 2023**, recognizing the effectiveness of established Risk Management Process in the governance structure during FY 2022-23.
- **On 25 March 2023, ONGC received Green Ribbon Champions Award** for biodiversity conservation by **CNBC, Network18 Group**, in recognition of its commitment to sustainability and consistent efforts in protecting biodiversity surrounding its operational areas.
- **On 16 February 2023, ONGC conferred with Governance Now 9th PSU Award** for its contributions to nation-building & Corporate Communications Team received the Governance Now 9th PSU Award that recognizes its outstanding Communication Outreach.
- ONGC was awarded for being the '**Leading Alternative Dispute Resolution (ADR) User 2023**', on behalf of its contributions to ADR by the Asia Pacific Center for Arbitration and Conciliation (APCAM) at its first International ADR Summit in New Delhi during 6-7 May 2023.



Press Release

- ONGC has received a Certificate of Merit for FY 2022-23 at the 35th CFBP Jamnalal Bajaj Award for **"Fair Business Practices"** in the Manufacturing Enterprises-Large Category.
- **On 12 April 2023, ONGC signed MoU with French research & training organization IFPEN in Paris**
- **Institute of Drilling Technology (IDT) Dehradun & RelyOnNutech Digital inked MoU on 21 March 2023** for collaboration in areas of training, knowledge-sharing, competency & management
- **On 25 April 2023, ONGC secured patent from Government of India for "Composition for Completion fluid for use in ultra-High Pressure & High Temperature applications".**
- **On 4 March 2023, ONGC secures patent from Government of India for reassessment of offshore platforms** based on innovative reverse engineering.
- **ONGC Energy Center (OEC)** received a patent from Controller General of Patents, Designs and Trademarks under Ministry of Commerce & Industry, Govt of India, **on 24 April 2023 for developing a novel catalyst system for CO2 valorization.**
- **ONGC's premier Institute Keshava Deva Malaviya Institute of Petroleum Exploration (KDMIPE) received its third patent in FY 2022-23** on "Development of geochemical methodology to characterize diagenesis in sandstone reservoirs" on 28 March 2023.

Disclaimer

This Press Release is intended to apprise the public regarding the highlights of Audited Financial Results of ONGC on standalone and consolidated basis, for the year ended 31st March, 2023 approved by the Board of Directors in their meeting held on 26.05.2023, in addition to informing about other major and / or related highlights/developments which in view of the management may be considered as important. These are not to be taken as forward looking statements and may not be construed as guidance for future investment decisions by investors / stakeholders.

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Oil and Natural Gas Corporation Ltd

Corporate Communication, New Delhi | Phone: +91-11-26754013 | Email: ongcdelhicc@ongc.co.in

