



OIL AND NATURAL GAS CORPORATION LIMITED
COMPANY SECRETARIAT

CS/ONGC/SE/2020-21

13.02.2021

National Stock Exchange of India Ltd.

Listing Department
Exchange Plaza
Bandra-Kurla Complex, Bandra (E)
Mumbai – 400 051

BSE Limited

Corporate Relationship Department
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai – 400 001

Symbol-**ONGC**; Series - **EQ**

BSE Security Code No.- **500312**

Sub: - Outcome of Board meeting

- i) Unaudited Financial Results for the quarter ended 31st December 2020
- ii) Declaration of Interim Dividend for the FY 2020-21

Ref: Our earlier intimation vide letter nos. ONGC/CS/SE/2020-21 dated 05.02.2021

Sir/ Madam,

We hereby disclose the un-audited Financial Results (Standalone and Consolidated) for the Quarter ended 31st December 2020, pursuant to Regulation 30, read with Schedule III Part A Para A(4)(h), of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, along with Limited Review Report as issued by the Statutory Auditors of the Company thereon for your reference and records.

It is hereby informed that the Board has also declared an Interim dividend of Rs.1.75/- per equity share of Rs.5/- each, i.e. 35%, for the financial year 2020-21.

Further, as already intimated, **Saturday, the 20th February, 2021** shall be the Record Date for determining eligibility of shareholders for payment of the said Interim Dividend, as declared by the Board.

The dividend will be credited to the account of the shareholders or the dividend warrant in respect thereof will be dispatched on or before 15th March 2021.

Aforesaid meeting of Board commenced at 11:00 hrs. and concluded at 13:20 hrs.

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

 13/02/21

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

Encl: (2!) 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, 2020

(₹ in Crore unless otherwise stated)

Sl. No.	Particulars	Financial results for					
		Quarter ended 31.12.2020	Quarter ended 30.09.2020	Quarter ended [^] 31.12.2019	Nine Months ended 31.12.2020	Nine Months ended [^] 31.12.2019	Year ended 31.03.2020
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations	17,023.80	16,917.09	23,710.05	46,952.18	74,757.41	96,213.61
II	Other income	1,218.41	2,235.50	1,402.50	3,890.73	4,779.39	6,105.03
III	Total income (I+II)	18,242.21	19,152.59	25,112.55	50,842.91	79,536.80	1,02,318.64
IV	EXPENSES						
	Cost of materials consumed*	492.96	538.60	668.12	1,428.24	1,999.95	2,588.12
	Purchase of stock-in-trade	-	-	-	-	-	-
	Changes in inventories of finished goods, stock-in-trade and work in progress	(46.38)	(132.03)	(203.58)	(289.94)	(220.80)	246.99
	Employee benefits expense**	562.05	616.05	667.38	1,676.60	1,908.80	2,520.34
	Statutory levies	4,097.26	3,934.85	5,667.06	11,012.96	17,763.81	22,570.80
	Exploration costs written off						
	a. Survey Costs	363.76	187.78	233.05	1,110.53	1,292.89	1,687.92
	b. Exploratory well Costs	1,474.76	1,258.16	1,484.59	3,300.83	4,352.38	6,995.76
	Finance costs	477.74	317.21	626.36	1,286.79	1,954.20	2,823.68
	Depreciation, depletion, amortisation and impairment	4,427.02	3,679.49	5,301.92	11,928.81	13,618.24	18,616.86
	Other expenses	3,571.80	3,524.28	4,613.94	10,435.14	12,606.62	19,000.43
	Total expenses (IV)	15,420.97	13,924.39	19,058.84	41,889.96	55,276.09	77,050.90
V	Profit before exceptional items and tax (III-IV)	2,821.24	5,228.20	6,053.71	8,952.95	24,260.71	25,267.74
VI	Exceptional items	-	(1,238.18)	-	(1,238.18)	-	(4,899.05)
VII	Profit before tax (V+VI)	2,821.24	3,990.02	6,053.71	7,714.77	24,260.71	20,368.69
VIII	Tax expense:						
	(a) Current tax relating to:						
	- current year	948.00	1,540.00	1,669.99	2,824.00	6,673.75	7,410.00
	- earlier years	497.04	4.15	(459.08)	501.19	(472.80)	(361.27)
	(b) Deferred tax	(2.03)	(431.97)	616.35	(362.46)	1,516.96	(124.58)
	Total tax expense (VIII)	1,443.01	1,112.18	1,827.26	2,962.73	7,717.91	6,924.15
IX	Profit for the period (VII-VIII)	1,378.23	2,877.84	4,226.45	4,752.04	16,542.80	13,444.54
X	Other comprehensive income (OCI)						
	(a) Items that will not be reclassified to profit or loss						
	(i) Re-measurement of the defined benefit obligations	(75.89)	(30.42)	(197.50)	(233.17)	(530.24)	(441.40)
	- Deferred Tax	26.52	10.63	69.02	81.48	185.29	154.24
	(ii) Equity instruments through other comprehensive income	3,073.88	(1,865.46)	(3,214.77)	2,260.79	(6,137.31)	(12,976.93)
	- Deferred Tax	(228.79)	139.17	240.45	(167.32)	292.37	803.19
	Total other comprehensive income (X)	2,795.72	(1,746.08)	(3,102.80)	1,941.78	(6,189.89)	(12,460.90)
XI	Total comprehensive income for the period (IX+X)	4,173.95	1,131.76	1,123.65	6,693.82	10,352.91	983.64
XII	Paid-up Equity Share Capital (Face value of ₹ 5/- each)***	6,290.14	6,290.15	6,290.15	6,290.14	6,290.15	6,290.15
XIII	Other equity						1,88,047.94
XIV	Earnings Per Share (Face value of ₹ 5/- each) - not annualised						
	(a) Basic (₹)	1.10	2.29	3.36	3.78	13.15	10.69
	(b) Diluted (₹)	1.10	2.29	3.36	3.78	13.15	10.69

* 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. 10.

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 31.12.2020	Quarter ended 30.09.2020	Quarter ended^ 31.12.2019	Nine Months ended 31.12.2020	Nine Months ended^ 31.12.2019	Year ended 31.03.2020
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenue						
	Revenue from Operations						
	a) Offshore	10,797.18	11,188.37	15,764.66	30,576.66	49,083.45	63,521.82
	b) Onshore	6,226.62	5,728.72	7,945.39	16,375.52	25,673.96	32,691.79
	Total	17,023.80	16,917.09	23,710.05	46,952.18	74,757.41	96,213.61
	Less: Inter Segment Operating Revenue	-	-	-	-	-	-
	Revenue from operations	17,023.80	16,917.09	23,710.05	46,952.18	74,757.41	96,213.61
2	Segment Result Profit(+)/Loss(-) before tax and interest from each segment						
	a) Offshore	3,104.25	3,727.54	5,874.13	8,779.77	19,996.35	21,773.30
	b) Onshore	23.74	(517.77)	849.36	(687.53)	4,768.59	(196.61)
	Total	3,127.99	3,209.77	6,723.49	8,092.24	24,764.94	21,576.69
	Less:						
	i. Finance Cost	477.74	317.21	626.36	1,286.79	1,954.20	2,823.68
	ii. Other unallocable expenditure net of unallocable income.	(170.99)	(1,097.46)	43.42	(909.32)	(1,449.97)	(1,615.68)
	Profit before Tax	2,821.24	3,990.02	6,053.71	7,714.77	24,260.71	20,368.69
3	Segment Assets						
	a) Offshore	1,36,297.58	1,35,073.22	1,47,875.67	1,36,297.58	1,47,875.67	1,32,642.49
	b) Onshore	64,074.62	63,753.18	72,310.62	64,074.62	72,310.62	63,190.25
	c) Other Unallocated	1,01,905.91	99,283.61	1,08,830.54	1,01,905.91	1,08,830.54	1,00,848.01
	Total	3,02,278.11	2,98,110.01	3,29,016.83	3,02,278.11	3,29,016.83	2,96,680.75
4	Segment Liabilities						
	a) Offshore	42,796.06	43,812.77	54,390.62	42,796.06	54,390.62	42,187.24
	b) Onshore	14,706.33	15,898.45	19,439.39	14,706.33	19,439.39	15,926.85
	c) Other Unallocated	43,743.81	41,540.83	43,987.89	43,743.81	43,987.89	44,228.57
	Total	1,01,246.20	1,01,252.05	1,17,817.90	1,01,246.20	1,17,817.90	1,02,342.66

^ Restated, refer note no. 10

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

Notes:

1. The Company could not constitute an Audit Committee since the constitution of the Committee requires at least two Independent Directors for valid quorum under Section 177 of the Companies Act, 2013 and Regulation 18 of the (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the absence of Audit Committee, the above financial results have been reviewed and approved by the Board of Directors in its meeting held on February 13, 2021.
2. The financial results for the quarter and nine months ended December 31, 2020 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 (BGEPI) 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 & BGEPI (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 pursuant to the provisions of Article 33 of the PSCs and UNCITRAL Rules, 1976. 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. MoP&NG has also stated that the arbitral award would be applicable to the Company also as a constituent of the Contractor for both the PSCs.

Directorate General of Hydrocarbons (DGH), vide letters 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. However, the details of proceedings of the FPA are not available with the Company. DGH, vide their letter dated May 25, 2017 and June 4, 2018, marked to the Contractors, had directed the payment of differential Government of India share of Profit Petroleum and Royalty alleged to be payable by Contractors pursuant to Governments interpretation of the FPA (40% share of the Company amounting to US\$ 1,624.05 million, including interest upto November 30, 2016) equivalent to ₹ 11,891 Crore (March 31, 2020: ₹ 12,258 Crore). In response to the letters of DGH, the JV partners (with a copy marked to all Joint Venture Partners) had stated that demand of DGH was premature as the FPA did not make any money award in favour of Government of India, since quantification of liabilities were to be determined during the final proceedings of the arbitration. Further the award had also been challenged before the English Commercial Court (London High Court). Based on the above facts, the Company had also responded to the letters of DGH stating that pending finality of the order, the amount due and payable by the Company was not quantifiable. In view of the Company, if any changes are approved for increase in the Cost Recovery Limit (CRL) by the Arbitral Tribunal as per the terms of the PSCs the liability to DGH 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.

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.

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.

Pending finality by Arbitration Tribunal on various issues raised above, re-casting of the financial statements and final quantification of liabilities, no provision has been accounted in the financial statements. The demand raised by DGH, amounting to US\$ 1,624.05 million equivalent to ₹ 11,891 Crore (March 31, 2020: ₹ 12,258 Crore) has been considered as contingent liability.

4. The Company had received demand orders from Service Tax Department at various work centers 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 Hon. Gujarat High Court. In this matter, Hon. Gujarat High Court in the hearing held on January 4, 2021 directed the revenue to file counter affidavit by January 21, 2021. The Central Government has filed counter affidavit on January 20, 2021. The next date of hearing before Hon. Gujarat High court is not scheduled as yet. The Company had also obtained legal opinions from domain experts, as per which, the Service Tax/GST on Royalty specified under the Oilfields (Regulation and development) Act, 1948 is not applicable. Meanwhile, the Company also received demand order dated January 1, 2019 on account of GST on Royalty in the State of Rajasthan against which the Company filed writ (4919/2019) before Hon. High Court of Rajasthan. The Hon. High Court of Rajasthan heard the matter on April 3, 2019 and issued notice to Department with a direction that no coercive action shall be taken against the Company. The matter has been listed for hearing on March 03, 2021 before Hon. High Court of Rajasthan.

The Company also filed writ of mandamus (9961/2019) before Hon. High Court of Madras seeking stay on the levy of GST on Royalty. The Hon. High Court of Madras heard the matter on April 3, 2019 and issued notice to Central Govt. and State Govt. The Central Govt. 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 Govt. before Hon. Madras High Court on January 24, 2020. The date of next hearing before Hon. High Court of Madras is not scheduled as yet.

The total estimated amount (including penalty and interest up to December 31, 2020) towards Service Tax is ₹ 3,946 Crore (March 31, 2020: ₹ 3,900 Crore) and GST is ₹ 7,230 Crore (March 31, 2020: ₹ 6,104 Crore). Since the Company is contesting the demand, 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, 2020: ₹ 1,351 Crore) and ₹ 5,360 Crore (March 31, 2020: ₹ 4,553 Crore) respectively.

5. The financial results for the quarter and nine months ended December 31, 2020 are impacted by low realised crude oil and natural gas prices due to the COVID-19 pandemic and volatile global crude oil and natural gas markets. Accordingly, the results for the quarter / nine months are not comparable with those for the previous quarter and corresponding quarter / nine months of the previous year.

The management has assessed the possible impact of 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.

6. Considering the possible effects of low crude oil and natural gas prices on the recoverability of its Cash Generating Units in accordance with Ind AS, the Company had considered the business conditions to make an assessment of the implications of the Pandemic, estimate of future crude oil and natural gas prices, production, reserves volumes on the basis of internal and external information / indicators of future economic conditions. Based on the assessment, the Company had recorded an impairment of ₹ 1,238 Crore, to the extent the carrying amount exceeds the value in use, and had disclosed the same as an exceptional item in the quarter ended September 30, 2020. Consequentially, profit before tax for the nine months ended December 31, 2020 is lower by ₹ 1,238 Crore.

7. The Board of directors in its meeting held on November 6, 2020 considered and approved sale of 1,24,66,53,746 equity shares of Rs.10/- each representing 48.998% equity stake in its step subsidiary company ONGC Mangalore Petrochemicals Ltd (OMPL) at a value per share of ₹ 9.76 each, to Mangalore Refinery & Petrochemicals Limited (MRPL), a subsidiary of the Company. As per the Share Purchase Agreement (SPA) between ONGC and MRPL, consideration of ₹1,217 crore was received on December 29, 2020 and the shares were transferred to MRPL on January 1, 2021. Accordingly, with the exit of Company, w.e.f January 1, 2021 the above transaction has been closed.

8. Government of India has enacted Direct Tax Vivad Se Vishwas Act, 2020, providing a mechanism for settlement of disputes related to Direct Tax matters, which is optional and can be availed up to January 31, 2021. The company has opted to settle certain Income-tax disputes and accordingly, has filed application before the designated authority as prescribed under the Act. After considering existing provision, an amount of ₹ 506 Crore payable under the said Act has been charged as earlier year tax in the Statement of Profit and Loss during the quarter and nine months ended December 31, 2020.

9. The Government of India through “The Taxation Laws (Amendment) Act, 2019” has inserted Section 115BAA of the Income Tax Act, 1961, whereby a domestic company has an irrevocable option of exercising for a lower corporate tax rate along with consequent forego of certain tax deductions and incentives, including accumulated MAT credit eligible for set-off in subsequent years. The company has still not exercised this option and continues to evaluate the benefit of exercising the option for a lower corporate tax rate vis-à-vis the existing

provisions. Pending exercising of the option, the company continues to recognize the taxes on income for the quarter ended December 31, 2020 as per the earlier provisions.

10. The figures for the quarter and nine months ended December 31, 2019 have been restated consequent to change in accounting policy during FY 2019-20 in respect of accounting of excess decommissioning provision written back based on the opinion of Expert Advisory Committee of The Institute of Chartered Accountants of India.
11. The Company has maintained 100% Assets cover for all the debt securities issued.
12. The Board of Directors in its meeting held on 13th February, 2021 has declared an interim dividend of ₹ 1.75 per share (35%).
13. Previous period's figures have been regrouped by the Company, wherever necessary, to conform to current quarter's classification.

By order of the Board

SUBHASH
KUMAR

Digitally signed by SUBHASH
KUMAR
Date: 2021.02.13 12:52:56
+05'30'

(Subhash Kumar)
Director (Finance)

Place: New Delhi
Date: February 13, 2021

In terms of our report of even date attached

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

Rajen
Ratansi
Ashar

Digitally signed by
Rajen Ratansi Ashar
Date: 2021.02.13
13:43:19 +05'30'

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

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

VIKAS
GUPTA

Digitally signed by
VIKAS GUPTA
Date: 2021.02.13 14:03:21 +05'30'

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

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

SANDEEP
KUMAR
SAWARIA

Digitally signed by SANDEEP KUMAR
SAWARIA
DN: cn=IN, o=Personal, uid=9310,
pkcs10#ym77c2c1c94251109202110c0e4
ca9a0c35d6964e007554a720bc234d0e1d,
postalCode=700005, st=West Bengal,
serialNumber=36d70a55e07295811a6564a6
004869f0534c0d792c0e360b8a5f437d53f1
a, c=SANDEEP KUMAR SAWARIA
Date: 2021.02.13 14:03:21 +05'30'

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

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

Rangarajan
Raghavan
Iyengar

Digitally signed by
Rangarajan Raghavan
Iyengar
Date: 2021.02.13 14:19:23
+05'30'

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

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

PANKAJ
SHARMA

Digitally signed
by PANKAJ
SHARMA
Date: 2021.02.13
13:34:18 +05'30'

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

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

Prabhu
Dayal
Baid

Digitally signed
by Prabhu Dayal
Baid
Date: 2021.02.13
14:42:05 +05'30'

(P.D. Baid)
Partner (M.No.072625)
Place: Jaipur

February 13, 2021

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
201, Neo Corporate Plaza,
Ramchandra Lane,
Malad West,
Mumbai – 400064

INDEPENDENT AUDITORS' LIMITED REVIEW REPORT ON THE UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED ON DECEMBER 31, 2020

**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, 2020 (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 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 issue a report on the aforesaid 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 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. 1, regarding non constitution of the Audit Committee by the company in the absence of at least two independent directors, although such constitution is required by the Regulations, and accordingly review and approval of the Statement (Standalone Financial Results) directly by the Board of Directors. Though, as per regulatory requirement applicable to the Company, the Audit

Committee shall review such Standalone Financial Results before submission to the Board of Directors for approval.

- (ii) 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. 11,891 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); 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 the same has been considered as contingent liability.
- (iii) 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 from domain experts, the company is contesting such demands at various forums and estimated amounts worked out towards ST and GST (including interest and penalty upto December 31, 2020) at Rs. 3,946 Crores and Rs. 7,230 Crores respectively (Total Rs 11,176 Crores), which has been considered as contingent liability. As a measure of abundant caution, the company has deposited ST and GST along with interest under protest amounting to Rs 1,352 Crores and Rs 5,360 Crores respectively (Total Rs 6,712 Crores).
- (iv) Note No. 5, 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.

Our report 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 other nominated blocks for under performance against agreed Minimum Work Programme (MWP).
- (ii) The Statement includes the Company's proportionate share in the 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 19 blocks have been certified by the management. In respect of these blocks, the Statement includes revenue of Rs.1,789.76 Crores and Rs. 4,183.72 Crores for the quarter and nine months ended December 31, 2020 respectively and profit before tax including other comprehensive income of Rs. 870.47 Crores and Rs. 1,271.42 Crores for the quarter and nine months ended December 31, 2020 respectively. Our report is solely based on management certified accounts in respect of these blocks.

(iii) The Statement includes comparative figures for the quarter and nine months ended December 31, 2019, reviewed by the joint auditors of the Company, five of whom were the predecessor audit firms, where they had expressed an unmodified conclusion vide their report dated February 14, 2020 respectively on such Standalone Financial Results.

The Statement also include figure for the year ended March 31, 2020, audited by the joint auditors of the Company, five of whom were the predecessor audit firms, where they have expressed an unmodified opinion on such Standalone Financial Statements vide their report dated June 30, 2020.

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

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

Rajen Ratansi
Ashar

Digitally signed by
Rajen Ratansi Ashar
Date: 2021.02.13
13:44:11 +05'30'

(Rajen Ashar)
Partner (M. No. 048243)
UDIN: 21048243AAAAABO1013
Place: Mumbai

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

SANDEEP
KUMAR
SAWARIA

Digitally signed by SANDEEP KUMAR
SAWARIA
DN: cn=, o=Personal, title=9310,
P50ubtyprn=f71c5c1c9425330829d79f56de
6caee9d5bd9584e076544720bc2340e1
o, postalCode=700059, st=West Bengal,
serialNumber=36d798665e579f521af554c4
6bb4469db534cb679cde36bb857a37af5
3f14, cn=SANDEEP KUMAR SAWARIA
Date: 2021.02.13 14:00:20 +05'30'

(Sandeep Kumar Sawaria)
Partner (M. No. 061771)
UDIN: 21061771AAAAABQ8587
Place: Kolkata

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

PANKAJ
SHARMA

Digitally signed
by PANKAJ
SHARMA
Date: 2021.02.13
13:35:56 +05'30'

(Pankaj Sharma)
Partner (M. No. 086433)
UDIN: 21086433AAAAAE4217
Place: New Delhi

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

VIKAS
GUPTA

Digitally signed by VIKAS GUPTA
DN: cn=, o=Personal, title=9310,
P50ubtyprn=f71c5c1c9425330829d79f56de
6caee9d5bd9584e076544720bc2340e1
o, postalCode=700059, st=West Bengal,
serialNumber=36d798665e579f521af554c4
6bb4469db534cb679cde36bb857a37af5
3f14, cn=SANDEEP KUMAR SAWARIA
Date: 2021.02.13 14:00:20 +05'30'

(Vikas Gupta)
Partner (M. No. 077076)
UDIN: 21077076AAAAAB7429
Place: Jaipur

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

Rangarajan
Raghavan
Iyengar

Digitally signed by
Rangarajan Raghavan
Iyengar
Date: 2021.02.13 14:20:29
+05'30'

(Rangarajan Raghavan Iyengar)
Partner (M. No. 041883)
UDIN: 21041883AAAAAB8301
Place: Mumbai

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

Prabhu
Dayal Baid

Digitally signed by
Prabhu Dayal Baid
Date: 2021.02.13
14:47:11 +05'30'

(P.D. Baid)
Partner (M. No. 072625)
UDIN: 21072625AAAAAO6333
Place: Jaipur

Dated: February 13, 2021

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, 2020

(₹ in Crore unless otherwise stated)

Sl. NO.	Particulars	Financial results for					
		Quarter ended 31.12.2020	Quarter ended 30.09.2020	Quarter ended 31.12.2019 [^]	Nine Months ended 31.12.2020	Nine Months ended 31.12.2019 [^]	Year ended 31.03.2020
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations	100,288.83	83,619.16	109,466.04	246,404.05	320,587.23	425,001.42
II	Other income	2,127.68	1,958.69	1,759.42	5,165.78	4,941.90	8,531.55
III	Total income (I+II)	102,416.51	85,577.85	111,225.46	251,569.83	325,529.13	433,532.97
IV	Expenses						
	(a) Cost of materials consumed*	14,466.66	12,971.69	23,662.31	35,096.06	66,233.56	88,902.15
	(b) Purchase of Stock-in-Trade	46,411.10	32,390.85	43,654.34	100,367.41	130,973.82	176,006.43
	(c) Changes in inventories of finished goods, stock-in-trade and work-in progress	(3,019.32)	(3,364.16)	1,770.42	(5,611.12)	309.78	1,145.56
	(d) Employee benefits expense **	1,651.87	1,807.64	1,638.00	5,019.12	4,886.34	6,539.17
	(e) Statutory levies	19,658.70	17,312.12	12,544.75	51,053.88	38,837.31	52,415.00
	(f) Exploration costs written off						
	(i) Survey costs	404.86	210.17	265.15	1,209.64	1,481.67	1,901.53
	(ii) Exploration well costs	1,618.85	1,351.17	1,489.98	3,538.69	4,396.95	7,121.88
	(g) Finance costs	1,025.20	1,046.92	1,535.74	3,569.78	4,805.97	6,999.77
	(h) Depreciation,depletion, amortisation and impairment	6,494.80	5,623.70	7,456.97	17,966.44	19,859.58	26,634.88
	(i) Other expenses	7,816.75	7,070.20	8,803.15	21,742.24	24,899.66	38,824.39
	Total expenses (IV)	96,529.47	76,420.30	102,820.81	233,952.14	296,684.64	406,490.76
V	Profit before share of profit/(loss) of associates and joint ventures, exceptional items and tax (III - IV)	5,887.04	9,157.55	8,404.65	17,617.69	28,844.49	27,042.21
VI	Share of profit of associates & joint ventures	251.10	650.17	485.12	340.39	755.81	1,054.42
VII	Profit before exceptional items (V+VI)	6,138.14	9,807.72	8,889.77	17,958.08	29,600.30	28,096.63
VIII	Exceptional items - Income/(expenses)	-	(1,238.19)	-	(1,238.19)	-	(9,028.48)
IX	Profit before tax (VII+VIII)	6,138.14	8,569.53	8,889.77	16,719.89	29,600.30	19,068.15
X	Tax expense						
	(a) Current tax relating to:						
	- current year	2,104.65	2,758.75	2,617.42	6,261.23	9,514.50	9,647.58
	- earlier years	362.59	4.16	(463.81)	366.75	(477.60)	(1,805.42)
	(b) Deferred tax	(92.63)	5.80	1,276.93	(562.47)	2,423.85	(334.16)
	Total tax expense (X)	2,374.61	2,768.71	3,430.54	6,065.51	11,460.75	7,508.00
XI	Profit for the period (IX-X)	3,763.53	5,800.82	5,459.23	10,654.38	18,139.55	11,560.15
XII	Other comprehensive income (OCI)						
	A Items that will not be reclassified to profit or loss						
	(a) Remeasurement of the defined benefit plans	(83.73)	(44.57)	(198.79)	(261.00)	(534.11)	(659.54)
	- Deferred tax	27.67	11.76	69.53	86.01	186.82	212.18
	(b) Equity instruments through other comprehensive income	3,121.09	(1,876.01)	(3,194.44)	2,326.88	(6,223.72)	(13,251.55)
	- Deferred tax	(228.79)	139.17	240.45	(167.32)	292.37	803.19
	(c) Share of other comprehensive income in associates and joint ventures, to the extent not to be reclassified to profit or loss	(0.55)	0.07	0.14	(0.34)	(1.24)	(2.49)
	B Items that will be reclassified to profit or loss						
	(a) Exchange differences in translating the financial statement of foreign operation	(1,216.09)	(390.26)	1,021.71	(2,076.56)	2,196.96	1,759.53
	- Deferred tax	125.48	167.12	(323.68)	617.36	(665.13)	(576.34)
	(b) Effective portion of gains (losses) on hedging instruments in cash flow hedges	(5.64)	(15.54)	0.02	(62.03)	0.02	(24.16)
	- Deferred tax	1.42	3.91	-	15.61	-	6.08
	(c) Share of other comprehensive income in associates and joint ventures, to the extent to be reclassified to profit or loss	31.90	70.30	-	97.50	-	(169.07)
	Total Other Comprehensive Income (XII)	1,772.76	(1,934.05)	(2,385.06)	576.11	(4,748.03)	(11,902.17)
XIII	Total Comprehensive Income for the period (XI+XII)	5,536.29	3,866.77	3,074.17	11,230.49	13,391.52	(342.02)
XIV	Profit for the period attributable to:						
	- Owners of the Company	2,643.17	4,335.31	4,979.11	7,098.23	17,099.31	10,907.15
	- Non-controlling interests	1,120.36	1,465.51	480.12	3,556.15	1,040.24	653.00
		3,763.53	5,800.82	5,459.23	10,654.38	18,139.55	11,560.15
XV	Other comprehensive income attributable to:						
	- Owners of the Company	1,734.94	(1,961.70)	(2,393.35)	515.20	(4,698.35)	(11,578.82)
	- Non-controlling interests	37.82	27.65	8.29	60.91	(49.68)	(323.35)
		1,772.76	(1,934.05)	(2,385.06)	576.11	(4,748.03)	(11,902.17)
XVI	Total comprehensive income attributable to:						
	- Owners of the Company	4,378.11	2,373.61	2,585.76	7,613.43	12,400.96	(671.67)
	- Non-controlling interests	1,158.18	1,493.16	488.41	3,617.06	990.56	329.65
		5,536.29	3,866.77	3,074.17	11,230.49	13,391.52	(342.02)
XVII	Paid up equity share capital (Face value of ₹5/- each)#	6,290.14	6,290.15	6,290.15	6,290.14	6,290.15	6,290.15
XVIII	Other Equity						200,677.54
	Earnings per equity share: (Face value of ₹5/- each) - not annualised						
	(a) Basic (₹)	2.10	3.45	3.96	5.64	13.59	8.67
	(b) Diluted (₹)	2.10	3.45	3.96	5.64	13.59	8.67

* 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. 11

OIL AND NATURAL GAS CORPORATION LIMITED

CIN No. L74899DL1993GOI054155

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

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

CONSOLIDATED SEGMENT WISE REVENUE, RESULTS, ASSETS & LIABILITIES

(₹ in Crore)

Sl. No.	Particulars	Quarter ended 31.12.2020	Quarter ended 30.09.2020	Quarter ended 31.12.2019^	Nine Months ended 31.12.2020	Nine Months ended 31.12.2019^	Year ended 31.03.2020
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenue						
	A. In India						
	(i) E&P						
	a) Offshore	10,797.18	11,188.37	15,764.66	30,576.66	49,083.45	63,521.82
	b) Onshore	6,182.66	5,682.82	7,890.85	16,265.00	25,489.18	32,465.85
	(ii) Refining & Marketing	91,604.98	71,378.44	91,164.17	215,491.39	258,969.48	347,947.99
	B. Outside India	3,017.91	3,175.48	4,281.91	8,434.46	12,235.15	15,547.12
	C. Others Unallocated	24.01	15.29	23.40	49.19	78.19	110.59
	Total	111,626.74	91,440.40	119,124.99	270,816.70	345,855.45	459,593.37
	Less: Inter Segment Revenue	11,337.91	7,821.24	9,658.95	24,412.65	25,268.22	34,591.95
	Revenue from operations	100,288.83	83,619.16	109,466.04	246,404.05	320,587.23	425,001.42
2	Segment Result Profit(+)/Loss(-) before tax and interest from each segment						
	A. In India						
	(i) E&P						
	a) Offshore	3,062.50	3,904.81	5,799.24	8,524.51	20,057.94	22,047.93
	b) Onshore	(26.85)	(545.60)	816.20	(757.77)	4,720.69	(88.57)
	(ii) Refining & Marketing	2,571.92	3,735.29	1,236.07	8,805.54	2,495.45	(2,183.41)
	B. Outside India	769.31	1,561.56	1,883.89	2,557.24	5,349.01	3,641.01
	Total	6,376.88	8,656.06	9,735.40	19,129.52	32,623.09	23,416.96
	Less:						
	i. Finance Cost	1,025.20	1,046.92	1,535.74	3,569.78	4,805.97	6,999.77
	ii. Other unallocable expenditure net of unallocable income.	(535.36)	(310.22)	(204.99)	(819.76)	(1,027.37)	(1,596.54)
	Add: Share of profit(loss) of joint ventures and associates:						
	A. In India						
	(i) Refining & Marketing	95.03	517.50	192.07	237.21	323.48	78.59
	(ii) Unallocated	(58.96)	68.71	(111.52)	(228.38)	(518.94)	(442.40)
	B. Outside India-E&P	215.03	63.96	404.57	331.56	951.27	1,418.23
	Profit before Tax	6,138.14	8,569.53	8,889.77	16,719.89	29,600.30	19,068.15
3	Segment Assets						
	A. In India						
	(i) E&P						
	a) Offshore	135,053.56	134,005.34	144,519.69	135,053.56	144,519.69	131,270.73
	b) Onshore	64,057.48	63,714.33	72,303.13	64,057.48	72,303.13	63,181.29
	(ii) Refining & Marketing	162,154.65	151,310.39	149,266.12	162,154.65	149,266.12	147,176.13
	B. Outside India	116,669.09	117,167.08	120,356.10	116,669.09	120,356.10	119,043.36
	C. Others Unallocated	43,663.91	41,352.81	51,245.42	43,663.91	51,245.42	43,226.56
	Total	521,598.69	507,549.95	537,690.46	521,598.69	537,690.46	503,898.07
4	Segment Liabilities						
	A. In India						
	(i) E&P						
	a) Offshore	42,742.56	43,726.13	54,390.61	42,742.56	54,390.61	42,187.24
	b) Onshore	14,690.55	15,884.90	19,428.86	14,690.55	19,428.86	15,920.36
	(ii) Refining & Marketing	120,952.58	110,518.53	107,043.43	120,952.58	107,043.43	108,999.10
	B. Outside India	64,848.53	65,893.06	66,756.33	64,848.53	66,756.33	67,609.44
	C. Others Unallocated	42,688.70	41,738.06	44,155.35	42,688.70	44,155.35	44,401.43
	Total	285,922.92	277,760.68	291,774.58	285,922.92	291,774.58	279,117.57

^ Restated, refer note no. 11

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 Company could not constitute an Audit Committee since the constitution of the Committee requires at least two Independent Directors for valid quorum under Section 177 of the Companies Act, 2013 and Regulation 18 of the (Listing Obligations and Disclosure Requirements) Regulations, 2015. In absence of Audit Committee, the above consolidated financial results have been reviewed and approved by the Board of Directors in its meeting held on February 13, 2021.
2. The Consolidated financial results for the quarter and nine months ended December 31, 2020 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 (BGEPI) 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 & BGEPI (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 pursuant to the provisions of Article 33 of the PSCs and UNCITRAL Rules, 1976. 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. MoP&NG has also stated that the arbitral award would be applicable to the Company also as a constituent of the Contractor for both the PSCs.

Directorate General of Hydrocarbons (DGH), vide letters 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. However, the details of proceedings of the FPA are not available with the Company. DGH, vide their letter dated May 25, 2017 and June 4, 2018, marked to the Contractors, had directed the payment of differential Government of India share of Profit Petroleum and Royalty alleged to be payable by Contractors pursuant to Governments interpretation of the FPA (40% share of the Company amounting to US\$ 1,624.05 million, including interest upto November 30, 2016) equivalent to ₹ 11,891 Crore (March 31, 2020: ₹ 12,258 Crore). In response to the letters of DGH, the JV partners (with a copy marked to all Joint Venture Partners) had stated that demand of DGH was premature as the FPA did not make any money award in favour of Government of India, since quantification of liabilities were to be determined during the final proceedings of the arbitration. Further the award had also been challenged before the English Commercial Court (London High Court). Based on the above facts, the Company had also responded to the letters of DGH stating that pending finality of the order, the amount due and payable by the Company was not quantifiable. In view of the Company, if any changes are approved for increase in the Cost Recovery Limit (CRL) by the Arbitral Tribunal as per the terms of the PSCs the liability to DGH 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.

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.

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.

Pending finality by Arbitration Tribunal on various issues raised above, re-casting of the financial statements and final quantification of liabilities, no provision has been accounted in the financial statements. The demand raised by DGH, amounting to US\$ 1,624.05 million equivalent to ₹ 11,891 Crore (March 31, 2020: ₹ 12,258 Crore) has been considered as contingent liability.

4. The Company had received demand orders from Service Tax Department at various work centers 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 Hon. Gujarat High Court. In this matter, Hon. Gujarat High Court in the hearing held on January 4, 2021 directed the revenue to file counter affidavit by January 21, 2021. The Central Government has filed counter affidavit on January 20, 2021. The next date of hearing before Hon. Gujarat High court is not scheduled as yet. The Company had also obtained legal opinions from domain experts, as per which, the Service Tax/GST on Royalty specified under the Oilfields (Regulation and development) Act, 1948 is not applicable. Meanwhile, the Company also received demand order dated January 1, 2019 on account of GST on Royalty in the State of Rajasthan against which the Company filed writ (4919/2019) before Hon. High Court of Rajasthan. The Hon. High Court of Rajasthan heard the matter on April 3, 2019 and issued notice to Department with a direction that no coercive action shall be taken against the Company. The matter has been listed for hearing on March 03, 2021 before Hon. High Court of Rajasthan.

The Company also filed writ of mandamus (9961/2019) before Hon. High Court of Madras seeking stay on the levy of GST on Royalty. The Hon. High Court of Madras heard the matter on April 3, 2019 and issued notice to Central Govt. and State Govt. The Central Govt. 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 Govt. before Hon. Madras High Court on January 24, 2020. The date of next hearing before Hon. High Court of Madras is not scheduled as yet.

The total estimated amount (including penalty and interest up to December 31, 2020) towards Service Tax is ₹ 3,946 Crore (March 31, 2020: ₹ 3,900 Crore) and GST is ₹ 7,230 Crore

(March 31, 2020: ₹ 6,104 Crore). Since the Company is contesting the demand, 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, 2020: ₹ 1,351 Crore) and ₹ 5,360 Crore (March 31, 2020: ₹ 4,553 Crore) respectively.

5. The consolidated financial results for the quarter and nine months ended December 31, 2020 are impacted by low realised crude oil and natural gas prices due to the COVID-19 pandemic and volatile global crude oil and natural gas markets. Accordingly, the results for the quarter / nine months are not comparable with those for the previous quarter and corresponding quarter / nine months of the previous year.

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

As regards Subsidiaries, Hindustan Petroleum Corporation Limited (HPCL) and Mangalore Refinery and Petrochemicals Limited (MRPL), capacity utilization gradually improved during the current quarter as compared to previous quarter in the current year, the demand of petroleum petroducts during nine months ended December 31, 2020 was however lower on account of COVID-19 pandemic. Group expects no significant impact on the continuity of operations of the business on long term basis and expects to recover carrying amount of assets and discharge its debts & obligations.

6. Considering the possible effects of low crude oil and natural gas prices on the recoverability of its Cash Generating Units in accordance with Ind AS, the Company had considered the business conditions to make an assessment of the implications of the Pandemic, estimate of future crude oil and natural gas prices, production, reserves volumes on the basis of internal and external information / indicators of future economic conditions. Based on the assessment, the Company had recorded an impairment of ₹ 1,238 Crore, to the extent the carrying amount exceeds the value in use, and had disclosed the same as an exceptional item in the quarter ended September 30, 2020. Consequentially, profit before tax for the nine months ended December 31, 2020 is lower by ₹ 1,238 Crore.
7. The Board of Directors in its meeting held on November 6, 2020 considered and approved sale of 1,24,66,53,746 equity shares of Rs.10/- each representing 48.998% equity stake in its step subsidiary company ONGC Mangalore Petrochemicals Ltd (OMPL) at a value per share of ₹ 9.76 each, to Mangalore Refinery & Petrochemicals Limited (MRPL), a subsidiary of the Company. As per the Share Purchase Agreement (SPA) between ONGC and MRPL, consideration of ₹ 1,217 crore was received on December 29, 2020 and the shares were transferred to MRPL on January 1, 2021. Accordingly, with the exit of Company, w.e.f January 1, 2021, the above transaction has been closed.

8. The Board of Directors of Subsidiary Company HPCL at its meeting held on November 04, 2020, approved a proposal to buy-back upto 10 Crore equity shares of the Company through open market operations for an aggregate amount not exceeding ₹ 2500 Crore being 6.56% of the total paid up equity share capital at a price not exceeding ₹ 250 per equity share from its shareholders / beneficial owners (other than those who are promoters or persons in control).

Pursuant to above buy-back program executed through Open Market Operations, HPCL has bought back 2,51,96,573 Shares from persons other than promoters, representing 1.65% of Share Capital (prior to commencement of buy-back), as on December 31, 2020 (the reporting date). Out of this 1,34,34,119 shares have been extinguished as on the reporting date. As a result, the Company's shareholding in the subsidiary HPCL has increased from 51.11% to 51.57% as on the reporting date.

9. Government of India has enacted Direct Tax Vivad Se Vishwas Act, 2020, providing a mechanism for settlement of disputes related to Direct Tax matters, which is optional and can be availed up to January 31, 2021. The company has opted to settle certain Income-tax disputes and accordingly, has filed application before the designated authority as prescribed under the Act. After considering existing provision, an amount of ₹ 506 Crore payable under the said Act has been charged as earlier year tax in the Consolidated Statement of Profit and Loss for the quarter and nine months ended December 31, 2020.
10. Government of India through "The Taxation Laws (Amendment) Act, 2019" has inserted Section 115BAA of the Income Tax Act, 1961, whereby a domestic company has an irrevocable option of exercising for a lower corporate tax rate along with consequent forego of certain tax deductions and incentives, including accumulated MAT credit eligible for set-off in subsequent years. The company has still not exercised this option and continues to evaluate the benefit of exercising the option for a lower corporate tax rate vis-à-vis the existing provisions. Pending exercising of the option, the company continues to recognize the taxes on income for the quarter and nine months ended December 31, 2020 as per the earlier provisions.

Also, Subsidiaries ONGC Videsh Limited (OVL) and Mangalore Refinery and Petrochemicals Limited (MRPL) have not exercised aforesaid option and continue to recognize the taxes on income for the quarter and nine months ended December 31, 2020 as per the earlier provisions.

11. The figures for the quarter and nine months ended December 31, 2019 have been restated consequent to change in accounting policy during FY 2019-20 in respect of accounting of excess decommissioning provision written back based on the opinion of Expert Advisory Committee of The Institute of Chartered Accountants of India.
12. The Board of Directors in its meeting held on 13th February, 2021 has declared an interim dividend of ₹ 1.75 per share (35%).

13. Previous period's figures have been regrouped, wherever necessary, to conform to current quarter's classification.

By order of the Board

**SUBHASH
KUMAR** Digitally signed by
SUBHASH KUMAR
Date: 2021.02.13
12:50:48 +05'30'

(Subhash Kumar)
Director (Finance)

Place: New Delhi
Date : February 13, 2021

In terms of our report of even date attached

For G.M. Kapadia & Co.

Chartered Accountants
Firm Reg. No. 104767W

**Rajen
Ratansi
Ashar** Digitally signed by
Rajen Ratansi Ashar
Date: 2021.02.13
13:27:07 +05'30'

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

For Kalani & Co.

Chartered Accountants
Firm Reg. No: 000722C

**VIKAS
GUPTA** Digitally signed by
VIKAS GUPTA
Date: 2021.02.13 13:33:35 +05'30'

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

For R. Gopal & Associates

Chartered Accountants
Firm Reg. No. 000846C

**SANDEEP
KUMAR
SAWARIA** Digitally signed by
SANDEEP KUMAR SAWARIA
Date: 2021.02.13 14:06:14 +05'30'

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

For R.G.N. Price & Co.

Chartered Accountants
Firm Reg. No.002785S

**Rangarajan
Raghavan
Iyengar** Digitally signed by
Rangarajan Raghavan
Iyengar
Date: 2021.02.13
14:22:56 +05'30'

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

For SARC & Associates

Chartered Accountants
Firm Reg. No. 006085N

**PANKAJ
SHARMA** Digitally signed
by PANKAJ
SHARMA
Date: 2021.02.13
13:45:11 +05'30'

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

For S Bhandari & Co.

Chartered Accountants
Firm Reg. No.000560C

**Prabhu
Dayal Baid** Digitally signed
by Prabhu Dayal
Baid
Date: 2021.02.13
14:38:29 +05'30'

(P.D. Baid)
Partner (M. No.072625)
Place: Jaipur

February 13, 2021

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
201, Neo Corporate Plaza,
Ramchandra Lane,
Malad West,
Mumbai – 400064

INDEPENDENT AUDITORS' LIMITED REVIEW REPORT ON THE UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED ON DECEMBER 31, 2020

**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, 2020 (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 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 of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

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

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

* As per consolidated financial results

Consolidated financial results of Mangalore Refinery and Petrochemicals Limited includes its subsidiary, ONGC Mangalore Petrochemicals Limited, which is an indirect Subsidiary of the Holding Company

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, 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.

Emphasis of Matter

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

6. Note No. 1, regarding non constitution of the Audit Committee by the Holding Company in the absence of at least two independent directors, although such constitution is required by the Regulations, and accordingly review and approval of the Statement (consolidated financial results) directly by the Board of Directors. Though, as per regulatory requirement applicable to the Holding Company, the Audit Committee shall review such consolidated financial results before submission to the Board of Directors for approval.
7. 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 (BGEPII) 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. 11,891 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 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); Pending finalization of the decision of the Arbitral Tribunal, the Holding Company has indicated in their letters to DGH that the final recasting of the accounts is premature and the issues raised by DGH may be kept in abeyance and therefore no provision for the same has been considered necessary and the same has been considered as contingent liability.
8. 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 from domain experts, 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, 2020) at Rs. 3,946 Crores and Rs. 7,230 Crores respectively (Total Rs 11,176 Crores), which has been considered as contingent liability. As a measure of abundant caution, the Holding Company has deposited ST and GST along with interest under protest amounting to Rs 1,352 Crores and Rs 5,360 Crores respectively (Total Rs 6,712 Crores).
9. Note No. 5, 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.

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 (MWP).
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 19 blocks have been certified by the management. In respect of these blocks, the Statement includes revenue of Rs. 1,789.76 Crores and Rs. 4,183.72 Crores for the quarter and nine months ended December 31, 2020 respectively and profit before tax including other comprehensive income of Rs. 870.47 Crores and Rs. 1,271.42 Crores for the quarter and nine months ended December 31, 2020 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. 83,265.03 Crores and Rs. 1,99,451.87 Crores, total net profit/(loss) after tax of Rs. 2,608.11 Crores and Rs. 6,424.73 Crores and total comprehensive income of Rs. 1,585.43 Crores and Rs. 5,059.82 Crores for the quarter and nine months ended December 31, 2020 respectively as considered in the Statement. The Statement also include the Group's share of net profit/(loss) after tax of (Rs.221.10 Crores) and (Rs.505.03 Crores) and total comprehensive income of (Rs.221.37 Crores) and (Rs.505.78 Crores) for the quarter and nine months ended December 31, 2020 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.1.70 Crores) and (Rs.17.35 Crores) and total comprehensive income of (Rs.1.70 Crores) and (Rs.17.35 Crores) for the quarter and nine months ended December 31, 2020 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.

13. The Statement includes comparative figures of for the corresponding quarter and nine months ended December 31, 2019, reviewed by the joint auditors of the Holding Company, five of whom were the predecessor audit firms, where they had expressed an unmodified conclusion vide their report dated February 14, 2020 on such Consolidated Financial Results.

