Principle 3.10

Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?

The HR policies and practices are reviewed at regular intervals taking cognizance of emerging realities. Regular independent audits, both internal & external, gets carried out to gauge level of employee engagement & satisfaction like the one recently got done by M/s Booz & Co. Wherever desired and warranted, expert advice from external agencies/consultancies are solicited to ramp up our practices/policies to best of industry standards.

Principle 3

1. Total number of employees:

   32,923(as on 31.03.2013)

2. Total number of employees hired on temporary/contractual/casual basis.
   - Temporary workers : Nil
   - Contractual workers: 18,088
   - Casual workers : 613

3. Please indicate the Number of permanent women employees

   2,091

4. Please indicate the Number of permanent employees with disabilities

   143

5. Do you have an employee association that is recognized by management?

   Yes

   A. Executive Cadre: Association of Scientific and Technical Officers

   B. Non-Executive Cadre: Ten recognized unions
   - ONGC (BOP) KarmachariSanghatna, Mumbai
   - ONGC Workmens' Association, Kolkata
   - Petroleum Employees Union, Chennai
   - Petroleum MazdoorSangh, Ahmedabad
   - ONGCMazdoorSangh, Ankleshwar
   - ONGC Employees MazdoorSabha, Vadodara
   - ONGC PurbanchalEmployees'AssociationSivasagar
   - National Union of ONGC Employees, Dehradun
   - ONGC Workers Union, Agartala
   - Trade Union of ONGC Workers, Silchar.

6. What percentage of your permanent employees is members of this recognized employee association?

   Most of the executives are member of ASTO. The non-executive cadre of employees are affiliated to various recognised unions.

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as at the end of the financial year.

Sl. No	Category	No of complaints filed during the financial year	No of complaints pending at the end of the financial year
1	Child labour/forced labour/involuntary labour	NIL	NIL
2	Sexual harassment	NIL	NIL
3	Discriminatory employment NIL	NIL	NIL

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

• Permanent Employees • Permanent Women Employees • Casual/Temporary/Contractual Employees • Employees with Disabilities	Training of 207,447 man-days of training was provided to various employees during 2012-13.

Principle 4:

Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

Principle 4.1

Do you have policy/policies for principle 4?

Company has a number of policies in place which takes care of the interests of all the stakeholders. As a PSE under Govt. of India, the company pursues all such policies as mandated by the government. The Corporate Social Responsibility (CSR) and Sustainable Development policy along with a host of policies of the Government of India are directed towards disadvantaged, vulnerable and marginalized section of the society. The table below depicts the way company engages itself taking care of the interests of all the stake-holders:

Stakeholders	Mode of engagement
Customers	Structured engagement through Crude Oil Sales Agreement (COSA)& Gas Sales Agreement (GSA); Regular / periodic meetings with B2B partners.
Communities	Direct engagement at work centres through CSR programmes and HR departments.
Business partners/ contractors/vendors	Vendor meets; Business partner meets; Pre-bid conferences
Contract workers	Safety trainings & SAHYOG Scheme
Employees	Open House; Vichar-Manthan; Vichar-Dhara; Vichar-Vishlesan; Mantrana; Employee web portal
Regulatory bodies (DGMS,NSE,BSE,SEBI,OISD,OIDB, etc.)	Structured engagement through meetings with administrative ministry MoPNG, DPE, HI & PE, OISD, OIDB, etc.
Government bodies, Shareholders, investors	Investor & Analyst meet; AGM; Investor Conferences; Corporate web site and press release

Principle 4.2

Has the policy been formulated in consultation with the relevant stakeholders?

As the CSR policy and policy of Sustainable development is on the lines of DPE Guidelines and other relevant statutory bodies, company assumes that the same has been formulated after due consultations with all stakeholders. For other policies focusing on disadvantaged, vulnerable and marginalized section of the society, company assumes that the same has been formulated after wider consultations.

Principle 4.3

Does the policy conform to any national /international standards? If yes, specify? (50 words)

All the policies that your company pursues are in the intended direction and towards intended set of people and follows a standard that is nationally approved. Policies on CSR & SD have connotations of both national and international standards.

Principle 4.4

Has the policy been approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?

All such policies being pursued by ONGC gets approved the Board through its various sub-committees or by the Director (HR).

Principle 4.5

Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?

Director (HR) has been delegated power to implement CSR initiatives of ONGC. A Director level position oversees SD initiatives and its implementation.

Principle 4.6

Indicate the link for the policy to be viewed online?

The website of ONGC,www.ongcindia.com, has the link to the CSR and SD activities and to a host of policies directed towards the betterment of disadvantaged, vulnerable and marginalised section of stakeholders.

Principle 4.7

Has the policy been formally communicated to all relevant internal and external stakeholders?

Yes. For internal stakeholders, all these policies are available on-line on company websites and also perpetuated through its collectives, officers association and other relevant associations. For external stakeholders, communication in this regard is pursued through interactions at multiple levels.

Principle 4.8

Does the company have in-house structure to implement the policy/policies?

ONGC has the structured framework and a laid down well documented procedures in place to execute & implement the given policies.

Principle 4.9

Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?

Yes.

Principle 4.10

Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?

Policies directed towards the betterment of disadvantaged, vulnerable and marginalised stakeholders are audited & reviewed regularly by internal groups and by collectives/officers associations to oversee whether it is meeting the intended objectives or not. The CSR policies are reviewed and revamped from time to time depending upon needs and instructions of the Govt. of India. SD policies also get reviewed regularly by the concerned stakeholders through interaction with internal & external agencies.

Principle 4

1. Has the company mapped its internal and external stakeholders?

   Yes. The company has mapped internal & external stakeholders and it is reflected in Global Reporting Initiative (GRI) report on the corporate website www.ongcindia.com. The key stakeholders are shown below. The company is also in the process of implementing AA 1000, international standard for stakeholder identification and engagement process.

- Employees
- Customers
- Communities
- Business partners / contractors/vendors
- Contract workers
- Regulatory bodies (DGMS,NSE,BSE,SEBI,OISD,OIDB etc)
- Government bodies
- Shareholders, investors

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

   Yes. ONGC complies with the Government directives for upliftment of priority section of the society. It is fully committed to the welfare of the marginalized and vulnerable sections of the society.Each of our strategic business units (SBU) has the responsibility to identify and engage with relevant stakeholder to create a symbiotic relationship.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

   The company has suitable processes, policies and departments in place to identify and engage with such groups of stakeholders.

Marginalised Categories	Engagement Mode
• People with disabilities • Children and Women • Tribal • Migrant workers • SC/ ST • Senior Citizen • HIV afflicted people • People with serious illness	• Disability support aids (wheel chairs, hearing aid, etc.), • Education • Mid-day meals. • Livelihood schemes • Health care, Hospitals • Water supply schemes. • Indirect employment as contractual/ casual workers. • Company has annual component plan for the SC/ST which is distributed through the various work centres of ONGC. The company also provides scholarship for meritorious SC/ST students to pursue higher professional studies.

Principle 5: Businesses should respect and promote human rights

Principle 5.1

Do you have policy/policies for principle 5?

All the policies of ONGC take into account the human rights of not only the employees but also the people likely to be affected by the operations of the Company.

ONGC is the founder member of United Nations Global Compact initiative in India and its Chairman & Managing Director Shri Sudhir Vasudeva has been nominated by Secretary-General of United Nations Shri Ban-Ki-Moon as a member of the UN Global Compact Board chaired by the Secretary General himself. Shri Vasudeva is the first such member from India.

ONGC as a company is thus strongly committed to conducting its business aligning its operations and strategies with the ten universally accepted principles in the area of human rights, Child labour, Business Ethics and Environment. ONGC embraces and supports those ten principles, particularly that on the human rights viz: "Businesses should support and respect the protection of internationally proclaimed human rights" and "Make sure that they are not complicit in human rights abuses".

Principle 5.2

Has the policy been formulated in consultation with the relevant stakeholders?

ONGC being a Public Sector Enterprise is primarily guided by Government policies. The entire gamut of its policies, rules and regulations which govern its policies have "people first" as its fulcrum.

Principle 5.3

Does the policy conform to any national/ international standards? If yes, specify? (50 words)

The policies of ONGC are in line with national standards and relevant international standard for its operations and business pursuits.

Principle 5.4

Has the policy been approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?

All the policies are approved either by the Board or designated competent authorities.

Principle 5.5

Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?

Every Policy of ONGC incorporates safeguards to ensure that its functioning is overseen by a Competent Authority / Committee, etc.

Principle 5.6

Indicate the link for the policy to be viewed online?

The website of ONGC www.ongcindia.com has the link to the various policies, rules and regulations of ONGC.

Principle 5.7

Has the policy been formally communicated to all relevant internal and external stakeholders?

All the Policies of ONGC have been suitably communicated to the concerned stakeholders, both internal as well as the externals.

Principle 5.8

Does the company have in-house structure to implement the policy/policies?

Yes. The company has in place the structured set-up with adequate empowerments to implement the requisite policies in this regard.

Principle 5.9

Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?

Yes (as detailed earlier).

Principle 5.10

Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?

The policies, rules and regulations in the direction as stipulated by the principle 5 are subject to periodic audit/reviews both by internal and external agencies.

Principle 5

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

   The policies towards upholding the human rights extend to JV's and wholly owned subsidiaries of ONGC.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

Stakeholders	Complaint
Customers	NIL
Communities	NIL
Business partners/ contractors/vendors	19 (referred to IEM)
Contract workers	NIL
Employees	NIL
Regulatory bodies (DGMS,NSE,BSE,SEBI,OISD,OIDB etc.,)	NIL
Government bodies	NIL
Shareholders, investors	As detailed in Principle 1(4).

Principle 6: Business should respect, protect, and make efforts to restore the environment.

Principle 6.1

Do you have policy/policies for principle 6?

ONGC has always ensured that it protects and cares for the environment. The Company has an integrated Health, Safety & Environment (HSE) Policy. The company continually strive to mitigate the environmental impact, that may arise owing inherently to its business activities like exploration, drilling & production, by investing heavily in state of art technologies, by effluent & solid waste management, by pursuing environment monitoring and reporting, by undertaking bio-diversity conservation efforts and by continuous up-gradation and sustenance of environment management systems.

Principle 6.2

Has the policy been formulated in consultation with the relevant stakeholders?

Yes. All the policies of the company have been formulated in consultation with all the stakeholders, primarily in consultation with and under the guidelines of MoP&NG and Ministry of Environment, Govt. of India and other statutory bodies.

Principle 6.3

Does the policy conform to any national /international standards? If yes, specify? (50 words)

The HSE policy of ONGC is in line with International Standards and conforms to ISO - 14000 and OSHAS - 18001.Policies conform to all standards, practices and statutes pertaining to environmental commitments as expected from and as mandated to company engaged in oil & gas business.

Principle 6.4

Has the policy been approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?

Yes, the policy has been approved by the Board and signed by Chairman & Managing Director, ONGC.

Principle 6.5

Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?

ONGC has a Committee of Directors (COD) on Health, Safety, Environment and Sustainable Development chaired by an independent director. This Board level committee oversees and reviews decisions on policy matters concerning HSE and Sustainable Development Policy.

Principle 6.6

Indicate the link for the policy to be viewed online?

The website of ONGC,www.ongcindia.com, has a separate link for HSE activities.

Principle 6.7

Has the policy been formally communicated to all relevant internal and external stakeholders?

The HSE Policy is displayed at all the work centres and has been communicated to every employee as well as the contractual employees. A link to our HSE policy has been provided on ONGC website for external stakeholders.ONGC continuously engages with its stakeholders at multiple levels through diverse channels. This engagement helps in the formulation of company policies directed at progressively enriching practices and sustainable operations over time.

Principle 6.8

Does the company have in-house structure to implement the policy/policies

ONGC has dedicated HSE Department at Corporate level as well as at the Asset, Basin and Plant level.

Principle 6.9

Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?

Yes.

Principle 6.10

Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?

Company undertakes HSE audit at regular pre-defined intervals. Further, external bodies engaged in granting ISO-14000 and OHSAS and other certification agencies, do make regular audit within the certification period to oversee that requisites are being met before granting extensions to these certification.

Principle 6

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

   The HSE policy and processes covers your company and the vendors as well. All the suppliers, NGOs and others doing business with the company within company's premise subscribe to company's policies and commitments to environment. The policies of company extend to its wholly owned subsidiaries and to joint ventures after getting approval of its JV partners on the tennets & premises of environmental commitment.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.?

   The company is aware of the risks arising due to climate change. It has a dedicated Carbon Management & Sustainability Group (CM&SG) with a specific mandate to position ONGC as the leading organisation in sustainable development (SD) area and to voluntarily take up carbon management as an activity to synergise all the business activities with sustainable development particularly to address issues related to climate change risks and opportunities arising from carbon mitigation initiatives. The management has been active in engaging with national and international climate change forum to ensure that the organization stays current with global climate change negotiations and India's domestic commitments. ONGC's initiatives towards GMI are detailed under Principle-2 {1(iv)}. The other strategies are also detailed under Principle-2 earlier.

3. Does the company identify and assess potential environmental risks?

   Yes.The environmental footprints are mapped during the project planning phase itself and based on impact assessment, remedial measures are put in place during operational phase. After September, 2006 gazette notification on Environmental Clearance of Ministry of Environment & Forests, all new and expansion projects of ONGC are mandated to obtain prior Environmental Clearance from Expert Appraisal Committee (EAC) of MoEF before commencing operational activities. The company has obtained 131 environmental clearances so far. The company has implemented globally recognized environmental management system like ISO 9001, OHSAS 18001 and ISO 14001 at all its operational work centres.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so

   ONGC has registered the following ten CDM projects with United Nations Framework on Climate Change Conventions (UNFCCC).

i. Waste heat recovery from Process Gas Compressors (PGCs), Mumbai high south (offshore platform) and using the recovered heat to heat process heating oil (Regn Ref No 0814).
ii. Up-gradation of Gas Turbine 1 (GT 1) and Gas Turbine 2 (GT 2) at co-generation plant of Hazira Gas Processing Complex (HGPC)(Regn. Ref No 0847)
iii. Flare gas recovery project at Uran plant(Regn. Ref No 1220)
iv. Flare gas recovery project at Hazira Gas Processing Complex (HGPC) (Regn. Ref No 1354)
v. Energy Efficiency of Amine Circulation Pumps at Hazira plant (Regn. No 2648).
vi. 51 MW wind power project at Bhuj, Gujarat.
vii. Green Building project at Mumbai
viii. Green Building project at Dehradun
ix. Gas Flaring Reduction at Neelam&HeeraAsse
x. ONGC Tripura Power Corporation Ltd. (726 MW natural gas based power plant)

This is probably the highest registration of CER's by any single entity in India. Another two projects are under various stages of registration which will make India the largest Certified Emissions Reductions (CER) earner in Asia/ Europe. Annual CERs earned from these projects are 210,739.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.

   Yes. The company has taken a host of initiatives to pursue clean technologies, energy efficiency measures and renewable energy pursuits. Some of those initiatives are spelled out in details at Principle-2 under questionnaire 2 &3 (please refer to these for our supplementary response against this questionnaire). To name a few, company has taken some energy saving initiatives like:

   - Flare gas recovery
   - Use of turbo-expanders in LPG production
   - Use of wind and solar energy
   - Use of Gas gen set/Gas based captive power plant
   - Use of wind ventilators/vapour recovery unit
   - Waste heat recovery from gas turbines
   - Use of solar water heating systems and energy efficient lighting
   - Arrest of steam leakages

   As a part of our efforts in the area of clean technology and energy efficiency, the company has installed a 51 MW wind power project at Bhuj. The second wind power project of 102 MW is under implementation and will commence operation in 2014-15.

   The company has also established "ONGC Energy Centre", a trust set up by ONGC to actively pursue alternate energy opportunities. The Energy Centre is poised to contribute significantly towards ONGC's endeavour to have a healthy portfolio of alternate energy. Some of the significant projects / initiatives are:

   - Generation of Hydrogen through Thermo-chemical Processes.
   - Geothermal Power Project in Cambay Basin.
   - Kinetic Hydro Power Project.
   - Bioconversion of Coal/Oil Project
   - Solar Thermal Project
   - Uranium Exploration Project
   - Pilot Solar & Wind Hybrid Power Station

   If yes, please give hyperlink for web page:

   http://www.ongcindia.com/wps/wcm/connect/ongcindia/Home/Initiatives/Corporate+Sustainability/

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

   Yes. The emissions & waste generated by company is within the permissible limits. Annual Environment Compliance reports are submitted by the respective work units to respective state pollution control boards (SPCB). All the installations comply with environmental regulations. Procedures are in place for storage, handling and disposal of hazardous chemicals and wastes.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year:

   None.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

Principle 7.1

Do you have a policy/policies for principle 7?

Public and regulatory policies relating to operation of E&P Companies in India are formulated by the Government of India.ONGC, perse, is not engaged in influencing public and regulatory policy. However, being a PSE and a responsible corporate citizen of India, it conducts its business in a responsible manner and always pursues the best ethical business practices.

Principle 7.2

Has the policy been formulated in consultation with the relevant stakeholders?

ONGC being a Public Sector Enterprise is under the control of the Government of India, through Ministry of Petroleum & Natural Gas assumes that policies as expected at principle 7.1 must have been formulated with all the relevant stakeholders.

Principle 7.3

Does the policy conform to any national /international standards? If yes, specify?

The company pursues its business in a responsible manner and polices are as per the best of prevailing National &international standards as applicable for E&P industry.

Principle 7.4

Has the policy been approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?

ONGC follows policies as laid out by Govt. of India. All its internal policies are approved by the Board of Directors or its designated authority.

Principle 7.5

Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?

Depending upon the area of operation, the relevant function is under the purview of the concerned Functional Director who ensures that the same is being implemented in a responsible manner. ONGC Board has constituted a number of Board level Committees to oversee functioning of respective areas which are detailed in the Corporate Governance Report of the Annual Report 2012-13.

Principle 7.6

Indicate the link for the policy to be viewed online?

The website of ONGC (www.ongcindia.com) has links to the various policies of ONGC through which one can assess that ONGC conducts its business in responsible manner.

Principle 7.7

Has the policy been formally communicated to all relevant internal and external stakeholders?

ONGC functions in a transparent and ethical manner and its policies are available on-line for all its internal & external stakeholders. Further, being a PSE, it is bound to provide all information to the citizens in line with Right to Information Act, 2005.

Principle 7.8

Does the company have in-house structure to implement the policy/policies?

ONGC has an elaborate organisation structure comprising of 6 functional directors headed by Chairman & Managing Director to ensure proper implementation of all the policies in place.

Principle 7.9

Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?

Yes.

Principle 7.10

Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?

The company has dedicated Internal Audit department and at the same time audits are conducted through external agencies on regular basis to ensure that the policies give desired results. Further, being a PSE under Govt. of India's ambit, company is subjected to scrutiny by the statutory bodies like CAG.

Principle 7

1. Is your company a member of any trade and chamber or association? If Yes, name only those major ones that your business deals with:

   Yes. Company has association with a number of trade chambers & associations like

   - Federation of Indian Chambers of Commerce and Industry (FICCI)
   - Confederation of Indian Industries (CII)
   - Standing Conference on Public Enterprises (SCOPE)
   - Petroleum Federation of India (PetroFed)

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

   ONGC has always advocated constructive suggestion in area of taxation matters, pricing policies, subsidy sharing, exploration and licensing policies, policies towards pursuing the energy security, sustainable development, corporate social responsibility, etc., which are beneficial to Industry in specific and society in general. ONGC, on its own, has made a 'Perspective Plan 2030' intended to provide much needed energy security for the nation. The details are available on company site www.ongcindia.com.

Principle 8:

Businesses should support inclusive growth and equitable development.

Principle 8.1

Do you have policy/policies for principle 8?

ONGC supports inclusive growth and equitable development. A well-defined set of objectives, beneficiaries, strategy and project activities are undertaken by ONGC through its Corporate Social Responsibility (CSR)and Sustainable Development (SD) projects thereby contributing its bit in inclusive development of the nation. The objective is to yield discernible, long-term, sustainable benefits for the communities in our operational areas & other backward districts as identified by Planning Commission, GOI.

Principle 8.2

Has the policy been formulated in consultation with the relevant stakeholders?

ONGC being a Public Sector Enterprise follows CSR Policy and policy on Sustainable Development as per DPE Guidelines formulated by the Govt. of India. Separate Stakeholder Engagement policy is also under formulation by ONGC.

Principle 8.3

Does the policy conform to any national /international standards? If yes, specify? (50 words)

As the CSR and SD policy is formulated keeping in mind the entire Indian spectrum and DPE Guidelines, it conforms to national standards.

Principle 8.4

Has the policy been approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?

All policies/ activities pursued through CSR & SD gets are approved by the ONGC Board and are signed by the designated competent authorities as per the instructions of the Board.

Principle 8.5

Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?

Director (HR) has been delegated powers to implement CSR initiatives of ONGC who executes the activities through a various corporate level and work centre level units. The SD initiatives are overseen by the Board level Committee for HSE & SD who also pursue the same through a structured hierarchy. As per the revised DPE Guidelines effective from April 01, 2013, a separate Board level sub-committee is under formulation for overseeing the implementation of the CSR and SD policy.

Principle 8.6

Indicate the link for the policy to be viewed online?

The website of ONGC – www.ongcindia.com has a link to the CSR policy and policy on Sustainable Development and other such activities of ONGC.

Principle 8.7

Has the policy been formally communicated to all relevant internal and external stakeholders?

Yes.Also these policies are available online on the website of DPE and ONGC.

Principle 8.8

Does the company have in-house structure to implement the policy/policies?

ONGC has dedicated departments for CSR and Carbon Management and Sustainable Development at corporate level as well as work centre level.

Principle 8.9

Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?

Yes.

Principle 8.10

Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?

Since 2011-12, ONGC is publishing the Sustainability Report,which is third party assured. ONGC has also been carrying out the third party Impact Assessment of its select CSR initiatives.

Principle 8

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8?

Yes. ONGC has played an anchor role in meeting the inclusive developmental goals across the country particularly in the north eastern parts of the country. ONGC's operational presence is source of local employment and livelihood generation which improve the overall economic standards of the community and region.Some of the projects and initiatives in the given direction are as follows:

Projects on health care

- ONGC- Specialist Palliative and Geriatric Care Out- patient Clinic
- ONGC-PMS & RF - 100 Heart Surgeries
- ONGC-Hope Foundation
- Mahavir International
- Wheel Chairs to Under Privileged in AIIMS
- Indian Red Cross Society,Godda (Jharkhand)
- Indian Red Cross Society,Mehabubnagar

Education and vocational courses

- Sri Shanmukhananda Fine Arts & Sangeetha Sabha
- SOS Children's Village
- ONGC-The Akshaya-Patra Foundation
- Aantyodaya Prakalp

Projects for Physically and Mentally challenged

- Aids & Appliances to the physically challenged
- Aashirwad Special Education School
- Tamana
- Cheshire Home India (Mumbai)

Self-help and livelihood generation scheme

- ONGC – Adharshila Entrepreneurship and Skill Development Initiative
- Udaan
- UTKARSH- an ONGC AROH effort for Economic Upliftment of People in Sibasagar

Other CSR Schemes

- Hortoki Water Supply Scheme
- ONGC-GayatriPariwar Trust
- Equipment in District Govt. Hospital Kushinagar
- St Joseph of Annecy (India) Society, Tripura
- Adoration Charitable Trust
- Varisthajana Swasthya Sewa Abhiyan
- ONGC-GICEIT Computer Centre
- Harit Moksha
- ONGC-Eastern Swamp Deer Conservation Project in Kaziranga National Park

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

The company undertakes projects through in-house department, NGO's and government agencies. The CSR activities are essentially guided by project based approach in line with the guidelines issued by the Department of Public Enterprises and Ministry of Corporate Affairs of the Government of India.

3. Have you done any impact assessment of your initiative?

Since 2011-12, ONGC has been carrying out the third party Impact Assessment of its select CSR initiatives.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

ONGC has spent ` 261.57 Crore on community based projects during 2012-13. The community projects are as enumerated above.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Since 2011-12, ONGC has been carrying out the third party Impact Assessment of its select CSR initiatives. The company is also in the process of adopting AA 1000 international standards for stakeholder engagement.

Principle 9:

Businesses should engage with and provide value to their customers and consumers in a responsible manner

Principle 9.1

Do you have a policy/policies for principle 9 ?

ONGC engages itself with the customers and consumers in a manner that depicts the best business practises and win-win proposition to all doing business with company as per mutually agreed upon business principles and deliverables. ONGC's main customers are Oil Refining & Gas Marketing Companies to which the company's produce that is oil and gas is allocated by the Government of India. Company enters into a Crude Oil Sale Agreement (COSA) with the Oil Marketing Companies (OMCs) and Gas Sales Agreement (GSA)with GAIL to whom it sells the Crude Oil, Natural Gas etc. following the crude oil /gas sales allocations as being done by Govt. of India. The COSA/GSA incorporate suitable provisions with regard to the quality and quantity of the product being supplied by ONGC. Besides this, ONGC also sells its produce to many customers under adequate sales agreement and gets governed by the policies and business principles of that time.

Principle 9.2

Has the policy been formulated in consultation with the relevant stakeholders?

The COSA/GSA of ONGC have been arrived at in consultation with OMCs and Gas marketing companies on mutually agreed principles. Other sales or purchase agreement are also agreed mutually.

Principle 9.3

Does the policy conform to any national/international standards? If yes, specify? (50 words)

The specifications of quality, etc., in COSA/GSA are in accordance with the national standards.

Principle 9.4

Has the policy been approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?

Yes. Policies in practice in regard to engagement with customers and consumers are approved by the Board. Thereafter, COSA/GSA are signed by the designated authorities.

Principle 9.5

Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?

Company has a structured and dedicated marketing set-up headed by an Executive Director level officer. This marketing set up oversees the implementation of relevant policies in this regard.

Principle 9.6

Indicate the link for the policy to be viewed online?

COSA/GSA being a bipartite agreement is a confidential document and is not available for inspection to the public. However, the general guidelines with respect to doing business with ONGC and also the standard business/contract terms & conditions of doing business with ONGC are available on the site www.ongcindia.com.

Principle 9.7

Has the policy been formally communicated to all relevant internal and external stakeholders?

As given in response against 9.6 above.

Principle 9.8

Does the company have in-house structure to implement the policy/policies?

As given in response against 9.5 above.

Principle 9.9

Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?

Yes. COSA/GSA have built in mechanism for redressal.

Principle 9.10

Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?

The COSA/GSA is subject to review as may be mutually agreed upon.

Principle 9

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year :

   None

2. Does the company display product information on the product label, over and above what is mandated as per local laws?

   Not applicable for our company's produce.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year:

   No.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

   Yes. The Company interacts on regular basis with its B2B customers' with respect to product quality and pricing. This kind of engagement with our partners ensures customer satisfaction.

2a. IF ANSWER TO S.NO. 1 AGAINST ANY PRINCIPLE, IS 'NO', PLEASE EXPLAIN WHY: (TICK UP TO 2 OPTIONS)

Sl.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P8	P 9
1	The company has not understood the Principles	NOT APPLICABLE								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. Governance related to BR

- Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

  This is the first Business Responsibility Report and has been finalised after seeking inputs from all Functional Directors and approved by Chairman & Managing Director. Further, the authority for assessment of BR performance and its frequency shall be decided in due course.

- Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

  This is the First Report on Business Responsibility and forms part of Annual Report 2012-13. It is proposed to bring out BRR on an Annual basis in future as mandated.ONGC publishes its 'Sustainability Report' annually based on Global Reporting Initiative's latest reporting guidelines. The last published Sustainability report for FY12 and the past year (s) viz., FY11 and FY10 is available on the corporate website of the company www.ongcindia.com.This is ONGC's first BRR report and would be aligned to SEBI guidelines in all successive annual reports.

The Board of Directors,
Oil and Natural Gas Corporation Ltd
Regd. Office: Jeevan Bharti,Tower II,
124, Indira Chowk,
New Delhi-110001.

Secretarial Audit Report

We have examined the registers, records and documents of Oil and Natural Gas Corporation Ltd. (the Company) for the financial year ended on 31.03.2013 according to the provisions of:

- The Companies Act, 1956 and Rules made under that Act;
- The Depositories Act, 1996 and the Regulations and Byelaws framed under that Act;
- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- The Securities and Exchange Board of India (Prohibition of Insider Trading (Regulations), 1992;
- The Equity Listing Agreements with the Bombay Stock Exchange Ltd. and the National Stock Exchange of India Ltd. and
- Guidelines on Corporate Governance for Central Public Sector Enterprises as stipulated in the O.M.No. 18(8)/2005-GM dated 14th May, 2010 of the Ministry of Heavy Industries and Public Enterprises, Government of India (the DPE Guidelines on Corporate Governance).

1. Based on our examination and verification of records produced to us and according to the information and explanations given to us by the Company, in our opinion, the Company has complied with the provisions of the Companies Act, 1956 (the Act) and Rules made under the Act and the Memorandum and Articles of Association of the Company with regard to:

    (a) Maintenance of statutory registers and documents and making necessary entries therein;

    (b) Filing of the requisite forms and returns with the Registrar of Companies, NCT of Delhi and Haryana within the time prescribed under the Act and the Rules made there under.

    (c) Service of documents by the Company on its members and the Registrar of Companies.

    (d) Closure of Register of Members and Share Transfer Books of the Company from 18th September, 2012 to 24th September, 2012 (both days inclusive).

    (e) Notice of Board Meetings and Committee meetings of Directors;

    (f) Convening and holding of the meetings of Directors and Committees of Directors including passing of resolutions by circulation;

    (g) The 19th Annual General Meeting held on 24th September, 2012.

    (h) Minutes of proceedings of General Meeting and meetings of Board and its committees.

    (i) Constitution of Board of Directors and appointment, retirement and re-appointment of directors;

    (j) Appointment of Chairman and Managing Director, Whole Time Directors and non-executive Directors and their remuneration.

    (k) The Directors disclosed their interests and concerns in contracts and arrangements, shareholdings and directorships in other companies and interests in other entities and their disclosures have been noted and recorded by the Board.

    (l) Transfers and transmission of shares and issue and delivery of original and duplicate certificates of shares; dematerialization/ rematerialization of shares;

    (m) Declaration and payment of dividend including interim dividends;

    (n) Transfer of certain amounts as required under the Act to the Investor Education and Protection Fund;

    (o) Investment of Company's funds including inter corporate loans and investments;

    (p) Appointment and remuneration of Auditors/Cost Auditors;

    (q) The Company wherever necessary has kept in abeyance rights to dividend declared at the Annual General Meeting held on 24th September, 2012 and interim dividends declared on 21.12.2012 and 20.3.2013, pending registration of transfer of shares in compliance with the provisions of the Act.

    (r) The Company has not invited/accepted any deposits falling within the purview of Section 58A of the Act;

    (s) The Company has not made any secured borrowings;

    (t) The Company has not bought back any shares;

    (u) The Company has complied with forms of balance sheet and statement of profit and loss as prescribed in Parts I and Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act.

    (v) The Company has complied with all other applicable provisions of the Act and Rules made under the Act.

    (w) The Company has created a trust, namely, the ONGC Employees Contributory Provident Fund Trust for its employees. The Company has deposited both the employees' and employer's contribution with the above Trust within the prescribed time pursuant to Section 418 of the Act during the relevant period.

    (x) The Company has substantially observed the Secretarial Standards issued by the Institute of Company Secretaries of India, although recommendatory in nature.

    (y) There was no prosecution initiated against or show cause notice received by the Company and no fines or any other punishment was imposed on the Company, its Directors and officers during the period under review for any offences under the Act.

2. We further report that the Company has complied with the provisions of the Depositories Act,1996 and Regulations framed there-under with regard to dematerialisation/ rematerialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.

3. We further report that:

    (i) The Company has complied with the provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 with regard to disclosures and maintenance of records required under the Regulations.

    (ii) The Company has complied with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 with regard to disclosures and maintenance of records required under the Regulations.

4. The Company has complied with the requirements under the Equity Listing Agreements entered into with the Bombay Stock Exchange Ltd and the National Stock Exchange of India Ltd., except, the Board of Directors did not comprise of the required number of Independent Directors for the period May 22, 2012 to March 31, 2013 and the vacancies caused due to resignation or retirement of Independent Directors have not been filled within 180 days as per the terms of Listing Agreements.

5. We further report that based on the information received and records maintained there are adequate systems and processes in the Company, commensurate with the size and operations of the Company, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

6. In our opinion and to the best of our information and according to explanations given to us by the management, we certify that the Company has complied with the DPE guidelines on Corporate Governance, except that the Board of Directors did not comprise of the required number of Independent Directors for the period May 22, 2012 to March 31, 2013, as stipulated in Para 3.1.4 of Chapter 3 of DPE Guidelines on Corporate Governance.

For A.N.Kukreja & Co.
Company Secretaries.

sd/-

(A.N.Kukreja)

Proprietor

CP No.2318

July 22, 2013

Details of Subsidiary Companies

Sr.No	Name of Subsidiary Company	(US$ in million)											(` in million)									
		As on 31.03.2013					For the year 2012-13						As on 31.03.2013					For the year 2012-13				
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)		(i)	(j)	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
		Capital	Reserves	Total Assets	Total Liabilities	Details of Investment (except in case of investment in the subsidiaries)	Turnover	Profit before Taxation	Provision for Taxation		Profit after Taxation	Proposed Dividend	Capital	Reserves	Total Assets	Total Liabilities	Details of Investment (except in case of investment in the subsidiaries)	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend
1	ONGC Videsh Limited												50,000.00	1,17,305.14	4,14,564.51	2,47,259.37	6,131.71	74,584.26	37,874.31	11,427.16	26,447.15	-
2	Mangalore Refinery & Petrochemicals Limited												17,526.64	47,150.26	2,67,012.18	2,02,335.28	150.02	6,56,962.18	(4,768.46)	2,800.65	(7,569.11)	-
3	ONGC Nile Ganga B.V.	0.08	2,273.36	2,932.06	658.62	1,437.19	533.00	225.68	71.95		153.73	-	-	-	-	-	-	23,835.87	10,092.25	3,217.60	6,874.65	-
4	ONGC Narmada Limited	0.16	(30.56)	1.76	32.16	-	-	(0.25)	-		(0.25)	-	-	-	-	-	-	-	(11.18)	-	(11.18)	-
5	ONGC Amazon Alaknanda Limited	306.62	483.40	880.93	90.91	-	326.91	189.84	62.17		127.67	-	-	-	-	-	-	14,619.42	8,489.64	2,780.24	5,709.40	-
6	ONGC Campos Ltda.	175.77	12.57	608.08	419.74	-	223.12	31.18	10.63		20.55	-	-	-	-	-	-	9,977.78	1,394.53	475.42	919.11	-
7	ONGC Nile Ganga (Cyprus) Ltd.	0.00	145.59	145.59	0.01	-	-	4.59	0.43		4.16	-	-	-	-	-	-	-	205.42	19.28	186.14	-
8	ONGC Nile Ganga (San Cristobal) B.V.	0.07	392.17	395.87	3.63	191.29	1.27	157.50	-		157.50	15.25	-	-	-	-	-	56.63	7,043.18	-	7,043.18	681.98
9	ONGC Satpayev E&P B.V	0.02	(0.01)	0.01	-	-	-	(0.01)	-		(0.01)	-	-	-	-	-	-	-	(0.23)	-	(0.23)	-
10	ONGC Caspian E&P B.V	0.05	106.75	106.80	-	0.04	-	3.58	-		3.58	-	-	-	-	-	-	-	160.10	-	160.10	-
11	Imperial Energy Limited (previously knows as Jarpeno Limited)	0.22	2,508.63	2,586.36	77.51	-	-	(34.66)	(0.28)		(34.38)	-	-	-	-	-	-	-	(1,549.86)	(12.30)	(1,537.56)	-
12	Biancus Holdings Limited	-	17.47	104.26	86.79	-	-	(0.33)	0.01		(0.34)	-	-	-	-	-	-	-	(14.76)	0.45	(15.20)	-
13	San Agio Investments Limited	-	1.79	19.78	17.99	-	-	1.93	0.02		1.91	-	-	-	-	-	-	-	86.44	0.89	85.55	-
14	Redcliffe Holdings Limited	-	60.38	60.43	0.05	-	-	(0.03)	-		(0.03)	-	-	-	-	-	-	-	(1.12)	-	(1.12)	-
15	Imperial Energy Nord Limited	0.03	1,020.26	1,020.50	0.21	-	-	(0.02)	-		(0.02)	-	-	-	-	-	-	-	(0.89)	-	(0.89)	-
16	Imperial Energy (Cyprus) Limited	0.03	245.79	245.96	0.14	-	-	(0.06)	-		(0.06)	-	-	-	-	-	-	-	(2.68)	-	(2.68)	-
17	Imperial Energy Tomsk Limited	-	10.99	11.16	0.17	-	-	(0.49)	-		(0.49)	-	-	-	-	-	-	-	(21.82)	-	(21.82)	-
18	Imperial Energy Gas Limited	-	(0.22)	0.26	0.48	-	-	(0.01)	-		(0.01)	-	-	-	-	-	-	-	(0.45)	-	(0.45)	-
19	Imperial Frac Services (Cyprus) Limited	-	(0.19)	-	0.19	-	-	(0.01)	-		(0.01)	-	-	-	-	-	-	-	(0.45)	-	(0.45)	-
20	Nefsilius Holdings Limited	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-	-	-	-	-	-
21	Freshspring Investments Limited	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-	-	-	-	-	-
22	RK Imperial Energy Kostanai Limited	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-	-	-	-	-	-
23	LLC Nord Imperial	-	421.31	506.35	85.04	-	48.41	(25.92)	-		(25.92)	-	-	-	-	-	-	2,165.03	(1,159.32)	-	(1,159.32)	-
24	LLC Allianceneftegaz	-	(2.31)	293.59	295.90	-	270.53	(27.51)	-		(27.51)	-	-	-	-	-	-	12,098.01	(1,230.34)	-	(1,230.34)	-
25	LLC Sibinterneft	-	(21.95)	0.08	22.03	-	-	(2.01)	-		(2.01)	-	-	-	-	-	-	-	(89.84)	-	(89.84)	-
26	LLC Rus Imperial Group	-	21.93	46.42	24.49	-	-	(14.82)	-		(14.82)	-	-	-	-	-	-	-	(662.93)	-	(662.93)	-
27	LLC Imperial Trans Service	-	(0.95)	4.14	5.09	-	-	(0.66)	-		(0.66)	-	-	-	-	-	-	-	(29.29)	-	(29.29)	-
28	LLC Stratum	-	(0.02)	-	0.02	-	-	-	-		-	-	-	-	-	-	-	-	-	-	-	-
29	Carabobo One AB	5.71	48.20	56.91	3.01		-	(0.03)	-		(0.03)	-	-	-	-	-	-	-	(1.28)	-	(1.28)	-
30	Petro Carabobo Ganga B.V.	0.03	146.08	146.14	0.04	0.03		(0.10)			(0.10)	-	-	-	-	-	-	-	(4.33)	-	(4.33)	-
31	ONGC (BTC) Limited	8.00	(29.76)	4.80	26.56		-	-	-		-	-	-	-	-	-	-	-	-	-	-	-

*At the closing rate of exchange, there is a Foreign Exchange Translation Reserve of ` 19,082.22 million, which has not been adjusted.

Exchange Rate

As on 31.03.2013 1 US$ = `54.3900

Average Rate for 2012-13 1 US$ = `54.3365

Note:-

In view of exemption granted by the Central Government under Section 212(8) of the Companies Act, 1956, copies of the Balance Sheet, Profit and Loss Account, Report of Directors and Auditors of the Subsidiary are not attached to the Balance Sheet of the Company. The annual accounts of the subsidiary and the related detailed information will be made available to the holding company and subsidiary investors, seeking such information at any point of time. The same are also available for inspection by any investor at the Registered Office of the Company as well as at the Registered Office of the Subsidiary. The details of the accounts of individual subsidiary are available at www.ongcvidesh.com and www.mrplindia.in

Sd/-	Sd/-	Sd/-
(N K Sinha)	(A K Banerjee)	(Sudhir Vasudeva)
Company Secretary	Director (Finance)	Chairman & Managing Director

To

THE MEMBERS OF OIL AND NATURAL GAS CORPORATION LIMITED

1. Report on the Financial Statements

We have audited the accompanying financial statements of OIL AND NATURAL GAS CORPORATION LIMITED (the "Company") which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss, ,and Cash Flow Statement for the year then ended, with the summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement

. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

a. In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;

b. In the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and

c. In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

5. Other Matters

a. The financial statements include the Company's share in the total value of assets, liabilities, expenditure and income of 140 blocks under New Exploration Licensing Policy (NELPs) / Joint Venture (JVs) accounts for exploration and production out of which 8 NELPs /JVs accounts have been certified by other firms of Chartered Accountants and 11 NELP/JVs have been certified by the management in respect of NELPs/ JVs operated by other operators.

b. We have placed reliance on technical/ commercial evaluation by the management in respect of categorization of wells as exploratory , development, producing and dry well, allocation of cost incurred on them, depletion of producing properties on the basis of proved developed hydrocarbon reserves, impairment, liability for abandonment costs, liability under NELP and nominated blocks for under-performance against agreed Minimum Work Programme and allocation of depreciation on process platforms to transportation and facilities.

Our opinion is not qualified in respect of other matters.

6. Report on Other Legal and Regulatory Requirements

6.1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure (read with paragraph 1 above) a statement on the matters specified in paragraphs 4 and 5 of the said Order.

6.2. As required by section 227(3) of the Act, we report that:

a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;

b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;

d. In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report, comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Act,;

e. Disclosure in terms of clause (g) of sub-section (1) of section 274 of the Act is not required as per notification number GSR 829(E) dated October 21, 2003 issued by the Department of Company Affairs, Government of India.

For G D Apte & Co. Chartered Accountants Firm Reg. No. 100515W	For Varma & Varma Chartered Accountants Firm Reg. No. 004532S	For S. Bhandari & Co. Chartered Accountants Firm Reg. No. 000560C
(C. M. Dixit) Partner (M.No. 017532)	(K.M. Sukumaran) Partner (M. No.015707)	(P.P.Pareek) Partner (M. No. 071213)
For Ray & Ray Chartered Accountants Firm Reg. No. 301072E	For Mehra Goel & Co. Chartered Accountants Firm Reg. No. 000517N	
(B.K.Ghosh) Partner (M. No. 051028)	(R.K.Mehra) Partner (M.No. 006102)	

New Delhi
May 29, 2013

Annexure to The Auditors' Report
(Referred to in paragraph 6.1 of our report of even date)

1. a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.

   b) As per information and explanations given to us, the fixed assets having substantial value, other than those which are underground / submerged / under joint venture have been physically verified by the management in a phased manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its business. The reconciliation of physically verified assets with the book records is in progress. Discrepancies noticed on physical verification and consequential adjustments are carried out on completion of reconciliation. According to the information and explanation given by the management and in our opinion, the same is not material.

   c) The Company has not disposed off a substantial part of fixed assets during the year.

2. a) According to the information and explanations given by the management, the inventory has been physically verified in a phased manner (excluding inventory lying with third parties, at some of the site- locations, inventory with joint ventures and intra site material in transit) during the year by the management. In our opinion, the frequency of verification is reasonable.

   b) In our opinion, the procedures of physical verification of inventory followed by the management were generally reasonable and adequate in relation to the size of the Company and nature of its business.

   c) The Company has generally maintained proper records of inventory. According to the information and explanations given by the management and in our opinion, the discrepancies noticed on physical verification between the physical stock and book records were not material having regard to the size of the Company and nature of its business. In case where discrepancies noticed on physical verification have been identified with inventory records, necessary adjustments have been carried out in the books. In respect of cases where the reconciliation is not complete, the management has stated that the effect of the same on the accounts would be adjusted on completion of reconciliation.

3. a) The Company has granted secured loans to three parties covered in the register maintained under section 301 of the Companies Act, 1956. The amount outstanding at the year end is ` 0.89 million and the maximum amount outstanding at any time during the year was ` 1.60 million.

   b) The rate of interest and other terms and conditions of the loans granted are not prima facie prejudicial to the interest of the Company.

   c) The payment of principal amount and interest are regular.

   d) There is no overdue amount in respect of loans granted to the above parties.

   e) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. And consequently, the reporting requirements of clause (iii) (f) and (iii) (g) of paragraph 4 of the Companies (Auditor`s Report) Order, 2003 are not applicable.

4. In our opinion, and according to the information and explanations given to us, the internal control procedures are generally adequate and commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and sale of goods and services. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal controls.

5. a) In our opinion and according to the information and explanations given to us, there is no contract or arrangement that needs to be entered in the register required to be maintained in pursuance of section 301 of the Companies Act, 1956.

   b) Accordingly, the reporting requirement of clause (v) (b) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 is not applicable.

6. The Company has not accepted any deposits from the public.

7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

8. We have broadly reviewed the costs records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 209 (1)(d) of the Companies Act, 1956 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with the view to determine whether they are accurate or complete.

9. a) According to records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2013 for a period more than six months from the date of becoming payable.

   b) According to the information and explanations given to us, the disputed statutory dues in respect of Income Tax, Excise Duty, Customs Duty, Cess, Sales Tax, Service Tax, and Wealth Tax are as under:

Nature of the statute	Nature of the dues	Amount Involved (` In million)	Amount Paid under Protest (` In million)	Period to which the amount relates (financial year)	Forum where dispute is pending
Income tax Act, 1961	Income tax/ Penalty/ Interest	25,152.24	16,567.54	1995-2012	Commissioner (Appeals)
		3,090.62	809.49	2000-2011	Income Tax Appellate Tribunal
		1,374.35	-	1991-2012	Hon. High Court
		707.01	-	1982-2004	Hon. Supreme Court
	Total	30,324.22	17,377.03		
Central Excise Act, 1944	Central excise duty/ Interest / Penalty	3.72	-	2005-2009	Commissioner of Central Excise, Customs & Service Tax
		6,926.67	490.00	1984-2013	Custom, Excise and Service Tax Appellate Tribunal
		83,720.00	-	2008-2013	Hon. High Court
		21.68	-	2007-2013	Joint Secretary (Revenue Authority) MOF
		1,192.97	-	2000-2006	Hon. Supreme Court
	Total	91,865.04	490.00		
The Customs Act, 1962	Customs duty / Penalty / Interest	1,437.47	-	1995-1997	Commissioner of Central Excise, Customs & Service Tax
		94.57	1.00	2007-2011	Custom, Excise and Service Tax Appellate Tribunal
	Total	1,532.04	1.00		
Oil Industries (Development) Act, 1974	Cess / Interest	6.57	-	2005-2012	Commissioner of Central Excise, Customs & Service Tax
Central Sales Tax Act, 1956 and respective States Sales Tax Act	Sales tax / Turnover Tax / Penalty / Interest	13,806.48	28.86	1999-2011	Deputy Commissioner / Joint Commissioner/Commissioner CT- Appeals
		31,776.62	393.30	1993-2009	Appellate Tribunal
		3,491.70	13.42	1978-2013	High Court
	Total	49,074.80	435.58		
Finance Act, 1994	Service Tax / Interest / Penalties	174.14	-	2007-2013	Commissioner of Central Excise, Customs & Service Tax
		2,381.28	4.30	2007-2013	Custom, Excise and Service Tax Appellate Tribunal
		637.40	-	2006-2008	Directorate general of central excise intelligence
		62.54	-	2004-2007	High Court
		35.50	-	1997-1998	Supreme Court
	Total	3,290.86	4.30		

10. The Company does not have accumulated losses at the end of the current financial year and has not incurred cash losses either during the year or during the immediately preceding financial year.
11. The Company has not issued any debentures and has not defaulted in repayment of dues to financial institutions or banks.
12. In our opinion and according to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi, mutual benefit fund/ society. Accordingly, the reporting requirements of clause (xiii) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
14. In our opinion and according to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
15. In our opinion and according to the information and explanations given to us, the terms and conditions on which the Company has given guarantees for loans taken by others from banks or financial institutions are not prima facie prejudicial to the interest of the Company.
16. The company has not availed any term loan during the year.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short terms basis have been used for long term investment.
18. The Company has not made any preferential allotment of shares during the year.
19. The Company has not issued any debentures.
20. The Company has not raised any money by way of public issue during the year.
21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For G D Apte & Co.
Chartered Accountants
Firm Reg. No. 100515W

(C. M. Dixit)
Partner (M.No. 017532)

For Varma & Varma
Chartered Accountants
Firm Reg. No. 004532S

(K.M. Sukumaran)
Partner (M. No.015707)

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

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

For Ray & Ray
Chartered Accountants
Firm Reg. No. 301072E

(B.K.Ghosh)
Partner (M. No. 051028)

For Mehra Goel & Co.
Chartered Accountants
Firm Reg. No. 000517N

(R.K.Mehra)
Partner (M.No. 006102)

New Delhi
May 29, 2013

Balance Sheet as at 31st March, 2013

(` in million)

		Particular	Note No.	As at 31st March, 2013	As at 31st March, 2012
I		EQUITY AND LIABILITIES			
	1	Shareholders' funds			
		(a) Share capital	3	42,777.60	42,777.60
		(b) Reserves and surplus	4	12,01,754.64	10,86,789.71
	2	Non-current liabilities			
		(a) Deferred tax liabilities (Net)	5	1,28,879.81	1,11,978.68
		(b) Other Long term liabilities	6	11,241.67	5,619.93
		(c) Long-term provisions	7	2,21,874.45	2,13,130.60
	3	Current liabilities			
		(a) Short-term borrowings	8	-	45,000.00
		(b) Trade payables	9	53,410.06	47,599.33
		(c) Other current liabilities	10	1,12,226.56	1,41,954.28
		(d) Short-term provisions	11	9,101.88	22,425.93
		TOTAL		17,81,266.67	17,17,276.06
II		ASSETS			
	1	Non-current assets			
		(a) Fixed assets			
		(i) Tangible assets	12	2,74,036.80	2,15,678.15
		(ii) Producing Properties	13	5,24,407.11	4,63,768.28
		(iii) Intangible assets	14	797.95	1,123.28
		(iv) Capital work-in-progress	15	1,44,153.69	1,82,980.56
		(v) Exploratory/Development Wells in Progress	16	1,04,758.75	85,812.34
		(b) Non-current investments	17	91,730.54	43,643.37
		(c) Long-term loans and advances	18	2,19,984.17	2,54,498.08
		(d) Deposit under Site Restoration Fund Scheme	19	1,01,331.21	91,825.72
		(e) Other non-current assets	20	14,053.53	12,102.14
	2	Current assets			
		(a) Current investments	21	-	8,519.07
		(b) Inventories	22	57,043.94	51,654.35
		(c) Trade receivables	23	68,637.21	61,948.16
		(d) Cash and Cash Equivalents	24	1,32,185.86	2,01,245.65
		(e) Short-term loans and advances	25	38,765.53	31,237.09
		(f) Other current assets	26	9,380.38	11,239.82
		TOTAL		17,81,266.67	17,17,276.06
		Notes to Finacial Statements	1 to 51		

For and on behalf of the Board

(N. K. Sinha)
Company Secretary

(A. K. Banerjee)
Director (Finance)

(Sudhir Vasudeva)
Chairman & Managing Director

In terms of our report of even date attached

For G D Apte & Co.
Chartered Accountants
Firm Reg. No. 100515W

(C. M. Dixit)
Partner (M.No. 017532)

For Varma & Varma
Chartered Accountants
Firm Reg. No. 004532S

(K.M. Sukumaran)
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Firm Reg. No. 301072E

(B.K.Ghosh)
Partner (M. No. 051028)

For Mehra Goel & Co.
Chartered Accountants
Firm Reg. No. 000517N

(R.K.Mehra)
Partner (M.No. 006102)

New Delhi
May 29, 2013

Statement of Profit & Loss for the year ended 31st March, 2013

(` in million)

	Particulars	Note No.	2012-13	2011-12
I	REVENUE			
	Revenue from operations (Gross)	27	8,33,089.58	7,68,870.59
	Less: Excise Duty		3,036.25	3,719.65
	Revenue from operations (Net)		8,30,053.33	7,65,150.94
	Other Income	28	54,367.42	44,529.77
	Total Revenue		8,84,420.75	8,09,680.71
II	EXPENSES			
	(Increase)/ Decrease in inventories	29	(230.22)	(913.44)
	Purchases of Stock-in-Trade		31.04	24.82
	Production, Transportation, Selling and Distribution Expenditure	30	3,75,338.89	3,03,906.04
	Exploration Costs written off			
	-Survey Costs		15,667.71	12,409.39
	-Exploratory well Costs		84,763.24	80,924.97
	Depreciation, Depletion, Amortisation and Impairment	31	83,735.71	74,959.15
	Financing Costs	32	276.36	348.30
	Provisions and Write-offs	33	18,863.20	3,096.76
	Adjustments relating to Prior Period (Net)	34	531.49	(95.48)
	Total Expenses		5,78,977.42	4,74,660.51
	Profit before Exceptional, Extraordinary items and Tax		3,05,443.33	3,35,020.20
	Exceptional items		-	31,405.47
	Profit before Extraordinary items and Tax		3,05,443.33	3,66,425.67
	Extraordinary items		-	-
	Profit before Tax		3,05,443.33	3,66,425.67
	Tax Expense			
	- Current Tax		86,300.00	1,08,950.00
	- Earlier years		(7,014.76)	(6,174.20)
	- Deferred Tax		16,901.13	12,474.74
	- Fringe Benefit Tax		-	(54.09)
	Profit after Tax		2,09,256.96	2,51,229.22
	Earnings per Equity Share - Basic and Diluted (`)	35	24.46	29.36
	(Face Value `5/-Per Share)			
	Notes to Financial Statements	1 to 51		

For and on behalf of the Board

(N. K. Sinha) Company Secretary	(A. K. Banerjee) Director(Finance)	(Sudhir Vasudeva) Chairman & Managing Director

In terms of our report of even date attached

For G D Apte & Co. Chartered Accountants Firm Reg. No. 100515W	For Varma & Varma Chartered Accountants Firm Reg. No. 004532S	For S. Bhandari & Co. Chartered Accountants Firm Reg. No. 000560C
(C. M. Dixit) Partner (M.No. 017532)	(K.M. Sukumaran) Partner (M. No.015707)	(P.P.Pareek) Partner (M. No. 071213)
For Ray & Ray Chartered Accountants Firm Reg. No. 301072E	For Mehra Goel & Co. Chartered Accountants Firm Reg. No. 000517N	
(B.K.Ghosh) Partner (M. No. 051028)	(R.K.Mehra) Partner (M.No. 006102)	

New Delhi
May 29, 2013

Cash Flow Statement for the Year Ended 31st March, 2013

(`in million)

			Year Ended 31st March 2013		Year Ended 31st March 2012
.A	CASH FLOW FROM OPERATING ACTIVITIES:				
	Net Profit before tax and extraordinary items		3,05,443.33		3,66,425.67
	Adjustments For:				
	- Prior Period Items	531.49		(95.48)	
	- Depreciation, Depletion, Amortisation & Impairment	83,735.71		74,959.15	
	-Exploratory Well Costs Written off	84,763.24		80,924.97	
	-Interest on Borrowings	276.36		348.30	
	- Unrealized Foreign Exchange Loss/(Gain)	(103.02)		1,070.59	
	-Provision for Leave Encashment	1,998.87		1,661.05	
	-Provision for other Employee benefits	7,509.95		2,801.10	
	-Other Provision and Write offs (Net)	13,539.63		2,739.57	
	-Interest Income	(31,428.20)		(31,115.56)	
	-Excess Liability written Back	(5,522.81)		(1,961.63)	
	-Amortization of Government Grant	(3.28)		(3.92)	
	-Dividend Income	(4,614.75)	1,50,683.19	(5,265.84)	1,26,062.30
	Operating Profit before Working Capital Changes		4,56,126.52		4,92,487.97
	Adjustments for:-				
	-Receivables	(18,667.58)		(23,933.68)	
	-Loans and Advances	(12,007.98)		(6,598.19)	
	-Other Current Assets	(3,709.17)		(3,759.23)	
	-Inventories	(6,336.33)		(10,603.96)	
	-Trade Payable and Other Liabilities	1,711.89	(39,009.17)	1,755.48	(43,139.58)
	Cash generated from Operations		4,17,117.35		4,49,348.39
	Direct Taxes Paid (Net of tax refund)		(94,677.46)		(98,937.37)
	Cash Flow before prior period		3,22,439.89		3,50,411.02
	Prior period items (Cash items)		(522.50)		102.06
	Net Cash Flow from Operating Activities 'A'		3,21,917.39		3,50,513.08
B.	CASH FLOW FROM INVESTING ACTIVITIES:				
	Purchase of Fixed Assets		(1,15,789.59)		(1,37,088.73)
	Sale of Fixed Assets		140.00		1,212.53
	Exploratory and Development Drilling		(1,66,340.67)		(1,21,159.97)
	Sale of Investments		8,519.07		0.50
	Advance/Investment in Joint Controlled Entities		(40,103.32)		(230.00)
	Loan to Associates		263.07		(533.52)
	Loan and advances to Subsidiary		45,566.41		(18,399.70)
	Loans to Public Sector Undertakings and Other Bodies Corporate		83.03		360.94
	Deposit in Site Restoration Fund		(9,505.49)		(10,670.66)
	Dividend Received from Subsidiary		1,255.35		1,506.43
	Dividend Received from Others		3,359.40		3,759.41
	Interest Received		36,053.05		26,752.91
	Net Cash Flow from Investing Activities 'B'		(2,36,499.69)		(2,54,489.86)

Cash Flow Statement for The Year Ended 31st March, 2013

(` in million)

		Year Ended 31st March 2013	Year Ended 31st March 2012
C.	CASH FLOW FROM FINANCING ACTIVITIES:		
	Short Term Borrowings	-	45,000.00
	Repayment of Short Term Borrowings	(45,000.00)	-
	Dividend Paid	(94,140.71)	(72,688.85)
	Tax on Dividend	(15,060.43)	(11,551.31)
	Interest Paid	(276.36)	(348.30)
	Net Cash Flow from Financing Activities 'C'	(1,54,477.49)	(39,588.46)
	Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)	(69,059.79)	56,434.76
	Cash and Cash Equivalents as at 1st April, 2012 (Opening Balance)	2,01,245.65	1,44,810.89
	Cash and Cash Equivalents as at 31st March, 2013* (Note 24) (Closing Balance)	1,32,185.86	2,01,245.65
		(69,059.79)	56,434.76

Notes:

1. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (AS) 3 on Cash Flow Statements issued by The Institute of Chartered Accountants of India.
2. *Includes Fixed deposits of `nil million (Previous year `52,380.00 million) pledged to Banks against Short term loan taken from Banks.

   Also, includes restricted amount of `225.42 million (Previous year `255.75 million) earmarked for payment of unclaimed dividend.
3. Brackets indicate cash outflow/ deduction.
4. Previous year figures have been re-grouped/re-classified wherever necessary to confirm to the current years presentation.

For and on behalf of the Board

(N. K. Sinha) Company Secretary	(A. K. Banerjee) Director (Finance)	(Sudhir Vasudeva) Chairman & Managing Director

In terms of our report of even date attached

For G D Apte & Co. Chartered Accountants Firm Reg. No. 100515W	For Varma & Varma Chartered Accountants Firm Reg. No. 004532S	For S. Bhandari & Co. Chartered Accountants Firm Reg. No. 000560C
(C. M. Dixit) Partner (M.No. 017532)	(K.M. Sukumaran) Partner (M. No.015707)	(P.P.Pareek) Partner (M. No. 071213)
For Ray & Ray Chartered Accountants Firm Reg. No. 301072E	For Mehra Goel & Co. Chartered Accountants Firm Reg. No. 000517N	
(B.K.Ghosh) Partner (M. No. 051028)	(R.K.Mehra) Partner (M.No. 006102)	

New Delhi
May 29, 2013

Notes to Financial Statements for the year ended 31st March 2013

1. Corporate information

   Oil and Natural Gas Corporation Limited ('ONGC' or 'the Company') is a public limited company domiciled in India and incorporated under the provisions of Companies Act, 1956. Its Shares are listed and traded on Stock exchanges in India. The Company is engaged in exploration, development and production of crude oil and natural gas.

2. Significant Accounting Policies

a. Basis of preparation

The financial statements are prepared under the historical cost convention on accrual basis in accordance with Generally Accepted Accounting Principles (GAAP), applying the Successful Efforts Method as per the Guidance Note on Accounting for Oil and Gas Producing Activities issued by the Institute of Chartered Accountants of India and Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 and provisions of the Companies Act, 1956. The financial statements are presented in Indian Rupees and all values are rounded to the nearest million except when otherwise indicated. Since the Operating cycle cannot be identified in normal course due to the special nature of industry, the same has been assumed to have duration of 12 months.

b. Use of Estimates

The preparation of financial statements requires estimates and assumptions which affect the reported amount of assets, liabilities, revenues and expenses of the reporting period. The difference between the actual results and estimates are recognized in the period in which the results are known or materialized.

c. Government Grant

Government Grant related to acquisition of Fixed Assets is treated as deferred income under 'Deferred Government Grant' and an amount equal to proportionate depreciation of such assets is credited to Statement of Profit & Loss.

d. Fixed Assets

d.1 Tangible Assets

d.1.1 Fixed assets are stated at historical cost less accumulated depreciation and impairment. Fixed assets received as donations/gifts are capitalised at assessed values with corresponding credit taken to Capital Reserve.

d.1.2 All costs, net of applicable tax credits, relating to acquisition of fixed assets till the time of bringing the assets to working condition for intended use are capitalised.

d.2 Intangible Assets

Intangible assets are stated at cost of acquisition, net of applicable tax credits, less accumulated amortization and impairment.

e. Exploration, Development and Production Costs

e.1 Acquisition Cost

Acquisition cost of an oil and gas property in exploration and development stage is taken to acquisition cost under the respective category. Such costs are capitalized by transferring to Producing Property when it is ready to commence commercial production. In case of abandonment, such costs are expensed. Acquisition cost of a producing oil and gas property is capitalized as Producing Property.

e.2 Survey Cost

Cost of Survey and prospecting activities conducted in the search of oil and gas are expensed as exploration cost in the year in which these are incurred.

e.3 Exploratory/ Development Wells in Progress

e.3.1 All acquisition costs, exploration costs incurred in drilling and equipping exploratory and appraisal wells, cost of drilling exploratory type stratigraphic test wells are initially capitalised as Exploratory Wells in Progress till the time these are either transferred to Producing Properties on completion as per Note no. 2.f.4.1 or expensed as exploration cost (including allocated depreciation) as and when determined to be dry or of no further use, as the case may be.

e.3.2 All wells under 'Exploratory Wells in Progress' which are more than two years old from the date of completion of drilling are expensed as exploration cost (including allocated depreciation) except those wells where it could be reasonably demonstrated that the well has proved reserves and the development of the field in which the wells are located has been planned.

e.3.3 All costs relating to Development Wells are initially capitalized as 'Development Wells in Progress' and transferred to 'Producing Properties' on completion as per Note no. 2.f.4.1 and 2.f.4.2.

f. Producing Properties

f.1.1 Producing Properties are created in respect of an area/field having proved developed oil and gas reserves, when the well in the area/field is ready to commence commercial production.

f.1.2 Cost of temporary occupation of land, successful exploratory wells which are used for production of oil & gas, all development wells, depreciation on related equipment, facilities and estimated future abandonment costs are capitalised and reflected as Producing Properties.

g. Depletion of Producing Properties

Producing Properties are depleted using the "Unit of Production Method". The rate of depletion is computed with reference to an area covered by individual lease/license/asset/amortization base by considering the proved developed reserves and related capital costs incurred including estimated future abandonment costs. In case of acquisition, cost of Producing Properties is depleted by considering the proved reserves. These reserves are estimated annually by the Reserve Estimates Committee of the Company, which follows the International Reservoir Engineering Procedures.

h. Production Costs

Production costs include pre-well head and post-well head expenses including depreciation and applicable operating costs of support equipment and facilities.

i. Side tracking

i.1 The cost of abandoned portion of side tracked exploratory wells is expensed as 'Exploratory Well Cost'.

i.2 The cost of abandoned portion of side tracked development wells is considered as part of cost of development wells.

i.3 The cost of sidetracking in respect of existing producing wells is capitalized if it increases the proved developed reserves otherwise, expensed as 'Workover Expenditure'

j. Impairment

Producing Properties, Development Wells in Progress (DWIP) and Fixed Assets (including Capital Works in Progress) of a "Cash Generating Unit" (CGU) are reviewed for impairment at each Balance Sheet date. In case, events and circumstances indicate any impairment, recoverable amount of these assets is determined. An impairment loss is recognized, whenever the carrying amount of such assets exceeds the recoverable amount. The recoverable amount is its 'value in use' or 'net selling price' (if determinable) whichever is higher. In assessing value in use, the estimated future cash flows from the use of assets and from its disposal at the end of its useful life are discounted to their present value at appropriate rate.

An impairment loss is reversed if there is change in the recoverable amount and such loss either no longer exists or has decreased. Impairment loss / reversal thereof is adjusted to the carrying value of the respective assets, which in case of CGU, is allocated to its assets on a pro-rata basis. Subsequent to impairment, depreciation is provided on the revised carrying value of the assets over the remaining useful life.

k. Abandonment Cost

k.1 The full eventual estimated liability towards costs relating to dismantling, abandoning and restoring offshore well sites and allied facilities are recognized in respective assets when the well is complete / facilities are installed.

k.2 The full eventual estimated liability towards costs relating to dismantling, abandoning and restoring onshore well sites are recognized when the well is complete. Cost relating to dismantling, abandoning and restoring its allied facilities are accounted for in the year in which such costs are incurred as the salvage value is expected to take care of the abandonment costs. The abandonment cost on dry well is expensed as exploratory well cost.

k.3 Provision for abandonment cost is updated based on the technical assessment at current costs.

l. Joint Ventures

l.1 The Company has Joint Ventures in the nature of Production Sharing Contracts (PSC) with the Government of India and various bodies corporate for exploration, development and production activities.

The company's share in the assets and liabilities along with attributable income and expenditure of the Jointly Controlled Assets is merged on line by line basis with the similar items in the Financial Statements of the Company and adjusted for depreciation, depletion, survey, dry wells, abandonment, impairment and sidetracking in accordance with the accounting policies of the Company.

l.2 Consideration for the right to participate in operations recoverable from new Joint Venture Partners are :

i) Reduced from respective capitalized cost wherever applicable

ii) Reduced from current expenditure to the extent it relates to current year.

iii) Balance is considered as miscellaneous receipts.

l.3 The hydrocarbon reserves in such areas are taken in proportion to the participating interest of the Company.

m. Investments

Long-term investments are valued at cost. Provision is made for any diminution, other than temporary, in the value of such investments.

Current Investments are valued at lower of cost and fair value.

n. Inventories

n.1 Finished goods (other than Sulphur) and stock in pipelines/tanks and carbon credits are valued at Cost or net realisable value whichever is lower. Cost of Finished goods is determined on absorption costing method. Sulphur is valued at net realisable value. The value of inventories includes excise duty, royalty (wherever applicable) but excludes Cess.

n.2 Crude oil in unfinished condition in flow lines upto Group Gathering Stations/platform and Natural Gas in Pipelines are not valued.

n.3 Inventory of stores and spare parts is valued at Weighted Average Cost or net realisable value, whichever is lower. Provisions are made for obsolete and non-moving inventories.

n.4 Unserviceable and scrap items, when determined, are valued at estimated net realisable value.

o. Revenue Recognition

o.1 Revenue from sale of products is recognized on transfer of custody to customers.

o.2 Sale of crude oil and gas (net of levies) produced from Exploratory Wells in Progress is deducted from expenditure on such wells.

o.3 Sales are inclusive of all statutory levies except Value Added Tax (VAT). Any retrospective revision in prices is accounted for in the year of such revision.

o.4 Revenue in respect of the following is recognized when there is reasonable certainty regarding ultimate collection:

a. Short lifted quantity of gas

b. Gas pipeline transportation charges

c. Reimbursable subsidies and grants

d. Surplus from Gas Pool Account

e. Interest on delayed realization from customers

f. Liquidated damages from contractors/suppliers

p. Depreciation and Amortisation

p.1 Depreciation on fixed assets is provided for under the written down value method in accordance with the rates specified in Schedule XIV to the Companies Act, 1956.

p.2 Depreciation on additions/deletions during the year is provided on pro rata basis with reference to the date of additions/deletions except items of Plant and Machinery used in wells with 100% rate of depreciation and low value items not exceeding `5,000/- which are fully depreciated at the time of addition.

p.3 Depreciation on subsequent expenditure on fixed assets arising on account of capital improvement or other factors is provided for prospectively.

Depreciation on refurbished/revamped assets which are capitalized separately is provided for over the reassessed useful life at rates which are not less than the rates specified in Schedule XIV to the Companies Act, 1956.

p.4 Depreciation on fixed assets (including support equipment and facilities) used for exploratory/ development drilling and on production facilities is initially capitalised as part of drilling cost or producing properties and expensed/depleted as stated in Note no. 2.f and 2.g above. Depreciation on equipment/ assets deployed for survey activities is charged to Statement of Profit and Loss.

p.5 Leasehold land is amortized over the lease period except perpetual leases.

p.6 Intangible assets are amortized on Straight Line Method (SLM) over the useful life not exceeding five years from the date of capitalization.

q. Foreign Exchange Transactions

Transactions in foreign currencies are accounted for at the exchange rate prevailing on the date of the transaction. Foreign currency monetary assets and liabilities at the year-end are translated using mean exchange rate prevailing on the last day of the financial year. The loss or gain thereon and also the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expense and adjusted to the Statement of Profit & Loss except where such liabilities and /or transactions relate to fixed assets/ projects and these were incurred/ entered into before 1.4.2004 in which case, these are adjusted to the cost of respective fixed assets.

r. Employee Benefits

r.1 All short term employee benefits are recognized at their undiscounted amount in the accounting period in which they are incurred.

r.2 Employee Benefit under defined contribution plans comprising provident fund etc. is recognized based on the undiscounted amount of obligations of the company to contribute to the plan. The same is paid to a fund administered through a separate trust.

r.3 Employee benefits under defined benefit plans comprising of gratuity, leave encashment, compensated absences, post-retirement medical benefits and other terminal benefits are recognized based on the present value of defined benefit obligation, which is computed on the basis of actuarial valuation using the Projected Unit Credit Method. Actuarial Liability in excess of respective plan assets is recognized during the year. Actuarial gains and losses in respect of post-employment and other long-term benefits are recognized during the year.

s. Voluntary Retirement Scheme

Expenditure on Voluntary Retirement Scheme (VRS) is charged to Statement of Profit & Loss when incurred.

t. General Administrative Expenses

General administrative expenses of Assets, Basins & Services which are identifiable are allocated to activities and the balance is charged to Statement of Profit & Loss. Such expenses relating to Headquarter is charged to Statement of Profit & Loss.

u. Insurance claims

The company accounts for insurance claims as under :-

u.1 In case of total loss of asset, by transferring either the carrying cost of the relevant asset or insurance value (subject to deductibles), whichever is lower under the head "Claims Recoverable-Insurance" on intimation to Insurer. In case insurance claim is less than carrying cost, the difference is charged to Statement of Profit & Loss.

u.2 In case of partial or other losses, expenditure incurred/payments made to put such assets back into use, to meet third party or other liabilities (less policy deductibles) if any, are accounted for as "Claims Recoverable-Insurance". Insurance Policy deductibles are expensed in the year the corresponding expenditure is incurred.

u.3 As and when claims are finally received from insurer, the difference, if any, between Claims Recoverable-Insurance and claims received is adjusted to Statement of Profit & Loss.

v. Research Expenditure

Revenue expenses on Research are charged to Statement of Profit & Loss, when incurred.

w. Taxes on Income

Provision for current tax is made as per the provisions of the Income Tax Act, 1961. Deferred Tax Liability / Asset resulting from 'timing difference' between book profit and taxable profit is accounted for considering the tax rate and laws that have been enacted or substantively enacted as on the Balance Sheet date. Deferred Tax Asset is recognized and carried forward only to the extent that there is reasonable certainty that the asset will be realized in future.

x. Borrowing Costs

Borrowing Cost specifically identified to the acquisition or construction of qualifying assets is capitalized as part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to Statement of Profit & Loss.

y. Rig Days Costs

Rig movement costs are booked to the next location drilled/planned for drilling. Abnormal Rig days' costs are considered as unallocable and charged to Statement of Profit & Loss.

z. Unamortised Expenditure

Dry docking charges of Rigs/ Multipurpose Supply Vessels (MSVs), Geo Technical Vessels (GTVs), Well Stimulation Vessels, Offshore Supply Vessels (OSVs), Rig/equipment mobilization expenses and other related expenditure amortized over the period of use not exceeding five years and the balance is carried under head "Unamortized Expenditure" in the balance sheet.

Za. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Assets are neither recognized nor disclosed in the financial statements. Contingent liabilities are disclosed by way of notes to accounts.

3. Share Capital

(` in million)

	As at 31st March, 2013	As at 31st March, 2012
Authorised:		
30,000,000,000 Equity Shares of `5 each (Previous Year 30,000,000,000 Equity Shares of `5 each)	1,50,000.00	1,50,000.00
Issued and Subscribed:		
8,555,528,064 Equity Shares of `5 each (Previous Year 8,555,528,064 Equity Shares of `5 each)	42,777.64	42,777.64
Paid up:		
8,555,490,120 Equity Shares of `5 each (Previous Year 8,555,490,120 Equity Shares of `5 each)	42,777.45	42,777.45
Add: Shares forfeited	0.15	0.15
Total	42,777.60	42,777.60

3.1 Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March, 2013		As at 31st March, 2012	
	No in million	`in million	No in million	`in million
Outstanding at the beginning of the year	8,555.49	42,777.45	8,555.49	42,777.45
Changes during the year	-	-	-	-
Outstanding at the end of the year	8,555.49	42,777.45	8,555.49	42,777.45

3.2 Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of ` 5 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

3.3 Details of shareholders holding more than 5% shares in the company are as under:-

Name of Share Holder	As at 31st March, 2013		As at 31st March, 2012	
	No in million	% holding	No in million	% holding
President of India	5,922.55	69.23	5,922.55	69.23
Life Insurance Corporation of India	662.85	7.75	664.45	7.76
Indian Oil Corporation Limited	657.92	7.69	657.92	7.69

3.4 Pursuant to the approval of the members dated 28.01.2011, during the financial year 2010-11, one equity share having face value of `10/- each had been sub-divided into two equity shares of `5/- each and bonus shares in proportion of one new equity bonus share of `5/- each for every one fully paid up equity share of `5/- each held on 09.02.2011 (record date) had been allotted. The company has issued total 4,277.75 million equity shares of face value of `5 each as fully paid up by way of bonus shares during the period of five years immediately preceding the reporting date.

3.5 Shares reserved for issue under option : Nil (previous year nil)

4. Reserves and Surplus

(`in million)

		As at 31st March, 2013		As at 31st March, 2012
Capital Reserve (Note-4.1)				
As per last Balance Sheet		159.44		159.44
Deferred Government Grant (Note-2.c)				
a) As per last Balance Sheet	30.81		34.73	
b) Less: Deduction during the year	3.28		3.92	
		27.53		30.81
General Reserve				
a) As per last Balance Sheet	10,86,599.46		9,32,072.55	
b) Add: Transferred from Surplus	1,14,968.21		1,54,526.91	
		12,01,567.67		10,86,599.46
Surplus				
a) As per last Balance Sheet	-		-	
b) Add: Profit after Tax for the year	2,09,256.96		2,51,229.22	
c) Less: Proposed Dividend (Note 4.2)	4277.75		17,111.01	
d) Less: Interim Dividend	76,999.41		66,305.10	
e) Less: Tax on Dividend	13,011.59		13,286.20	
f) Less: Transferred to General Reserve	1,14,968.21		1,54,526.91	
		-		-
Total		12,01,754.64		10,86,789.71

4.1 Represents assessed value of assets received as gift.

4.2 The Board of Directors has recommended a final dividend of `0.50 per share (previous year `2 per share) which is subject to the approval of the shareholders in the ensuing Annual General Meeting over and above the interim dividend of `9.00 (previous year `7.75) per share.

5. Deferred Tax Liabilities (Net)

Disclosure under Accounting Standard-22 on 'Accounting for Taxes on Income' is as under:

(`in million)

	As at 31st March, 2013	As at 31st March, 2012
(i) Liabilities		
Depletion of Producing Properties	1,77,977.15	1,49,985.77
Depreciation Allocated to Wells in Progress and expenses relating to NELP blocks	14,799.59	9,452.84
Unamortised Expenditure written off	5,050.44	3,804.58
Development Wells-in-Progress	12,045.58	9,013.47
Others	3,707.52	4,540.09
Total (i)	2,13,580.28	1,76,796.75
(ii) Assets		
Depreciation	13,710.84	9,963.10
Dry wells written off	10,650.76	10,176.73
Provision for Non Moving Inventories	1,584.30	1,228.89
Provision for Doubtful Debts/Claims/Advances/ Interest Accrued	9,501.06	5,313.09
Provision for Abandonment	24,029.48	25,718.03
Provision toward Additional Profit Petroleum & interest thereon	3,102.97	2,783.85
Provisions unpaid u/s 43B of Income Tax Act, 1961	14,894.03	5,976.81
Others	7,227.03	3,657.57
Total (ii)	84,700.47	64,818.07
Deferred Tax Liability (Net) (i - ii)	1,28,879.81	1,11,978.68

6. Other Long Term Liabilities

(`in million)

	As at 31st March, 2013	As at 31st March, 2012
Trade payables		
Outstanding dues to Micro & Small Enterprises	-	-
Outstanding dues to other than Micro & Small Enterprises	1,171.14	78.54
Others		
Deposits from Suppliers and Contractors	202.81	319.27
Liability for Capital Goods	79.70	129.85
Liability for Liquidated Damages	9,250.07	4,344.00
Other Liabilities	537.95	748.26
Total	11,241.67	5,619.92

7. Long Term Provisions

(`in million)

	As at 31st March, 2013	As at 31st March, 2012
Provision for Employee benefits (Note 36)		
Unavailed Leave	17,963.52	16,522.27
Post Retirement Medical & Terminal Benefits	26,228.20	19,338.28
Provision for Abandonment (Note 42)	1,77,051.63	1,76,476.88
Provision for Others (Note 42)	631.10	793.17
Total	2,21,874.45	2,13,130.60

8. Short Term Borrowings

(` in million)

	As at 31st March, 2013	As at 31st March, 2012
Secured Loan		
Short Term Loans from Banks (Note - 8.1)	-	45,000.00
(Secured against Fixed Deposits)		
Total	-	45,000.00

8.1 During the previous year, the company had taken short term loans, repayable on demand, from various banks with interest rates ranging from 10.08% p.a. to 10.48% p.a.

9. Trade Payables

(` in million)

	As at 31st March, 2013	As at 31st March, 2012
Outstanding dues to Micro & Small Enterprises (Note - 46)	3.60	6.13
Outstanding dues to other than Micro & Small Enterprises	53,406.46	47,593.20
Total	53,410.06	47,599.33

10. Other Current Liabilities

(` in million)

	As at 31st March, 2013	As at 31st March, 2012
Interest Accrued but not due on Loans	-	210.40
Advance from Customers	3,910.08	28,154.04
Unclaimed Dividend (Note-10.1)	225.43	255.75
Liability for Capital Goods	27,977.03	43,217.47
Liability for Statutory Payments	18,622.15	20,607.03
Liability for Gratuity	60.84	419.69
Deposits from Suppliers and Contractors	3,759.73	1,821.94
Liability for Employees	6,511.95	10,504.94
Liability for Superannuation Benefits	20,204.79	1,700.00
Cash call payable to JV Partners	7,034.34	10,266.19
Liability for Liquidated Damages	10,548.90	12,834.88
Other Liabilities	13,371.32	11,961.95
Total	1,12,226.56	1,41,954.28

10.1 No amount is due for payment to Investor Education and Protection Fund.

11. Short Term Provisions

(` in million)

		As at 31st March, 2013		As at 31st March, 2012
Provision for Employees Benefits (Note-36)				
Unavailed Leave		1,876.63		1,319.01
Post Retirement Medical & Terminal Benefits		1,637.19		1,017.16
Provision for Abandonment (Note-42)		402.82		53.08
Provision for Others				
Proposed Dividend		4277.75		17,110.98
Tax on Proposed Dividend		727.00		2,775.83
Provision for Wealth tax	102.00		74.50	
Less: Paid	52.27		46.03	
		49.73		28.47
Other Provisions (Note-42)		130.76		121.40
Total		9,101.88		22,425.93

12. Tangible Assets

(` in million)

	Gross Block				Accumulated Depreciation				Accumulated Impairment				Net Block	
	At 1st April, 2012	Additions	Deletion Adjustment	At 31st March, 2013	At 1st April, 2012	For the year	Deletion/ Adjustment	At 31st March, 2013	At 1st April, 2012	For the year	Written back/ Adjustments	At 31st March, 2013	At 31st March, 2013	At 31st March, 2012
Land Freehold	2,958.40	299.17	19.68	3,237.89	-	-	-	-	13.50	-	13.50	-	3,237.89	2,944.90
Land Leasehold	5,664.25	25.79	0.39	5,689.65	470.74	55.98	-	526.72	-	-	-	-	5,162.93	5,193.51
Building & Bunk Houses	16,803.65	2,059.63	95.89	18,767.39	8,161.58	678.63	61.83	8,778.38	112.57	9.73	34.90	87.40	9,901.61	8,529.50
Plant & Equipment	8,57,244.71	1,32,793.72	71,629.22	9,18,409.21	6,61,186.94	76,847.53	71,608.15	6,66,426.32	1,567.34	757.77	390.94	1,934.17	2,50,048.72	1,94,490.43
Furnitures & Fixtures	6,704.30	279.59	181.52	6,802.37	3,706.36	565.64	96.25	4,175.75	9.75	2.20	-	11.95	2,614.67	2,988.19
Vehicles#	4,458.79	1,267.67	45.31	5,681.15	3,908.89	195.97	49.64	4,055.22	9.79	1.20	0.38	10.61	1,615.32	540.11
Office Equipment	5,238.12	806.79	791.90	5,253.01	4,226.94	296.26	748.50	3,774.70	19.67	3.24	0.26	22.65	1,455.66	991.51
Total	8,99,072.22	1,37,532.36	72,763.91	9,63,840.67	6,81,661.45	78,640.01	72,564.37	6,87,737.09	1,732.62	774.14	439.98	2,066.78	2,74,036.80	
Previous Year	8,03,436.64	1,03,550.91	7,915.33	8,99,072.22	6,17,026.47	71,260.15	6,625.17	6,81,661.45	1,593.49	164.69	25.56	1,732.62		2,15,678.15
Share in Joint Ventures	62,754.08	4,998.97	55.79	67,697.26	43,769.36	5,060.87	54.77	48,775.46	182.52	615.01	-	797.53	18,124.27	
Previous Year	60,000.29	3,370.50	616.71	62,754.08	37,305.40	7,024.81	560.85	43,769.36	129.32	53.20	-	182.52		18,802.20

Vehicles includes Survey Ships, Crew Boats and Helicopters

Notes

1. Land includes lands in respect of certain projects for which execution of lease/conveyance deeds are in process.
2. Registration of title deeds in respect of certain Buildings is pending execution.
3. Depreciation for the year includes `8.99 million pertaining to prior period (Previous Year `6.58 million).
4. Building includes cost of undivided interest in land.
5. Hitherto, the casing and tubing were being capitalised under the head "Plant & Equipment" and depreciated at the rate of 100% in the year of addition. With effect from 01.04.2012, the company has changed the accounting method by charging off the same as consumption of stores & spares. Accordingly, casing & tubing capitalised earlier amounting to ` `68,732.06 million have been removed from both gross block and accumulated depreciation. However, this has no impact on the profit of the company for the year.

13. Producing Properties

(` in million)

Particulars		As at 31st March, 2013		As at 31st March, 2012
Gross Cost				
Opening Balance	10,18,952.03		9,30,522.72	
Transfer from Exploratory Wells-in-Progress	3,880.95		3,937.08	
Transfer from Development Wells-in-Progress	65,181.63		42,881.90	
Depreciation on Facilities	59,741.63		43,136.69	
Increase/(Decrease) in estimated Abandonment costs	(1,132.66)		(1,358.50)	
Other Adjustments	-		(167.86)	
		11,46,623.58		10,18,952.03
Less: Depletion & Impairment				
Depletion				
Opening Balance	5,52,629.35		4,92,073.10	
Depletion for the year	66,290.31		60,703.45	
Other Adjustments	-		(147.20)	
		6,18,919.66		5,52,629.35
Impairment				
Opening Balance	2,554.40		2,693.05	
Impairment provided during the year	742.41		592.35	
Write back of Impairment	-		(731.00)	
		3,296.81		2,554.40
Net Producing Properties		5,24,407.11		4,63,768.28

14. Intangible Assets

(` in million)

Application Software	As at 31st March 2013	As at 31st March 2012	Share in Joint Venture As at 31st March 2013	Share in Joint Venture As at 31st March 2012
Gross Block				
Opening Balance	6,051.08	5,949.34	99.61	46.97
Additions during the year	264.08	91.58	5.15	52.64
Deletions/Adjustments	14.48	(10.16)	12.00	-
Closing Balance	6,300.68	6,051.08	92.76	99.61
Amortisation				
Opening Balance	4,905.53	4,348.97	36.98	31.75
Provided for the year	589.39	539.57	13.29	5.23
Deletions/Adjustments	14.46	(16.99)	11.98	-
Closing Balance	5,480.46	4,905.53	38.29	36.98
Impairment				
Opening Balance	22.27	21.60	-	-
Provided during the year	-	0.67	-	-
Closing Balance	22.27	22.27	-	-
Net Block as at the year end	797.95	1,123.28	54.47	62.63

15. Capital Works-in-progress

(` in million)

	As at 31st March, 2013		As at 31st March, 2012	
Buildings	3,641.65		3,511.23	
Plant and Equipment (Note-15.1)	1,39,928.76		1,78,867.15	
Capital Stores (including in transit)	3,032.07		1,991.44	
Less: Provision for Non-Moving Items	117.65		93.36	
		1,46,484.83		1,84,276.46
Less: Impairment				
Opening Balance	1,295.90		1,154.86	
Provided during the year	1,377.05		165.21	
Other adjustments	(22.13)		(1.78)	
Write back of Impairment	(319.68)		(22.39)	
		2,331.14		1,295.90
Net Capital Works-in-progress		1,44,153.69		1,82,980.56

15.1 Plant & Equipment includes an amount of `8,176.05 million (Previous Year `8,159.95 million) in respect of Capital Works in Progress (CWIP) for C2-C3 plant which is mechanically complete and will be capitalized on completion of test run which is pending due to non-receipt of approval for allocation of gas from Ministry of Petroleum and Natural Gas (MoP&NG) for swap arrangement through GAIL.

16. Exploratory/Development Wells-in-progress

(` in million)

	As at 31st March, 2013		As at 31st March, 2012	
A) Exploratory Wells-in-progress				
Gross Cost				
Opening Balance		67,443.65		66,111.32
Acqusition cost (Note - 16.1)		2,124.44		-
Expenditure during the year	96,509.46		81,685.67	
Less : Sale proceeds of Oil and Gas (Net of levies)	123.05		296.64	
		96,386.41		81,389.03
Depreciation during the year		1,335.06		4,844.42
		1,67,289.56		1,52,344.77
Less :				
Transfer to Producing Properties	3,880.95		3,937.08	
Wells written off during the year	76,976.44		80,942.73	
Other adjustments	(57.77)		21.31	
		80,799.62		84,901.12
		86,489.94		67,443.65
Less : Provisions (Note-16.1)		17,169.79		9,412.08
Exploratory Wells-in-progress (A)		69,320.15		58,031.57
B) Development Wells-in-progress				
Opening Balance	28,041.51		21,062.02	
Expenditure during the year	70,118.36		40,216.51	
Depreciation during the year	2,842.40		9,644.88	
Less: Transfer to Producing Properties	65,181.63		42,881.90	
		35,820.64		28,041.51
Less: Impairment				
Opening Balance	260.74		299.88	
Provided during the year	121.31		9.91	
Write back during the year	-		(49.05)	
		382.05		260.74
Development Wells-in-progress (B)		35,438.59		27,780.77
Exploratory/development Wells-in-progress (A+B)		1,04,758.74		85,812.34

16.1 During the financial year 2004-05, the company had acquired 90% participating interest in exploration block KG DWN 98/2 from M/s Cairn Energy India Ltd for a lump sum consideration of `3,711.22 million which, together with subsequent exploratory drilling costs of wells had been capitalized under exploratory wells in progress. Initial in-place reserves have been established in this block and a conceptual development plan as part of the proposal for Declaration of Commerciality (DOC) had been submitted on 21.12.2009 for Southern Discovery Area and on 15.07.2010 for Northern Discovery Area to the Management Committee (MC) for review as per original time lines. The exploration period of this block has been restructured by Government upto 29.12.2013 in accordance with the Rig Holiday Policy and taking into account the delay in grant of PEL. Additional appraisal drilling along with exploratory drilling is in progress. Accordingly, the proposal for DOC after completion of drilling shall be revised and presented to the MC for review. During the financial year 2012-13 the company has acquired the remaining 10% participating interest in the block from M/s Cairn Energy India Ltd on actual past cost basis for a consideration of `2,124.44 million.

Pending final decision on the DOC by the MC, as a matter of abundant caution, the company has made a provision of `17,169.79 million (including provisions created in earlier years `9,412.09 million) towards acquisition cost and exploratory wells which are more than two years old from the date of completion of drilling.

17. Non-current Investments

(`in million)

	No. of Shares Bonds/Units	Face Value per Share Bonds/Units (in Rupees)	As at 31st March, 2013		As at 31st March, 2012	
A. Trade Investments						
Investment in Equity Instruments						
(i) Investment in Subsidiaries						
(a) ONGC Videsh Ltd. - (Unquoted)	50,00,00,000	100	50,000.00		10,000.00	
(10,00,00,000)						
(b) Mangalore Refinery and Petrochemicals Ltd. (Quoted)	1,25,53,54,097	10	10,405.73		10,405.73	
				60,405.73		20,405.73
(ii) Investment in Associates						
(a) Pawan Hans Limited (formerly known as "Pawan Hans Helicopter Ltd") (Unquoted)	1,20,350	10,000		1,203.50		1,203.50
Extent of holding 49% (previous year 49%)						
(iii) Investment in Joint Venture Companies						
Unquoted						
(a) Petronet MHB Limited.	15,78,41,000	10	1,578.41		1,578.41	
Less :- Provision for Dimunition			-		375.68	
		1,578.41		1,202.73		
(b) Mangalore SEZ Limited.	1,30,00,000	10	130.00		130.00	
(c) ONGC Mangalore Petrochemicals Ltd. (Note-17.1)	23,000	10	0.23		0.23	
(d) ONGC Petro Additions Ltd. (Note-17.1)	63,74,50,640	10	6,374.51		0.21	
	(20,967)					
(e) ONGC Teri Biotech Ltd.	24,990	10	0.25		0.25	
(f) ONGC Tripura Power Company Ltd. (Note-17.1)						
- Fully Paid	26,74,90,000	10	2,674.90		0.52	
	(52,000)					
- Partly Paid (`5 per share)	0 (267,438,000)	10	-		1,337.19	
(g) Dahej SEZ Limited	2,30,24,800	10	230.25		230.25	
Quoted						
Petronet LNG Limited	9,37,50,000	10	987.50		987.50	
				11,976.05		3,888.88

(`in million)

	No. of Shares Bonds/Units	Face Value per Share Bonds/Units (in Rupees)	As at 31st March, 2013		As at 31st March, 2012	
(iv) Investment in Others						
(a) Indian Oil Corporation Limited-(Quoted)	21,29,06,190	10	13,720.49		13,720.49	
(b) GAIL (India) Limited (Quoted)	6,12,59,323	10	2,451.06		2,451.06	
(c) Oil Spill Response Ltd. (Unquoted) (Note-17.2)	100		0.01		0.01	
				16,171.56		16,171.56
Total (A)				89,756.84		41,669.67
B. Non-trade Investments						
Investment in Government or Trust Securities (Unquoted)						
8.40% GoI Special Bonds 2025	1,97,370	10,000		1,973.70		1,973.70
Total (B)				1,973.70		1,973.70
Total Non-current Investment (A+B)				91,730.54		43,643.37
Total Quoted Investments				27,564.78		27,564.78
Total Unquoted Investments				64,165.76		16,454.27
Less:- Total Provision for Dimunition				-		375.68
				91,730.54		43,643.37
Total Market Value of Quoted Investment				1,54,356.08		1,80,349.11

17.1 The Company is restrained from diluting the investment in the respective companies till the sponsored loans are fully repaid as per the covenants in the loan agreements.

17.2 GBP one each, total value `6,885

18. Long Term Loans And Advances

(` in million)

	As at 31st March, 2013		As at 31st March, 2012	
(Unsecured, considered good unless otherwise stated)				
Capital Advances		274.96		16.57
Deposits:-				
With Customs/Port Trusts etc.	23.25		20.10	
Others				
- Considered Good	3,623.35		4,543.29	
- Considered Doubtful	608.06		55.65	
	4,254.66		4,619.04	
Less : Provision for Doubtful Deposits	608.06		55.65	
		3,646.60		4,563.39
Advances to Related Party against Equity pending allotment (Note 18.1 & 38.3.1)		12,528.46		20,136.63
Loans & Advances to Subsidiaries		1,51,398.41		1,97,855.44
Loans to Public Sector Undertakings				
- Considered Good	-		-	
- Considered Doubtful	240.50		240.50	
Less : Provision for Doubtful Loans	240.50		240.50	
		-		-
Loans & Advances to Associate (Secured)		745.33		1,042.78
Loans and Advances to Employees (Note-18.2)				
- Secured and Considered Good	7,253.06		6,729.25	
- Unsecured and Considered Good	492.70		507.08	
- Unsecured and Considered Doubtful	7.75		14.18	
Less : Provision for Doubtful Loans/Advances	7.75		14.18	
		7,745.76		7,236.33
Advance Recoverable in Cash or in kind				
- Considered Good	7,946.51		3,619.55	
- Considered Doubtful (Note-18.3)	13,044.32		12,345.17	
Less : Provision for Doubtful Claims/Advances	13,044.32		12,345.17	
		7,946.51		3,619.55
Cash Call Receivable from JV Partners				
- Considered Good	257.27		-	
- Considered Doubtful	5,920.29		6,022.53	
Less : Provision for Doubtful Claims/Advances	5,920.29		6,022.53	
		257.27		-
Advance Payment of Income Tax	3,81,410.63		3,46,070.12	
Less: Provision for taxation	3,45,969.76		3,26,042.73	
		35,440.87		20,027.39
Total		2,19,984.17		2,54,498.08

18.1 Subsequent to the date of balance sheet, ONGC Petro-addition Limited has allotted equity shares against the advance for equity of ` 3,328.69 million.

18.2 Loans and advances to employees include an amount of ` 0.50 million (Previous Year ` 0.11 million) outstanding from whole time directors.

18.3 In Ravva Joint Venture, the demand towards additional profit petroleum raised by the Government of India (GoI), due to differences in interpretation of the provisions of the Production Sharing Contract (PSC) in respect of computation of Post Tax Rate of Return (PTRR), based on the decision of the Malaysian High Court setting aside an earlier arbitral tribunal award in favour of operator, was disputed by the operator M/s Cairn Energy India Pty Ltd. The company is not a party to the dispute but has agreed to abide by the decision applicable to the operator. The company had made a provision towards the claim made by the GoI in earlier years and the amount of provision outstanding as on 31st March, 2013 is ` 9,129.07 million (equivalent to USD 167.84 million) after adjustments for interest and exchange rate fluctuations. The GoI had recovered the above amount [including interest thereon USD 54.88 million (` 2,984.92 million)] from the company in earlier years which has been carried as recoverable under Long Term Loans and advances in the Balance Sheet as at 31st March, 2013.

In subsequent legal proceedings, the Appellate Authority of the Honorable Malaysian High Court of Kuala Lumpur had set aside the decision of the Malaysian High Court and the earlier decision of arbitral tribunal in favour of operator was restored, against which the GoI had preferred an appeal before the Federal Court of Malaysia. The Federal Court of Malaysia, vide its order dated 11th October, 2011, had dismissed the said appeal of the GoI.

The company has taken up the matter regarding refund of the recoveries made in view of the favourable judgment of the Federal Court of Malaysia with MoP&NG. However, according to a communication dated 13th January 2012 received, MoP&NG expressed the view that ONGC's proposal would be examined when the issues of ONGC carry under Ravva PSC is decided in its entirety by the Government along with other partners.

In view of the perceived uncertainties in obtaining the refund at this stage, the provision made in the books as above has been retained and netted off against the amount recoverable as above in the financial statements for the year ended 31st March, 2013.

19. Deposit under Site Restoration Fund Scheme:

A sum of ` 101,331.21 million till 31.03.2013 (previous year ` 91,825.72 million) has been deposited with banks under section 33ABA of the Income Tax Act, 1961 and can be withdrawn only for the purposes specified in the Scheme i.e. towards removal of equipments and installations in a manner agreed with Central Government pursuant to an abandonment plan to prevent hazards to life, property, environment etc. This amount is considered as restricted cash and hence not considered as 'cash and cash equivalents'.

20. Other Non-current Assets

(` in million)

	As at 31st March, 2013		As at 31st March, 2012	
(Unsecured, Considered Good unless otherwise stated)				
A. Long Term Trade Receivables				
Considered Good	1,017.68		-	
Considered Doubtful	16,664.14		5,595.34	
Less : Provision for doubtful receivables	16,664.14		5,595.34	
		1,017.68		-
B. Other Receivables				
Considered Good	14.01		42.30	
Considered Doubtful	528.25		535.90	
Less : Provision for doubtful receivables	528.25		535.90	
		14.01		42.30
C. Interest Accrued				
On Investments	-		0.02	
On Deposits	20.57		16.08	
On Employee Loans and Advances	2,872.26		2,654.96	
On Other Loans & Advances				
- Considered Good	86.12		269.49	
- Considered Doubtful	41.89		24.20	
	3,020.84		2,964.75	
Less : Provision for doubtful interest accrued	41.89		24.20	
		2,978.95		2,940.55
D. Unamortised Expenditure				
Dry Docking Charges	9,026.80		8,451.33	
Mobilisation Charges	1,016.09		667.96	
		10,042.89		9,119.29
Total Other Non-current Assets		14,053.53		12,102.14

21. Current Investments

(` in million)

	As at 31st March, 2013	As at 31st March, 2012
Non Trade - Unquoted		
Current Maturities of Long Term Investment		
Investments in Government or Trust Securities		
7 % Government of India Special Bonds 2012	-	8,519.07
Total	-	8,519.07
Total Unquoted Investments	-	8,519.07

22. Inventories

(` in million)

	As at 31st March, 2013		As at 31st March, 2012	
Raw Materials (Condensate)		2.64		5.86
Finished Goods (Note 22.1)		8,040.10		7,809.49
Traded Goods		0.76		1.15
Stores and spare parts				
on hand	50,070.09		41,068.05	
in transit (including inter-project transfers)	3,299.14		6,268.42	
	53,369.23		47,336.47	
Less: Provision for non-moving	4,543.43		3,681.52	
		48,825.80		43,654.95
Unservicable Items		174.64		182.90
Total		57,043.94		51,654.35

22.1 This includes an amount of `0.56 million (previous year `0.56 million) in respect of Carbon Credits.

23. Trade Receivables

(` in million)

	As at 31st March, 2013	As at 31st March, 2012
(Unsecured, Considered Good unless otherwise stated)		
Outstanding for a period exceeding six months from the due date	3,634.93	2,715.37
Others	65,002.28	59,232.79
Total	68,637.21	61,948.16

24. Cash and Cash Equivalents

(` in million)

	As at 31st March, 2013	As at 31st March, 2012
Balances with Banks	1,742.54	1,613.76
Cash on Hand	7.90	8.42
Bank Deposits (Note-24.1)	1,30,210.00	1,99,367.72
Unclaimed Dividend Account (Note-24.2)	225.43	255.75
Total	1,32,185.87	2,01,245.65

24.1 The deposits maintained by the company with banks comprise time deposit, which can be withdrawn by the company at any point without prior notice or penalty on the principal. Fixed deposits of `Nil (Previous year `52,380.00 million) has been pledged to Banks against Short term loan taken from Banks.

24.2 Amount deposited in unclaimed dividend account is earmarked for payment of dividend and cannot be used for any other purpose.

25. Short Term Loans and Advances

(` in million)

	As at 31st March, 2013		As at 31st March, 2012	
(Unsecured, Considered Good unless otherwise stated)				
Deposits				
With Customs/Port Trusts etc.	4.84		30.24	
Others	1,376.02		1,606.63	
		1,380.86		1,636.87
Loans to Associate (Secured)		310.84		276.46
Loans to Subsidiaries		4,778.57		3,600.00
Receivable from Subsidiaries		775.53		1,063.48
Loans to Public Sector Undertakings		-		83.03
Loans and Advances to Employees (Note 25.1)				
Secured and Considered good	1,919.81		1,738.22	
Unsecured and Considered good	391.51		266.64	
		2,311.32		2,004.86
Cash Call Receivable from JV Partners		10,153.00		7,380.52
Advance Recoverable in Cash or in kind or for value to be received (Note25.2)		19,055.41		15,191.86
Total		38,765.53		31,237.08

25.1 Loans and advances to employees include an amount of `0.39 million (Previous Year `0.24 million) outstanding from whole time directors.

25.2 During the financial year 2010-11, the Oil Marketing Companies, nominees of the GoI recovered USD 32.07 million (`1,744.29 million), ONGC's share as per directives of GoI in respect of Jointly Controlled Assets - Panna, Mukta & Tapti. The recovery is towards certain observations raised by auditors appointed by the Director General of Hydrocarbons (DGH) under Production Sharing Contract (PSC) for the period 2002-03 to 2005-06 in respect of cost and profit petroleum share payable to GoI. BGEPIL along with RIL ("Claimants") have served a notice of arbitration on the GoI in respect of dispute, differences and claims arisen in connection with the term of Panna, Mukta & Tapti PSC's. Since the company is not a party to the arbitration proceedings, it had requested MoP&NG that in case of an arbitral award, the same be made applicable to ONGC also, as a constituent of contractor for both the PSC's. Subsequently, vide letter dated July 4, 2011 MoP&NG has advised ONGC not to participate in the arbitration initiated by RIL & BGEPIL under Panna, Mukta & Tapti PSC's. MoP&NG has also stated that in case of an arbitral award, the same will be applicable to ONGC also as a constituent of the contractor for both the PSC's. Pending final arbitral award, the same has been shown as Receivable from GoI under 'Advance Recoverable in Cash or in kind or for value to be received'.

26. Other Current Assets

(` in million)

	As at 31st March, 2013		As at 31st March, 2012	
Secured, considered good				
Interest on Loan to Associate	9.86		12.78	
Interest accrued on Employee Loans and Advances	216.65		144.01	
		226.51		156.79
Unsecured, considered good				
Interest Accrued				
On Investments	1.38		37.83	
On Deposits	3,566.23		8,257.92	
On Loans & Advances	5.62		28.15	
		3,573.23		8,323.90
Unamortised Expenditure				
Dry Docking Charges	3,783.05		1,891.35	
Mobilisation Charges	1,032.64		715.41	
		4,815.69		2,606.76
Other Current Assets		764.95		152.37
Total		9,380.38		11,239.82

27. Revenue from Operations

(` in million)

	2012-13		2011-12	
A. Sale of Products				
Own Products	8,58,422.19		7,89,516.42	
Less :- Transfer to Exploratory Wells in Progress	164.55		364.77	
Less :- Government of India's (GoI's) share in Profit Petroleum	32,586.55		27,894.84	
	8,25,671.09		7,61,256.81	
Traded Products	43.16		33.99	
		8,25,714.25		7,61,290.80
B. Other Operating Revenue				
Contractual Short Lifted Gas Receipts (Note 27.6)	51.72		70.44	
Pipeline Transportation Receipts	826.90		876.49	
North-East Gas Subsidy (Note 27.7)	2,122.91		2,007.09	
Surplus from Gas Pool Account (Note 27.8)	3,597.73		3,946.33	
Production Bonus	147.90		130.16	
Processing Charges	628.17		549.28	
		7,375.33		7,579.79
Total		8,33,089.58		7,68,870.59

27.1 In terms of the decision of Government of India (GOI), the company has shared under-recoveries of Oil Marketing Companies (OMCs) on price sensitive products viz. Diesel, Domestic LPG and PDS Kerosene for the year 2012-13 by extending the discount in the prices of Crude Oil, Domestic LPG and PDS Kerosene based on the rates of discount communicated by Petroleum Planning and Analysis Cell (PPAC) and Ministry of Petroleum and Natural Gas (MoP&NG). The impact of discount is as under:

(` in million)

Decrease in	2012-13	2011-12
Gross Revenue	494,206.50	444,656.08
Less: Value Added Tax (VAT)	14,114.40	13,533.22
Sales Revenue	480,092.10	431,122.86
Less: Statutory Levies	59,502.49	53,135.43
Profit Before Tax	420,589.61	377,987.43

27.2 Crude Oil Sales Agreements (COSA) with Indian Oil Corporation Limited (IOC) has been signed on 20th September, 2012. Since the COSA is made effective from 1st April, 2010, necessary adjustments amounting to `7,289.50 million (inclusive of VAT `306.54 million) for 2010-11 and 2011-12 considering revised crude prices for supplies made to IOC for the period from 1st April, 2010 to 31st March, 2012 have been made in books of accounts during 2012-13, by way of issue of credit notes.

27.3 COSA with Chennai Petroleum Corporation Limited (CPCL) has been signed on 15th May, 2013. Since the COSA is made effective from 1st April, 2010, necessary adjustments amounting to `171.03 million (inclusive of VAT `11.97 million) for 2010-11 and 2011-12 considering revised crude prices for supplies made to CPCL for the period from 1st April, 2010 to 31st March, 2012 have been made in books of accounts during 2012-13, by way of issue of credit notes.

27.4 COSA with Bharat Petroleum Corporation Limited (BPCL) and Hindustan Petroleum Corporation Limited HPCL was signed and implemented during 2011-12. Sales revenue in respect of crude Oil supplied to Mangalore Refinery and Petrochemicals Limited (MRPL) is based on the pricing formula agreed with the refinery in terms of erstwhile MoU. For Crude Oil produced in Assam, sales revenue is based on the pricing formula provided by MoP&NG.

27.5 Based on the directives issued by MoP&NG and Petroleum Planning and Analysis Cell (PPAC) vide letters dated 31st May, 2012 and 1st June, 2012 respectively, w.e.f. 1 April, 2012, refineries started making deductions from ONGC payments towards Octroi/ VAT/ CST on discounts allowed by ONGC to refineries on supplies of crude oil. Total deduction made by refineries on this account for the period from 1st April, 2012 to 31st March, 2013 works out to `15,846.70 million. The same amount has been provided for in the accounts.

27.6 Recognition of revenue on account of Short Lifted Gas amounting to `571.42 million (Previous Year `55.45 million) has been postponed. This will be recognized when there is reasonable certainty regarding ultimate collection as per the policy of the company.

27.7 Sales revenue of Natural Gas is based on producer price fixed by GoI vide letter dated 31.05.2010 in respect of APM gas produced by National Oil Companies (NOCs) at US$ 4.2/mmbtu inclusive of royalty effective from 01.06.2010. For APM consumers, except for consumers in North Eastern states, the consumer price is same as producer price, i.e. US$ 4.2/ mmbtu inclusive of royalty. For APM consumers in North-East, consumer price is 60% of the producer price, i.e., US$ 2.52/ mmbtu inclusive of royalty and the difference between producer price and consumer price is paid to the company through GoI Budget up to allocated quantity and shown as 'North-East Gas Subsidy'.

27.8 The company is supplying majority of Natural gas to GAIL (India) Limited (GAIL) which also purchases gas from other sources and sells to APM and non-APM consumers. Based on the Government directives, excess in Gas Pool Account at the end of financial year is transferred to ONGC / OIL in accordance with their contribution. Based on the details received from GAIL, an amount of ₹3700.00 million for Gas Pool Receipts for the current year, ₹339.23 million on account of interest on Gas Pool Account and reversal of ₹441.50 million w.r.t. previous year's balance in Gas Pool Account, has been considered as 'Surplus from Gas Pool Account' as on 31st March, 2013.

27.9 Quantitative Details of Sales Revenue

Products	Unit	2012-13			2011-12		
		Quantity	Value (₹ in million)		Quantity	Value (₹ in million)	
Crude Oil*	MT	2,36,85,176	5,62,494.60		2,30,87,339	5,30,371.85	
Less: From Exploratory areas		6,372	122.10		8,554	171.99	
Less: Government of India's share in Profit Petroleum			29,103.95	5,33,268.55		22,327.27	5,07,872.59
Natural Gas*	000M^3	2,01,60,374	1,68,925.00		2,02,02,370	1,47,156.80	
Less: From Exploratory areas		5,274	42.45		28,101	192.78	
Less: Government of India's share in Profit Petroleum			3,482.60	1,65,399.95		5,567.56	1,41,396.46
Liquified Petroleum Gas	MT	10,04,721		31,483.86	10,33,448		23,710.80
Naphtha	MT	15,19,702		76,804.48	15,57,018		72,166.80
Ethane/Propane	MT	4,25,450		13,439.58	4,60,513		12,741.35
Superior Kerosene Oil	MT	1,05,623		3,686.34	78,831		1,519.93
Low Sulphur Heavy Stock	MT	24,394		1,062.53	31,119		1,250.44
High Speed Diesel (HSD)	MT	2,861		170.22	1,918		99.95
HSD incl. ULS HSD (Trading)	KL	21		1.16	65		3.17
Motor Spirit (Trading)	KL	559		41.56	428		30.46
Aviation Turbine Fuel (ATF)	MT	5,400		317.50	7,873		436.39
Mineral Turpentine Oil	MT	474		31.29	811		47.48
Others				7.23			14.98
Total				8,25,714.25			7,61,290.80

*Quantity includes share from Joint Ventures

28. Other Income

(₹ in million)

Particulars	2012 - 13		2011 - 12	
Interest Income on:				
Long Term Investments	427.52		762.16	
Deposits with Banks/PSUs	18,474.71		20,077.84	
(Tax deducted at source ₹1,855.29 million. Previous year ₹2,529.61 million)				
Loans and Advances to Subsidiaries and Associate	3,508.58		1,431.41	
(Tax deducted at source ₹343.91 million Previous year ₹128.22 million)				
Loans and Advances to Employees	433.94		390.54	
Income Tax Refund	94.86		376.94	
Site Restoration Fund Deposit	8,303.24		7,772.30	
Delayed Payment from Customers and Others	185.34		304.37	
(Tax deducted at source ₹58.00 million Previous year ₹12.35 million)		31,428.19		31,115.56
Dividend Income from:				
Investment in Subsidiaries	1,255.35		1,506.42	
Other Long Term Investments	1,893.12		2,730.81	
Short Term -Debt Mutual Funds	1,466.28		1,028.61	
		4,614.75		5,265.84
Other Non Operating Income				
Excess Provisions written back	5,323.57		357.19	
Liabilities no longer payable written back	5,522.81		1,961.63	
Contractual Receipts	158.74		494.17	
Miscellaneous Receipts (Note 28.1)	7,319.36		5,335.38	
		18,324.48		8,148.37
Total		54,367.42		44,529.77

28.1 As per the Farm Out agreement dated 5th November, 2012 entered into by the company with INPEX Offshore East India Ltd (INPEX), the company has agreed to transfer 26% Participating Interest (PI) in Block KG-DWN-2004/6 to INPEX for a consideration of USD 9.10 million (₹494.95 million), with effect from 1st April, 2012. The approval of the Government of India for the assignment of PI, which is a condition precedent to the above agreement, has been received on 15th April, 2013 and accordingly, the consideration of ₹494.95 million has been accounted under the head miscellaneous receipts.

29. (Increase)/Decrease in Inventories

(₹ in million)

	2012 - 13	2011 - 12
Closing Stock- Finished Goods and Stock in Trade	8,040.86	7,810.64
Opening Stock- Finished Goods and Stock in Trade	7,810.64	6,897.20
(increase)/decrease In Inventories	(230.22)	(913.44)

29.1 Details of Opening and Closing Inventories:

Particulars	Unit	As at 31.03.2013		As at 31.03.2012	
		Quantity	Value (` in million)	Quantity	Value (` in million)
Opening stock					
Crude Oil	MT	1,013,741	7,371.16	990,073	6,298.99
Liquefied Petroleum Gas	MT	11,997	74.44	5,915	33.99
Naphtha	MT	75,868	294.64	80,107	505.91
Ethane/Propane	MT	586	8.47	404	4.28
Superior Kerosene Oil	MT	6,765	1.66	6,422	2.32
Aviation Turbine Fuel	MT	1,192	9.08	859	5.98
Low Sulphur Heavy Stock	MT	456	7.31	681	6.46
High Speed Diesel	MT	4,102	25.79	3,703	35.85
Propane	MT	120	0.43	118	0.40
Mineral Turpentine Oil	MT	76	1.35	-	-
High Speed Diesel *	KL	15	0.62	28	1.01
Motor Spirit*	KL	9	0.53	9	0.64
Carbon Credits	Units	10,508	0.56	10,508	0.56
Others			14.60		0.81
Total			7,810.64		6,897.20
Closing stock					
Crude Oil	MT	977,410	7,341.29	1,013,741	7,371.16
Liquefied Petroleum Gas	MT	15,529	108.60	11,997	74.44
Naphtha	MT	91,829	482.04	75,868	294.64
Ethane/Propane	MT	477	7.32	586	8.47
Superior Kerosene Oil	MT	9,520	28.26	6,765	1.66
Aviation Turbine Fuel	MT	1,204	8.60	1,192	9.08
Low Sulphur Heavy Stock	MT	565	9.34	456	7.31
High Speed Diesel	MT	4,286	37.95	4,102	25.79
Propane	MT	90	0.34	120	0.43
Mineral Turpentine Oil	MT	164	3.24	76	1.35
High Speed Diesel *	KL	5	0.26	15	0.62
Motor Spirit*	KL	8	0.49	9	0.53
Carbon Credits	Units	10,508	0.56	10,508	0.56
Others	-		12.57		14.60
Total			8,040.86		7,810.64

* Purchased for trading

30. Production, Transportation, Selling and Distribution Expenditure

(` in million)

	2012-13	2011-12
Royalty	1,08,094.31	97,745.16
Cess (Note - 30.1)	99,970.75	57,830.85
Natural Calamity Contingent Duty	1,101.05	1,097.27
Excise Duty on stock (Net) (Note-30.2)	57.10	(121.04)
Sales Tax	3,834.14	3,339.24
Service Tax	352.81	236.08
Education cess	3,111.09	1,871.44
Octroi and Port Trust Charges	4,057.30	4,184.36
Staff Expenditure	19,452.24	13,094.80
Workover Operations	19,135.41	23,955.18
Water Injection, Desalting and Demulsification	12,854.60	12,113.51
Consumption of Stores and Spares	4,219.45	3,725.61
Consumption of Raw Materials	1,878.42	2,810.98
Pollution Control	5,901.46	4,947.90
Transport Expenses	3,517.40	3,948.12
Insurance	1,444.17	1,063.57
Power and Fuel	1,705.52	1,578.58
Repairs and Maintenance	8,454.43	7,614.19
Contractual payments including Hire charges etc.	9,365.62	8,031.30
Other Production Expenditure	4,740.74	8,010.76
Transportation and Freight of Products	11,821.98	10,001.94
Research and Development	6,002.02	3,238.11
General Administrative Expenses	33,257.04	22,867.39
Exchange Loss (Net)	921.53	3,612.64
Other Expenditure	10,088.31	7,108.10
Total	3,75,338.89	3,03,906.04

30.1 The Government has revised the rate of Cess from `2,500/MT to `4,500/MT w.e.f. 17.03.2012, resulting in the material increase in the expenditure.

30.2 Excise duty on sale of product has been deducted from Sales revenue and Excise duty shown above represents the difference between excise duty on opening and closing stock of finished goods.

30.3 Details of Nature wise Expenditure

(`in million)

		2012 - 13	2011 - 12
Manpower Cost (Note - 30.3.1):			
(a) Salaries, Wages, Ex-gratia etc.	68,170.10		51,652.81
(b) Contribution to Provident and other funds	4,459.99		3,301.93
(c) Provision for gratuity	61.15		608.24
(d) Provision for leave	5,321.12		4,139.98
(e) Provision for Post Retirement Medical & Terminal Benefits	7,487.18		2,796.45
(f) Staff welfare expenses	17,802.12		5,461.07
Sub Total:		1,03,301.65	67,960.48
Consumption of Raw materials, Stores and Spares (Note - 43.6)		41,960.50	24,484.98
Cess		99,971.66	57,830.85
Natural Calamity Contingent Duty		1,101.05	1,097.27
Excise Duty		3,093.46	3,598.63
Royalty		1,08,166.71	97,746.47
Sales Tax		3,836.02	3,339.24
Octroi and Port Trust Charges		4,057.75	4,719.08
Service Tax		352.81	270.72
Education cess		3,115.73	1,871.42
Rent		3,634.99	2,168.74
Rates and taxes		88.45	1,485.89
Hire charges of equipments and vehicles		1,21,363.98	1,12,771.78
Power, fuel and water charges		3,349.63	3,161.77
Contractual drilling, logging, workover etc.		44,013.36	49,357.96
Contractual security		3,532.55	2,915.49
Repairs to building		961.99	797.31
Repairs to plant and machinery		5,987.84	2,657.55
Other repairs		1,906.75	3,546.40
Insurance		3,055.39	2,400.30
Expenditure on Tour / Travel		3,381.32	2,849.23
Contribution		2,073.91	1,865.97
Exchange Loss (Net)		921.53	3,612.64
Miscellaneous expenditure (Note - 30.3.2)		14,252.06	15,381.50
		5,77,481.10	4,67,891.67
Less:			
Allocated to exploration, development drilling, capital jobs, recoverables etc.		1,98,880.04	1,60,172.60
Excise duty adjusted against sales revenue		3,036.25	3,719.65
Prior Period Adjustment		225.92	93.38
Production, Transportation, Selling and Distribution Expenditure		3,75,338.89	3,03,906.04

30.3.1 During the year, the Company has recognised additional liability of `5,079.53 million towards revision in Long Service Rewards Scheme. Further, in terms of DPE guidelines, the company has recognized liability of `18,504.79 million towards superannuation benefits to employees. These have been allocated to activities as per the policy of the company.

30.3.2 The above includes Statutory Auditors Remuneration as under:

(`in million)

Payment to Auditors (including service tax)	2012-13	2011-12
Audit Fees	11.24	8.98
Certification and Other Services	8.97	7.22
Travelling and Out of Pocket Expenses	16.02	13.87
Total	36.23	30.07

30.4 The expenditure incurred by various in house R&D institutes on scientific research eligible for deduction under section 35(2AB) of Income Tax Act, 1961 is as under:

(`in million)

	2012-13	2011-12
Capital Expenditure	118.66	164.53
Revenue Expenditure	5,263.16	3,136.69

31. Depreciation, Depletion, Amortisation and Impairment

(`in million)

Particulars		2012 - 13		2011 - 12
Depletion		66,290.31		60,703.45
Depreciation	79,220.40		71,793.14	
Less : Allocated to :				
Exploratory Drilling (Note - 16)	1,335.06		4,844.42	
Development Drilling (Note - 16)	2,842.40		9,644.88	
Depreciation on Facilities (Note - 13)	59,741.63		43,136.69	
Others	113.94		16.55	
		15,187.37		14,150.60
Impairment Loss (Note - 41)				
Provided during the year	3,014.50		932.83	
Less: Reversed during the year	756.47		827.73	
		2,258.03		105.10
Total		83,735.71		74,959.15

32. Finance Costs

(`in million)

Particulars	2012 - 13	2011 - 12
Interest		
i) On Short Term Loan	272.02	215.37
ii) On Cash Credit	4.02	2.69
iii) Others	0.32	130.24
Total	276.36	348.30

33. Provisions and Write offs

(` in million)

Particulars		2012 - 13	2011 - 12
Provisions			
For Doubtful Debts		16,855.66	2,109.94
For Doubtful Claims/Advances		1,247.72	658.56
For Dimunition in value of Investment		(375.68)	(105.00)
For Non-Moving Inventories		927.08	122.02
For Others		65.01	86.70
Sub-Total		18,719.79	2,872.22
Write-offs			
Disposal/Condemnation of Fixed Assets (Net)		56.80	82.43
Claims/Advances		1.76	2.54
Inventory		84.83	139.45
Bad debts	1,101.31		-
Less: Provisions	1,101.31		-
		-	-
Others		0.02	0.12
Sub-Total		143.41	224.54
Total		18,863.20	3,096.76

34. Adjustments relating to Prior Period (Net)

(` in million)

Particulars	2012 - 13	2011 - 12
A. Expenditure		
Statutory levies	40.47	1.30
Other production, selling & distribution expenditure	173.02	92.08
Exchange Fluctuation	(58.47)	(12.17)
Interest -Others	12.43	-
Survey	0.47	61.72
Dry Wells	455.38	28.51
Depreciation	8.99	6.58
Sub-Total	632.29	178.02
B. Income		
Sales	(193.96)	13.01
Interest -Others	3.22	0.79
Other Income	291.54	259.70
Sub-Total	100.80	273.50
Total (A-B)	531.49	(95.48)

35. Earnings per Equity Share

	2012-13	2011-12
Net Profit after Tax (` in million)	2,09,256.96	2,51,229.22
Weighted average number of equity shares (No. in million)	8,555.49	8,555.49
Basic & Diluted earnings per equity share(`)	24.46	29.36
Face Value per equity share (`)	5.00	5.00

36. Disclosure under the Revised Accounting Standard -15 on "Employee Benefits"

36.1 Brief Description: A general description of the type of Defined Benefit Plans is as follows:

36.1.1 Earned Leave (EL) Benefit :-

Accrual - 30 days per year

Encashment while in service - 75% of Earned Leave balance subject to a maximum of 90 days per calendar year

Encashment on retirement - maximum 300 days

36.1.2 Good Health Reward (Half pay leave) :-

Accrual - 20 days per year

Encashment while in service - Nil

Encashment on retirement - 50% of Half Pay Leave balance.

36.1.3 Gratuity:-

15 days salary for each completed year of service. Vesting period is 5 years and the payment is restricted to `1.00 million.

36.1.4 Post-Retirement Medical Benefits :-

Upon payment of one time prescribed contribution by the employees, full medical benefits on superannuation and on voluntary retirement subject to the completion of minimum 20 years of service and 50 years of age.

36.1.5 Terminal Benefits:-

At the time of superannuation, employees are entitled to settle at a place of their choice and they are eligible for Transfer Travelling Allowance. Employees are gifted gold coins also, depending upon their level and years of service.

36.2 The amounts recognized in the financial statements for defined contribution plans are as under:

(` in million)

Defined Contribution Plans	Amount recognised during the year	Contribution for Key Management Personnel
Contributory Provident Fund	3,287.18 (2,881.83)	1.12 (0.94)
Employee Pension Scheme-95	209.54 (210.85)	0.01 (0.01)
Composite Social Security Scheme	963.27 (209.25)	0.16 (0.04)

36.3 The amounts recognized in the balance sheet for post-employment benefit plans are as under:

(`in million)

Sl No.	Particulars	Gratuity	Leave	Post-Retirement Medical Benefits	Terminal Benefits
1	Present Value of Funded Obligation	21,067.89 (20,534.66)	NA	NA	NA
2	Present Value of Unfunded Obligation	- (-)	19,840.15 (17,841.28)	21,562.76 (19,203.33)	6,302.64 (1,152.11)
3	Fair Value of Plan Assets	21079.98 (20,114.96)	NA	NA	NA
4.	Unrecognized Past Service Cost	- (-)	- (-)	- (-)	- (-)
5	Net Obligation	-12.09 (419.69)	19,840.15 (17,841.28)	21,562.76 (19,203.33)	6,302.64 (1,152.11)
6	Liability for Retired employees	- (-)	- (-)	- (-)	- (-)
7	Total Provision	-12.09 (419.69)	19,840.15 (17,841.28)	21,562.76 (19,203.33)	6,302.64 (1,152.11)

36.4 The amounts included in the fair value of plan assets of gratuity fund in respect of Reporting Enterprise's own financial instruments and any property occupied by, or other assets used by the reporting enterprise are `Nil (Previous Year `Nil)

36.5 Reconciliation showing the movements during the period in the net liability recognized in the balance sheet:

(`in million)

Sl No.	Particulars	Gratuity	Leave	Post-Retirement Medical Benefits	Terminal Benefits
1	Opening defined benefit obligation	20534.66 (19,674.40)	17,841.28 (16,180.23)	19,203.33 (16,495.67)	1,152.11 (1, 058.67)
2	Current Service Cost	843.88 (828.49)	869.42 (776.06)	329.58 (312.84)	371.02 (45.39)
3	Past Service Cost	- (-)	- (-)	- (-)	- (-)
4.	Interest Cost	1,745.45 (1,672.32)	1,516.51 (1,375.32)	1,632.28 (1,402.13)	97.93 (89.99)
5.	Actuarial losses (gains)	-1,052.98 (-608.94)	2,943.62 (1,994.54)	1,714.98 (2,013.66)	4,695.45 (18.62)
6.	Exchange differences on foreign plans	- (-)	- (-)	- (-)	- (-)
7.	Benefits paid	1,003.12 (1,031.61)	3,330.67 (2,484.87)	1,317.41 (1,020.96)	13.87 (60.56)
8A	Current Obligation	21,067.89 (20,534.66)	1,876.64 (1,319.01)	1,296.03 (930.32)	341.17 (86.84)
8B	Non-Current Obligation	- (-)	17,963.52 (16,522.27)	20,266.73 (18,273.01)	5,961.48 (1,065.27)
	Total (8A+8B)	21,067.89 (20,534.66)	19,840.16 (17,841.28)	21,562.76 (19,203.33)	6,302.64 (1,152.11)

36.6 The total amount recognized in the financial statements before allocation is as follows:

(`in million)

Sl No.	Particulars	Gratuity	Leave	Post-Retirement Medical Benefits	Terminal Benefits
1	Current Service Cost	843.88 (828.49)	869.42 (776.06)	329.58 (312.84)	371.02 (45.39)
2	Interest on Obligation	1,745.45 (1,672.32)	1,516.51 (1,375.32)	1,632.28 (1,402.13)	97.93 (89.99)
3	Expected return on plan assets	1,772.05 (1,676.26)	NA	NA	NA
4.	Net actuarial Losses/ (-) Gains recognized in year	-830.25 (-404.86)	2,943.61 (1,994.54)	1,714.98 (2,013.66)	4,695.45 (18.62)
5	Past Service Cost	- (-)	- (-)	- (-)	- (-)
6	Losses (Gains) on curtailments and settlement	- (-)	- (-)	- (-)	- (-)
7	Total included in 'employee benefit expense'.	-12.97 (419.69)	5,329.55 (4,145.92)	3,676.84 (3,728.63)	5,164.41 (154.00)
8.	Actual return on plan assets	1,549.33 (1,472.18)	NA	NA	NA

36.7 Statement of Reconciliation of balance of Fair Value of Plan Assets in respect of Gratuity:-

(`in million)

Particulars	2012-13	2011-12
Fair Value of Plan Asset at Beginning	20114.08	18,171.16
Expected Return on Plan Assets	1,772.05	1,676.26
Contribution by employer	419.69	1,503.23
Benefits Paid	-1,003.12	-1,031.61
Actuarial gain/loss on Plan Assets	-222.72	-204.08
Fair Value of Plan Asset at the end of the year	21,079.98	20,114.96

36.8 Other disclosures:

(`in million)

Gratuity	31-03-2013	31-03-2012	31-03-2011	31-03-2010	31-03-2009
Present Value of Funded obligation as at the end of the period	21,067.89	20,534.65	19,674.39	17,772.42	17,423.08
Fair Value of plan assets as at the end of the period	21,079.98	20,114.96	18,171.17	17,469.42	8,133.78
Surplus/ (-)Deficit	12.09	-419.69	-1,503.22	-303.00	-9,289.30
Experience Adjustment on plan Liabilities (loss)/gain	1,052.97	526.08	-903.84	-234.16	1,265.62
Experience Adjustment on plan Assets (loss)/gain	-164.39	-217.84	-118.25	-176.08	-12.62

Expected Contribution in respect of Gratuity for next year will be `651.86 million (previous year `359.04 million).

The company has recognized a gratuity liability of `72.92 million as on 31.03.2013 as per actuarial valuation for 589 Contingent Employees engaged in different work centers.

(` in million)

Leave Encashment	31-03-2013	31-03-2012	31-03-2011	31-03-2010	31-03-2009
Present Value of Unfunded obligation as at the end of the period	19,840.16	17,841.28	16,180.23	13,740.85	13,235.47
Experience Adjustment on plan Liabilities (-) loss/gain	-2,943.61	-2062.27	-2,917.77	-2,440.88	-850.25

(` in million)

Post-Retirement Medical Benefits	31-03-2013	31-03-2012	31-03-2011	31-03-2010	31-03-2009
Present Value of Unfunded obligation as at the end of the period	21,562.76	19,203.33	16,495.66	14,077.09	12,728.86
Experience Adjustment on plan Liabilities (-) loss/gain	-1,714.98	-2,072.83	-2,010.67	-3,392.32	-664.33

(` in million)

Sensitivity Analysis (In respect of Post-Retirement Medical Benefits)	31-03-2013	
	1.00 % (+)	1.00 % (-)
Effect on service and interest cost	312.90	(202.84)
Effect on PBO (Closing)	2,772.24	(1,872.01)

(` in million)

Terminal Benefits	31-03-2013	31-03-2012	31-03-2011	31-03-2010	31-03-2009
Present Value of Unfunded obligation as at the end of the period	6,302.64	1,152.11	1,058.67	642.39	480.40
Experience Adjustment on plan Liabilities (-)loss/gain	-4,695.45	-23.05	-356.15	-132.45	-7.16

36.9 Investment of Gratuity Trust

Particulars	% of Investment	
	As at 31.03.2013	As at 31.03.2012
Central Govt. Securities	29.54	31.92
State Govt. Securities	14.53	13.07
PSU Bonds	30.25	29.96
Treasury Bills	0.33	0.58
Insurance Investment	24.92	24.11
Equity Mutual Fund	0.43	0.36
Total	100.00	100.00

36.10 Principal actuarial assumption at the balance sheet date (expressed as weighted averages):

Sl No.	Particulars	Gratuity	Leave	Post-Retirement Medical Benefits	Terminal Benefits
1	Discount rate	8.5% (8.5%)	8.5% (8.5%)	8.5% (8.5%)	8.5% (8.5%)
2	Expected return on plan assets	8.81% (8.52%)	NA	NA	NA
3.	Annual increase in costs	NA	NA	6.00% (6.00%)	6.00% (6.00%)
4.	Annual Increase in Salary	6.00% (6.00%)	6.00% (6.00%)	NA	NA

The discount rate is based upon the market yield available on Government bonds at the Accounting date with a term that matches. The salary growth rate takes account of inflation, seniority, promotion and other relevant factor on long term basis. Expected rate of return on plan assets is based on market expectation, at the beginning of the year, for return over the entire life of the related obligation.

37 Disclosure under Accounting Standard -17 on "Segment Reporting"

The segment information is presented under the Notes to the Consolidated Financial Statements as required under the standard.

38 Disclosure under Accounting Standard -18 on "Related Party Disclosure":

38.1 Name of related parties and description of relationship:

Jointly Controlled Entity			
i.	ONGC Mangalore Petrochemicals Limited	v	ONGC Petro-additions Limited
ii.	Petronet LNG Limited	vi	ONGC Tripura Power Co. Limited
iii	ONGC Teri Biotech Limited	vii	Dahej SEZ Limited
iv	Mangalore SEZ Limited		

38.2 Key Management Personnel:

Whole-time Functional Directors:

i) Shri Sudhir Vasudeva, Chairman and Managing Director
ii) Shri K.S. Jamestin
iii) Shri A. K. Banerjee from 22.05.2012
iv) Shri P. K. Borthakur from 30.10.2012
v) Shri Shashi Shanker from 01.12.2012
vi) Shri N. K. Verma from 01.04.2013
vii) Shri S.V. Rao up to 31.03.2013
viii) Shri U. N. Bose up to 30.11.2012
ix) Shri A. K. Hazarika up to 30.09.2012

38.3 Details of Transactions:

38.3.1 Joint Ventures/ Jointly Controlled Entities

(` in million)

Details	2012-13	2011-12
Sale of Gas-ONGC Tripura Power Co. limited	184.79	-
Services Received from:		
a) ONGC Teri Biotech Limited	182.34	133.67
b) Dahej SEZ Ltd.	9.33	7.36
c) ONGC Mangalore Petrochemical Limited	0.02	0.02
d) Petronet LNG Limited	0.78	-
e) Mangalore SEZ Limited	0.09	-
Services Provided to :		
a) ONGC Petro-additions Limited	117.50	81.63
b) ONGC Teri Biotech Limited	-	0.04
c) ONGC Mangalore Petrochemical Limited	5.01	-
d) Petronet LNG Limited	1.32	-
e) Mangalore SEZ Limited	2.27	-
Dividend Income - Petronet LNG Limited	234.38	187.50
Advance against equity shares during the year:		
a) Dahej SEZ Ltd.	-	230.00
b) ONGC Tripura Power Co. Limited	103.32	-
Amount Receivable :		
a) ONGC Petro-additions Limited	42.96	55.76
b) ONGC Mangalore Petrochemical Limited	4.97	-
c) Mangalore SEZ Limited	0.64	-
Amount Payable :		
a) ONGC Teri Biotech Limited	115.98	107.49
b) ONGC Mangalore Petrochemicals Limited	-	0.02
c) Dahej SEZ Ltd.	7.00	6.63
d) ONGC Tripura Power Co. Limited	0.86	-
Advance towards equity pending allotment :		
a) ONGC Petro-addition Limited	3,328.69	9,702.99
b) ONGC Tripura Power Co. Limited	-	1,233.87
c) ONGC Mangalore Petrochemicals Limited	9,199.77	9,199.77

38.3.2 Key Management Personnel

(` in million)

Particulars	2012-13	2011-12
Remuneration to Directors	21.55	18.79
Amount Receivable	1.47	0.54
Amount Payable	6.33	8.17

39 Disclosure under Accounting Standard - 19 on 'Leases'

The company has certain office/residential premises on Operating Lease which are cancellable by giving appropriate notice as per the respective agreements. During the year `914.03 million (Previous year `799.74 million) had been paid towards cancellable Operating Lease.

40 Disclosure under Accounting Standard - 27 on Financial Reporting of Interest in Joint Ventures:

40.1 Jointly Controlled Assets

In respect of certain blocks, the Company's Joint Ventures (JV) with certain bodies corporate have entered into Production Sharing Contracts (PSCs) with GoI. Details of these blocks and JVs as on 31.03.2013 are as under:

Sl. No.	Blocks	Company's PI *	Others Partners and their PI in the JV/Operatorship***
A	Jointly Operated JVs		
1	Panna, Mukta and Tapti	40% (40%)	BGEPIL 30%, RIL 30%
2	AN-DWN-2009/3	60% (60%)	OIL 40%
B	ONGC Operated JVs		
3	CB-OS/1 Development Phase	55.26% (55.26%)	TPL 6.7%, HOEC 38.04%
4	MN-DWN-98/3	60% (60%)	PIBBV 40%
5	MN-OSN-2000/2	40% (40%)	GAIL 20%, IOC 20%, OIL 20%
6	AA-ONN-2001/2	80% (80%)	IOC 20%
7	AA-ONN-2001/3	85% (85%)	OIL 15%
8	KK-DWN-2002/2	80% (80%)	HPCL 20%
9	CY-ONN-2002/2	60% (60%)	BPRL 40%
10	AA-ONN-2002/4	90% (90%)	OIL 10%
11	CY-DWN-2004/1	70% (70%)	GSPC 10%,HPCL 10%, GAIL 10%
12	CY-DWN-2004/2	70% (70%)	GSPC 10%, HPCL 10% , GAIL 10%
13	CY-DWN-2004/3	70% (70%)	GSPC 10%, HPCL 10%, GAIL 10%
14	CY-DWN-2004/4	70% (70%)	GSPC 10% , HPCL 10% GAIL 10%
15	CY-PR-DWN-2004/1	70% (70%)	GSPC 10%, HPCL 10%, GAIL 10%
16	CY-PR-DWN-2004/2	70% (70%)	GSPC 10%,HPCL 10% ,GAIL 10%
17	KG-DWN-2004/1	70% (70%)	GSPC 10%, HPCL 10%, GAIL 10%
18	KG-DWN-2004/2	60% (60%)	GSPC 10%, HPCL 10%, GAIL 10% , BPRL 10%
19	KG-DWN-2004/3	70% (70%)	GSPC 10%, HPCL 10%, GAIL 10%
20	KG-DWN-2004/5	50% (50%)	GSPC 10%, HPCL 10%,
			GAIL 10%, OIL 10%, BPRL 10%
21	KG-DWN-2004/6	34% (60%)	GSPC 10%, HPCL 10%, GAIL 10% , OIL 10%, INPEX 26%
22	CB-ONN-2004/1	50% (50%)	GSPC 40%, HERA-MEC LTD 10%
23	CB-ONN-2004/2	55% (55%)	GSPC 45%
24	CB-ONN-2004/3**	65% (40%)	GSPC 35% (GSPC 35%, ENSEARCH 25%)
25	CB-ONN-2004/4**	60% (50%)	GSPC 40% (GSPC 40%, HERA-MEC 10%)
26	CY-ONN-2004/1	80% (80%)	BPRL 20%

Sl. No.	Blocks	Company's PI *	Others Partners and their PI in the JV/Operatorship***
27	CY-ONN-2004/2	80% (80%)	BPRL 20%
28	MB-OSN-2005-1	80% (80%)	GSPC 20%
29	MB-OSN-2005-5	70% (70%)	GSPC 30%
30	MB-OSN-2005-6	80% (80%)	GSPC 20%
31	AN-DWN-2005/1	90% (90%)	OIL 10%
32	KG-DWN-2005/1	70% (70%)	IOC 20%, GSPC 10%
33	KK-DWN-2005/2	90% (90%)	GSPC 10%
34	KG-OSN-2005/1	60% (60%)	HMEL 20%, GSPC 20%
35	KG-OSN-2005/2	80% (80%)	HMEL 20%
36	Raniganj	74% (74%)	CIL 26%
37	Jharia	90% (90%)	CIL 10%
38	NK-CBM-2001/1	80% (80%)	IOC 20%
39	BK-CBM-2001/1	80% (80%)	IOC 20%
40	CB-ONN-2005/4	51% (51%)	GSPC 49%
41	CB-ONN-2005/10	51% (51%)	GSPC 49%
42	PR-ONN-2005/1	80% (80%)	TPL 20%
43	WB-ONN-2005/4	75% (75%)	OIL 25%
44	AA-ONN-2005/1	60% (60%)	OIL 30%, ACIL 10%
45	GV-ONN-2005/3	80% (80%)	TPL 20%
46	AN-DWN-2009/2	60% (60%)	OIL 40%
47	AN-DWN-2009/1	70% (70%)	OIL 30%
48	AN-DWN-2009/5	90% (90%)	GSPC 10%
49	AN-DWN-2009/13	70% (70%)	GAIL 10%, NTPC 10%, GSPC 10%
50	AN-DWN-2009/18	60% (60%)	OIL 30%, GAIL 10%
51	GK-OSN-2009/1	40% (40%)	AWEL 20%, GSPC 20%, IOC 20%
52	GK-OSN-2009/2	40% (40%)	AWEL 30%, IOC 30%
53	KG-OSN-2009/1	80% (80%)	APGIC 10%, NTPC 10%
54	KG-OSN-2009/2	90% (90%)	APGIC 10%
55	KG-OSN-2009/4	50% (50%)	APGIC 10%, OIL 30%, NTPC 10%
56	AA-ONN-2009/3	50% (50%)	OIL 50%
57	CB-ONN-2009/4	50% (50%)	GSPC 50%
58	GK-OSN-2010/1	60% (60%)	OIL 30%, GAIL-10%
59	GK-OSN-2010/2	90% (90%)	GAIL 10%
60	CB-ONN-2010/6	80% (80%)	IOC 20%
C	Operated by JV Partners		
61	Ravva	40% (40%)	Cairn India (Operator) 22.5% , VIL 25%, ROPL 12.5%
62	CY-OS-90/1 (PY3)	40% (40%)	HEPI (operator) 18%, HOEC 21%, TPL 21%
63	RJ-ON-90/1	30% (30%)	Cairn India (Operator) 35%, CEHL 35%

Sl. No.	Blocks	Company's PI *	Others Partners and their PI in the JV/Operatorship***
64	CB-OS/2 -Development Phase	50% (50%)	Cairn India (operator) 40% , TPL 10%
65	CB-ON/7 -Development Phase	30% (30%)	HOEC (Operator) 35%, GSPC 35%
66	CB-ON/3 - Development Phase	30% (30%)	EOL (Operator) 70%
67	AA-ONN-2002/3	70% (70%)	OIL (Operator) 30%
68	AN-DWN-2003/2	45% (45%)	ENI (Operator) 40%, GAIL 15%
69	KG-ONN-2003/1	51% (51%)	Cairn India (Operator) 49%
70	PR-OSN-2004/1	35% (35%)	Cairn India (Operator) 35%, TPL 30%
71	CB-ON/2- Development phase	30% (30%)	GSPC (Operator) 56%, Geo-Global Resources 14%
72	RJ-ONN-2005/3	40% (40%)	GSPC (Operator) 60%
73	AA-ONN-2009/4	50% (50%)	OIL(Operator) 50%
74	CY-OSN-2009/2	50% (50%)	OIL (Operator) 50%
75	KG-DWN-2009/1	45% (45%)	BGEPIL (Operator) 30%, OIL 15%, APGIC 10%
76	RJ-ON/6 - Development phase	30% (30%)	Focus Energy Ltd (Operator) 7%, I services Investment Ltd, Mauritius 45.5%, Newbury Oil Co. Ltd, Cyprus 17.5%
77	AA-ONN-2010/2	30% (30%)	OIL 40%, GAIL 20%, EWP 10%
78	AA-ONN-2010/3	40% (40%)	OIL 40%, BPRL 20%

* PI - Participating Interest

** Approval towards PI assignment is awaited from GoI

*** There is no change in previous year details unless otherwise stated

Abbreviations:- ACL- Assam Company (India) Ltd, APGIC- AP Gas Infrastructure Corporation Ltd, AWEL- Adani Welspun Exploration Ltd, BGEPIL- British Gas Exploration & Production India Ltd, BPRL- Bharat Petro Resources Ltd, Cairn India-Cairn India Ltd, CEHL- Cairn Energy Hydrocarbons Ltd, CIL- Coal India Ltd, ENI- Ente Nazionale Idrocarburi, Ensearch- Enserach, EWP- East west Petroleum Canada, GAIL- Gas Authority of India Ltd, GGR- Geo Global Resources, GSPC- Gujarat State Petroleum Corporation Ltd, HEPI- Hardy Exploration & Production India Ltd, Heramec- Heramec Ltd, HEPI-Hardy Exploration & Production (India), HEIBV-Hydro Oil & Energy India BV, HMEL- HPCL Mittal Energy Ltd, HOEC- Hindustan Oil Exploration Company Ltd, HPCL- Hindustan Petroleum Corporation Ltd, IOC- Indian Oil Corporation Ltd, INPEX- INPEX Offshore East India Ltd., NTPC- National Thermal Power Corporation Ltd, OIL- Oil India Ltd, PIBBV-Petrobras International Braspero BV, VIL- Videocon Industries Ltd, RIL- Reliance Industries Ltd, ROPL- Ravva Oil (Singapore) Private Ltd, SRL- Sunterra Resources Ltd, TPL- Tata Petrodyne Ltd.

40.2 List of the blocks surrendered during the year are given below:

Sl. No.	Joint Ventures / PSCs	Company's PI *
1	KG-DWN-2002/1	70% (70%)
2	MN-DWN-2002/1	36% (36%)
3.	MN-DWN-2002/2	100% (100%)
4.	AN-DWN-2002/I	100% (100%)
5.	AN-DWN-2003/I	100% (100%)
6.	VN-ONN-2003/1	100% (100%)
7.	KK-DWN-2004/1	45% (45%)
8.	AN-DWN-2002/2	100% (100%)

* PI - Participating Interest

40.3 The Financial position of the JV/NELP blocks are as under:

(` in million)

	No. of JVs/ NELP Blocks	Assets	Liabilities	Income	Expenditure	Profit / (-) Loss before tax
NELP Block-100% PI*	21 (21)	15,654.33 (2,702.60)	368.09 (100.74)	71.51 (0.10)	26,243.39 (30,595.61)	-26,171.88 (-30,595.51)
Blocks with other partners	78 (85)	92,348.44 (96,450.27)	28,134.96 (29,995.32)	170,084.17 (155,064.23)	106,303.27 (88,174.76)	63,780.91 (66,889.47)
Surrendered	41 (33)	3,346.44 (316.97)	8,979.16 (8,255.62)	613.22 (2.33)	8,646.73 (3,760.89)	-8,033.51 (-3,758.86)
Total	140 (139)	111,349.21 (99,469.87)	37,482.21 (38,351.68)	170,768.90 (155,066.66)	141,193.38 (122,531.26)	29,575.52 (32,535.40)

40.3.1 The financial statements of 129 (previous year 128) out of 140 (previous year 139) JVs/NELP have been incorporated in the accounts to the extent of Company's participating interest in assets, liabilities, income, expenditure and profit / (loss) before tax on the basis of statements certified in accordance with production sharing contract and in respect of balance 11 (previous year 11) JVs/NELP, the figures have been incorporated on the basis of uncertified statements prepared under the production sharing contracts. Both the figures have been adjusted for changes as per Note No. 2.I.1. The financial positions of JV/NELP are as under:

(` in million)

	No. of JVs/ NELP Blocks	Assets	Liabilities	Income	Expenditure	Profit / (-) Loss before tax
Audited	129 (128)	110,369.47 (98,443.56)	34,943.33 (36,418.07)	170,599.99 (154,188.35)	139,865.63 (120,472.85)	30,734.36 (33,715.50)
Unaudited	11 (11)	979.74 (1,026.31)	2,538.89 (1,933.61)	168.91 (878.31)	1,327.76 (2,058.41)	-1,158.85 (-1,180.10)
Total	140 (139)	111,349.21 (99,469.87)	37,482.21 (38,351.68)	170,768.90 (155,066.66)	141,193.38 (122,531.26)	29,575.52 (32,535.40)

40.3.2 In respect of 16 NELP blocks (previous year 16) which have expired as on 31st March, 2013, the Company's share of Unfinished Minimum Work Programme (MWP) amounting to `19,560.95 million (previous year to `23,949.27 million) has not been provided for since the company has already applied for further extension of period in these blocks as 'excusable delay'/ special dispensations citing technical complexities, within the extension policy of NELP Blocks, which are under active consideration of GoI . The delays have occurred generally on account of pending statutory clearances from various Govt. authorities like Ministry of Defense, Ministry of Commerce, environmental clearances, State Govt. permissions etc. The above MWP amount of `19,560.95 million (previous year `23,949.27 million) is included in MWP commitment under note no. 43.2.1.

40.3.3 As per the Production Sharing Contracts signed by the Company with the GoI, the Company is required to complete Minimum Work Programme (MWP) within stipulated time. In case of delay in completion of the MWP, Liquidated Damages (LD) is payable for extension of time to complete MWP. Further, in case the Company does not complete MWP or surrender the block without completing the MWP, the estimated cost of completing balance work programme is required to be paid to the GoI. LD amounting to `293.30 million (Previous year `870.42 million) and cost of unfinished MWP `217.14 million (Previous year `146.57 million) paid/payable to the GoI is included in survey and wells written off expenditure.

40.3.4 The company had acquired Participating Interest (PI) of British Gas Exploration & Production India Ltd (BGEPIL) in the following blocks, effective from the following dates as approved by the board of directors.

Name of the Block	PI	Date of Transfer of PI
KG OSN 2004/1	45%	25.11.2011
KG DWN 98/4	30%	18.05.2011
MN DWN 2002/2	25%	01.12.2011

British Gas has agreed to pay a lump sum amount of USD 50 Million, towards full and final settlement of carry costs/cash calls due in all the above blocks, subject to government approval for transfer of PI in all the above blocks. Since the government approval in respect of MN DWN 2002/2 is pending, no adjustment is made in the accounts towards the lump sum amount due as above.

40.4 Jointly Controlled Entities:

40.4.1 Company has ownership interest in following Jointly Controlled Entities:

Name	Country of Incorporation	Ownership interest %	
		As at 31.03.2013	As at 31.03.2012
Petronet LNG Limited	India	12.50	12.50
Petronet MHB Limited	India	28.77	28.77
Mangalore SEZ Limited	India	26.00	26.00
ONGC Mangalore Petrochemicals Limited	India	46.00	46.00
ONGC Petro-additions Limited	India	49.00	41.93
ONGC Tripura Power Co. Limited	India	49.52	49.52
ONGC Teri Biotech Limited	India	49.98	49.98
Dahej SEZ Limited	India	50.00	50.00

40.4.2 The Company's share in assets, liabilities, income, expenses, contingent liabilities and capital commitments of Jointly Controlled Entities:

(`in million)

Description	As at 31.03.2013	As at 31.03.2012
i) Assets		
Fixed Assets	107,541.52	64,617.05
Other Non-Current Asset	20,755.45	15,200.19
Deferred Tax Assets	218.05	268.39
Current Asset	8,478.52	6,882.27
ii) Liabilities		
Long Term Borrowings	36,146.92	15,861.13
Other Non-Current liabilities and provisions	4,998.55	5,106.53
Deferred Tax Liability	603.43	621.01
Current liabilities and provisions	72,212.46	46,947.16
iii) Income	40,469.92	29,060.42
iv) Expenses	37,924.79	26,805.17
v) Contingent liabilities	7,749.88	6,560.33
vi) Capital commitments	29,017.22	49,098.16

41 Disclosure under Accounting Standard - 28 on "Impairment of Assets"

41.1 The Company is engaged mainly in the business of oil and gas exploration and production where each cost centre used for depreciation (depletion) purposes is identified as independent Cash Generating Unit (CGU) for assessing the impairment in Producing Properties and fixed assets etc. on the basis of 'value in use'. The Company has tested all its CGUs for impairment as on 31.03.2013 by applying discount rates of 20.10% (previous year 20.40 %) for Rupee transactions and 14.00 % (previous year 13.67 %) for crude oil and value added products revenue measured in USD as on 31.03.2013.

41.2 During the year `3,014.50 million (Previous Year `932.83 million) is provided as impairment loss. Out of this an amount of `2,363.50 million (Previous Year nil) has been provided in respect of Eastern Offshore Asset, Rajahmundry. `45.36 million (Previous Year `83.30 million) has been provided as additional impairment in respect of onshore CGUs - Jodhpur and Silchar and for offshore CGU- Ratna, `31.02 million (Previous Year `75.83 million) and D 18 `6.98 million (Previous Year nil) has been provided on account of increase in the estimate of abandonment liability. In addition, `23.40 million (Previous Year `154.99 million) pertaining to block CY-OS-90/1 (PY-3) has been provided as presently the field does not have any potential to produce. An amount of `453.11 million (Previous Year `540.14 million) mainly represents additional impairment charge in respect of certain onshore Pre-NELP Joint Ventures (RJ ON 6 and CB ON 2) due to adjustment of cost recovery from revenue and sharing of 100% royalty. Balance amount of `91.12 million has been provided in Rajahmundry onshore CGU for CWIP.

Further, ` 756.47 million (Previous Year `827.73 million) has been reversed as impairment loss for Onshore CGU - Silchar and Jodhpur during the year.

42 Disclosure under Accounting Standard - 29 on "Provisions, Contingent Liabilities and Contingent Assets":

Movement in Provisions:

For Court cases, arbitration and others, where the timing of expected outflows is upon settlement of the proceedings:

(`in million)

Particulars	Provision for Abandonment		Others	
	2012-13	2011-12	2012-13	2011-12
Opening Balance	176,529.96	175,642.55	914.57	626.72
Add: Provision made during the year	924.49	887.41	65.01	86.70
Less: Provision written back/ reclassified/ reduction during the year	-	-	217.72	(201.15)
Closing Balance	177,454.45	176,529.96	761.86	914.57

43 Other Disclosures under Schedule VI to the Companies Act, 1956:

43.1 Capital Commitments:

Estimated amount of contracts remaining to be executed on capital account:-

i) In respect of Company - `87,601.57 million (Previous year `114,069.33 million).

ii) In respect of Joint Ventures - `5,611.71 million (Previous year `3,561.76 million).

43.2 Other Commitments

43.2.1 Estimated amount of Minimum Work Programme (MWP) committed under various 'Production Sharing Contracts' with Government of India/ Nominated Blocks:

i) In respect of Nominated Blocks `958.54 million (Previous year `282.68 million).

ii) In respect of NELP blocks in which the Company has 100% participating interest - `12,305.38 million (Previous year `15,052.01 million).

iii) In respect of NELP blocks in Joint Ventures, company's share - `62,127.36 million (Previous year `71,183.60 million).

43.2.2 The Board of directors has approved loan upto `50,000.00 million (Previous year `50,000.00 million) to Mangalore Refinery & Petrochemicals Limited (MRPL), a subsidiary of the Company. Out of which `33,000.00 million (previous year `26,000.00 million) has been disbursed and `17,000.00 million (previous year `24,000.00 million) can be availed by MRPL on or before 30th September, 2013.

43.2.3 The Company has given an undertaking to Power Finance Corporation Limited (PFC), for an additional funding up to `2,223.80 million (previous year `2,234.00 million) in respect of ONGC Tripura Power Co. Limited (OTPC) for cost overrun, if any.

43.3 Contingent Liabilities:

Claims against the Company/ disputed demands not acknowledged as debt:-

(`in million)

Particulars	As at 31st March, 2013	As at 31st March, 2012
I. In respect of Company		
i. Income Tax	30,315.36	17,697.92
ii. Excise Duty	8,498.82	6,407.22
iii. Custom Duty	1,452.76	1,452.76
iv. Royalty	90,178.00	66,123.54
v. Cess	6.57	6.57
vi. AP Mineral Bearing Lands (Infrastructure) Cess	1,962.84	1,694.82
vii. Sales Tax	45,853.77	38,177.94
viii. Service Tax	5,036.08	4,362.00
ix. Octroi	68.54	66.89
x. Specified Land Tax (Assam)	3,194.73	2,860.57
xi. Claims of contractors in Arbitration / Court	29,270.46	36,981.11
xii. Employees Provident Fund	66.35	-
xiii. Others (Note - 43.3.2)	36,596.25	16,807.05
Sub Total (A)	2,52,500.53	1,92,638.39
II. In respect of Joint Ventures		
i. Income Tax	8.91	8.91
ii. Excise Duty	-	-
iii. Custom Duty	3,744.00	3,620.12
iv. Cess	-	-
v. Sales Tax and Service Tax	3,115.13	3,125.39
vii Claims of contractors in Arbitration / Court	333.24	299.92
viii. Others	5,193.84	5,023.97
Sub Total (B)	12,395.12	12,078.31
TOTAL (A + B)	2,64,895.65	2,04,716.70

43.3.1 The above claims / demands are at various stages of appeal. In the opinion of the management, these claims / demands are not tenable.

43.3.2 This includes an amount of `16,240.00 million towards infusion of one time grant to Post Retirement Benefit Scheme for conversion of defined benefit scheme to defined contribution scheme, pending approval from MoP&NG.

43.4 Corporate Guarantees executed by the Company on behalf of its wholly owned subsidiary, ONGC Videsh Limited (OVL) and ONGC Nile Ganga BV (wholly owned subsidiary of OVL):

43.4.1 Guarantees executed for financial obligations:

i) Amount of Guarantee `91,285.50 million (Previous year ` 42,372.48 million)

ii) Amount outstanding `73,774.85 million (Previous year `30,845.81 million)

43.4.2 Performance Guarantees executed under the contracts:

Guarantee in respect of Sakhalin Project in favour of Exxonneftgas Ltd., M/s. Roseneft-S, SMNG-S and RN-Astra towards performance of OVL's obligation under Joint Operating Agreement without any financial ceiling.

43.4.3 Corporate Guarantees executed by the Company on behalf of its subsidiary, MRPL:

i) Amount of Guarantee `12,237.75 million (Previous year `8,179.20 million)

ii) Amount outstanding `11,262.75 million (Previous year `4,071.20 million)

43.5 Quantitative Details

43.5.1 Production Quantities (Certified by the Management):

Products	Unit	2012-13	2011-12
Crude Oil	MT	26,127,115	26,925,348
Natural Gas	000 M^3	25,335,211	25,510,346
Liquefied Petroleum Gas	MT	1,006,623	1,037,106
Ethane/Propane	MT	427,708	463,056
Naphtha	MT	1,533,817	1,557,049
Superior Kerosene Oil	MT	108,326	79,033
Aviation Turbine Fuel	MT	11,466	14,158
Low Sulphur Heavy Stock	MT	24,503	30,893
High Speed Diesel	MT	36,786	32,883
Mineral Turpentine Oil	MT	562	887

Notes:

1. Production includes internal consumption and intermediary losses.
2. Production of 0.206 MT (Previous year 1,013 MT) Crude Oil and 16,436 TM^3 (Previous year 15,175 TM^3) of Natural Gas is included being the difference between participating interest and entitlement interest in respect of CB-ON/3, CB-ON/2 and RJ-ON/6 JVs.
3. Crude oil production includes condensate of 2.076 MMT (Previous year 1.952 MMT).

43.5.2 Purchases (Traded Products):

Particulars	Unit	2012-13		2011-12	
		Quantity	Value (` in million)	Quantity	Value (` in million)
High Speed Diesel	KL	12	0.57	52	2.27
Motor Spirit	KL	562	30.05	431	22.37
Others	-		0.42		0.18
Total			31.04		24.82

43.5.3 Raw Material Consumed:

For production of Liquefied Petroleum Gas, Ethane/ Propane, Naphtha, Superior Kerosene Oil, Low Sulphur High Stock, Aviation Turbine Fuel and High Speed Diesel	Unit	2012-13		2011-12	
		Quantity	Value at Cost (` in million)	Quantity	Value at Cost (` in million)
Out of own production:					
Crude Oil	MT	90,334	601.12	124,881	849.92
Natural Gas	$000M^3$	784,446	4,636.50	831,799	4,476.42
Gas Equivalent Condensate	$000M^3$	506,778	1,631.74	503,709	1,413.71
Purchases					
Gas Equivalent Condensate	MT	39,008	1,878.42	64,263	2,810.98

43.6 Consumption of Raw Materials, Stores and Spare Parts:

	2012-13		2011-12	
	Amount (` in million)	%	Amount (` in million)	%
Imported	11,819.27	28.17	6,625.03	27.06
Indigenous	30,141.23	71.83	17,859.95	72.94
Total	41,960.50	100.00	24,484.98	100.00

43.7 Value of Imports on CIF Basis: (` in million)

	2012-13	2011-12
Capital items *	177,094.61	188,428.87
Stores and Spare Parts	16,768.58	21,779.28
Total	193,863.19	210,208.15

*Includes Stage payments made against capital works.

43.8 Expenditure in Foreign Currency: (` in million)

	2012-13	2011-12
Services	178,750.38	190,182.02
Others	3,695.73	1,308.39
Total	182,446.11	191,490.41

43.9 Earnings in Foreign Currency: (` in million)

	2012-13	2011-12
Interest	58.92	-
Services	2.14	9.41
FOB value of Sales	74,121.51	63,106.21
Others	540.81	37.11
Total	74,723.38	63,152.73

44 Disclosure under Guidance Note on "Oil & Gas Producing Activities" (approved by Reserve Estimates Committee):

44.1 Company's share of Proved Reserves on the geographical basis is as under:

	Details	Crude Oil (MMT)		Gas (Billion Cubic Meter)		Total Oil Equivalent (MTOE)*	
		As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012
Offshore	Opening	215.77	210.75	208.179	202.008	423.95	412.76
	Addition	22.79	21.56	14.917	25.694	37.71	47.25
	Production	15.58	16.54	19.851	19.524	35.43	36.06
	Closing	222.98	215.77	203.245	208.179	426.22	423.95
Onshore	Opening	190.46	189.91	156.074	155.688	346.53	345.60
	Addition	9.87	9.91	5.170	6.182	15.04	16.09
	Production	9.51	9.37	5.348	5.796	14.86	15.16
	Closing	190.81	190.46	155.897	156.074	346.71	346.53
Total	Opening	406.23	400.66	364.253	357.697	770.48	758.36
	Addition	32.66	31.47	20.087	31.876	52.75	63.35
	Production	25.10	25.91	25.199	25.319	50.29	51.22
	Closing	413.79	406.23	359.142	364.253	772.93	770.48

44.2 Company's share of Proved Developed Reserves on the geographical basis is as under:

	Details	Crude Oil (MMT)		Gas (Billion Cubic Meter)		Total Oil Equivalent (MTOE)*	
		As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012
Offshore	Opening	153.50	158.76	114.690	120.549	268.19	279.31
	Addition	22.70	11.27	15.431	13.649	38.13	24.92
	Production	15.58	16.54	19.867	19.508	35.45	36.04
	Closing	160.62	153.50	110.254	114.690	270.87	268.19
Onshore	Opening	148.73	150.77	110.364	110.749	259.09	261.52
	Addition	11.57	7.37	4.933	5.451	16.50	12.82
	Production	9.49	9.41	5.287	5.836	14.78	15.25
	Closing	150.81	148.73	110.010	110.364	260.81	259.09
Total	Opening	302.23	309.54	225.055	231.297	527.28	540.83
	Addition	34.27	18.64	20.364	19.101	54.63	37.74
	Production	25.07	25.95	25.154	25.343	50.22	51.29
	Closing	311.43	302.23	220.264	225.055	531.69	527.28

* MTOE denotes "Million Tonne Oil Equivalent" and for calculating Oil equivalent of Gas, 1000 M^3 of Gas has been taken to be equal to 1 MT of Crude Oil.

Variations in totals, if any, are due to internal summation and rounding off.

45 Disclosure pursuant to the clause 32 of the Listing Agreement:

(` in million)

Particulars	Outstanding as at 31.03.2013	Maximum Amount Outstanding during the year 2012-13	Outstanding as at 31.03.2012	Maximum Amount Outstanding during the year 2011-12
a) Loans to Subsidiaries:*				
i) ONGC Videsh Limited (OVL)*	119,576.99	170,619.29	168,255.44	172,786.16
ii) Mangalore Refinery & Petrochemicals Limited (MRPL)	36,600.00	37,500.00	33,200.00	34,100.00
b) Loan to Associate:				
i) Pawan Hans Limited (formerly Pawan Hans Helicopter Ltd) (PHL)	1,056.17	1,319.24	1,319.24	1,517.69
c) Where there is no repayment schedule:				
i) ONGC Videsh Limited (OVL)	119,576.99	170,619.29	168,255.44	172,786.16
d) Having repayment schedule of beyond seven years :				
i) Employees	9,854.79	9,854.79	9,085.11	9,085.11
e) Where no interest or interest below Section 372A of Companies Act:				
i) ONGC Videsh Limited (OVL)*	119,576.99	170,619.29	168,255.44	172,786.16
ii) Mangalore Refinery & Petrochemicals Limited (MRPL)	Nil	Nil	7,200	10,800.00
f) In the nature of loans to Firms\ companies in which directors are interested:	Nil	Nil	Nil	Nil

*Excludes Current account transactions

g) Investments by the ONGC Videsh Limited (OVL), loanee:

Name of Subsidiary	As at 31st March, 2013		As at 31st March, 2012	
	No of Shares	(` in million)	No of Shares	(` in million)
a) ONGC Nile Ganga B.V.				
Equity Shares Class A	40	8,462.12	40	8,462.12
Class B	100	21,155.29	100	21,155.29
Class C	880	234.25	880	234.25
b) ONGC Narmada Limited Equity Shares	20,000,000	6.94	20,000,000	6.94
c) ONGC Amazon Alaknanda Limited				
Equity Shares	12,000	0.56	12,000	0.56
Preference Shares	306,611,613	14,150.13	367,995,174	16,982.98
d) Imperial Energy Limited (formerly Jarpeno Limited)				
Equity Shares	1,450	15,574.46	1,450	15,574.46
Preference Shares	192,210	86,744.37	192,210	86,744.37
e) Carabobo One AB Equity Shares	377,678	2,822.02	377,678	2,822.02

Notes :

1. Loan to OVL is repayable within a notice period of minimum one year and carries no interest during the year 2011-12 and 2012-13.
2. Loan to MRPL comprises two loans: First loan carries interest @ 9% per annum and is repayable at quarterly intervals. Second loan carries interest @ SBI Prime Lending Rate (SBAR) with a spread of minus 385 basis points. Repayment of the loan will start in 28 equal instalment starting from 31.03.2014. ONGC can call these loans on notice of 90 days. MRPL can also prepay whole or part of the loan to ONGC as per its requirement.
3. The Company has not advanced any money to its employees for the purposes of investment in the securities of the Company.

46 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006:

Company had sought confirmation from the vendors whether they fall in the category of Micro or Small Enterprises. Based on the information available, the required disclosure for Micro & Small Enterprises under the above Act is given below:

(` in million)

Particulars	2012-13	2011-12
a) Principal amount remaining unpaid but not due as at year end	3.60	6.13
b) Interest due thereon as at year end	-	-
c) Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
e) Interest accrued and remaining unpaid as at year end	-	-
f) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-

47 Disclosure on Foreign currency exposures at year end that have not been hedged by derivative instrument or otherwise:

The Company has receivables and payables in foreign currency as at the balance sheet date. These foreign currency exposures are not hedged by any derivative instruments or otherwise.

48 The Company has a system of physical verification of Inventory, Fixed Assets and Capital Stores in a phased manner to cover all items over a period of three years. Adjustment of differences, if any, is carried out on completion of reconciliation.

49 Some balances of Trade/Other Receivables, Trade/Other Payables and Loans & Advances are subject to confirmation/ reconciliation. Adjustments, if any, will be accounted for on confirmation/ reconciliation of the same, which will not have a material impact.

50 Previous year's figures have been regrouped/ reclassified, wherever necessary, to confirm to current year's classification.

51 Figures in parenthesis as given in these Notes to Financial Statement relate to previous year.

(` in million)

Particulars	2012-13					2011-12				
	Offshore	Onshore	Total Segments	Unallocated	Grand Total	Offshore	Onshore	Total Segments	Unallocated	Grand Total
Segment Revenue	576,643	256,252	832,895	-	832,895	529,362	239,522	768,884	-	768,884
Segment Results										
Segment Result Profit(+)/Loss(-)	243,197	40,953	284,150		284,150	242,988	98,945	341,933		341,933
Unallocated Corporate Expenses			-	14,464	14,464			-	11,542	11,542
Operating Profit	243,197	40,953	284,150	(14,464)	269,686	242,988	98,945	341,933	(11,542)	330,391
Interest Expenses			-	289	289			-	348	348
Interest/Dividend Income			-	36,046	36,046			-	36,382	36,382
Income Taxes			-	96,186	96,186			-	115,196	115,196
Profit from Ordinary Activities	243,197	40,953	284,150	(74,893)	209,257	242,988	98,945	341,933	(90,704)	251,229
Extraordinary Gain			-		-			-		-
Net Profit	243,197	40,953	284,150	(74,893)	209,257	242,988	98,945	341,933	(90,730)	251,229
Other Information										
Segment Assets	843,121	410,941	1,254,062		1,254,062	745,496	370,411	1,115,907		1,115,907
Unallocated Corporate Assets			-	527,205	527,205			-	601,415	601,415
Total Assets	843,121	410,941	1,254,062	527,205	1,781,267	745,496	370,411	1,115,907	601,415	1,717,322
Segment Liabilities	291,247	100,901	392,148		392,148	311,344	86,456	397,800		397,800
Unallocated Corporate Liabilities			-	144,586	144,586			-	189,955	189,955
Total Liabilities	291,247	100,901	392,148	144,586	536,734	311,344	86,456	397,800	189,955	587,755
Capital Expenditure	177,526	91,298	268,824	2	268,826	250,171	72,804	322,975	1,426	324,401
Depreciation, Depletion and Amortisation & Impairment	66,550	16,487	83,038	707	83,745	54,619	19,707	74,326	629	74,955
Non-cash Expenses	10,138	8,694	18,833	31	18,863	839	2,343	3,182	(85)	3,097


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STATEMENT PURSUANT TO SECTION 212
OF THE COMPANIES ACT, 1956
ONGC GROUP PERFORMANCE AT A GLANCE
AUDITORS' REPORT - ONGC GROUP
CONSOLIDATED FINANCIAL STATEMENT OF ONGC GROUP

Statement Pursuant To Section 212 Of The Companies Act, 1956, Relating To Company's Interest In The Subsidiaries

Sl. No.	Name of the Subsidiaries	1. The Financial Year of the Subsidiary ends on	2. Date from which it became Subsidiary	3. (a) Number of shares held by Oil and Natural Gas Corporation Ltd. in the Subsidiary at the end of the financial year of the Subsidiary*	3. (b) Extent of interest of Holding Company at the end of the financial year of the Subsidiary	4. The net aggregate amount of the Subsidiary's Profit/(Loss) so far it concerns the members of the Holding Company:			
						4. (a) Not dealt within the Holding Company's accounts		4. (b) Dealt within the Holding Company's accounts:	
						4. (a) (i) For the period 1st April, 2012 to 31st March, 2013 (` in million)	4. (a) (ii) For the previous period (s) of the Subsidiary since it became the Holding Company's Subsidiary (` in million):	4. (b) (i) For the period 1st April, 2012 to 31st March, 2013 (` in million)	4. (b) (ii) For the previous period (s) of the Subsidiary since it became the Holding Company's Subsidiary (` in million):
1	ONGC Videsh Limited	31st March, 2013	1st February,1994	50,00,00,000 Equity shares of `100 each	100%	22,139.51	86,240.58	-	1,050.00
2	Mangalore Refinery and Petrochemicals Limited	31st March, 2013	30th March, 2003	1,25,53,54,097 Equity shares of Rs. 10 each	71.63%	(4,768.46)	45,699.84	-	9,164.06
3	ONGC Nile Ganga B.V.	31st December, 2012	12th March, 2003	40 Class "A" & 100 Class "B" shares of Euro 453.78 each & 880 Class "C" Shares of Euro 1 each directly, rest 720 Class "C" shares are held by OMEL which is JV Company of OVL & Mittal Investment Sarl (MIS)	Class A & B 100% Class C 77.491%	8,352.96	76,203.04	.	15,966.28
4	ONGC Narmada Limited	31st March, 2013	7th December, 2005	20 Million shares of one Naira each	100%	(13.58)	(1,373.60)	-	-
5	ONGC Amazon Alaknanda Limited	31st March, 2013	8th August, 2006	12,000 Equity & 306,611,613 Preference shares of one USD each	100%	6,937.14	20,251.59	-	-
6	ONGC Campos Ltda.	31st December, 2012	16th March, 2007	353,958,050 quotas of BRL 1 each	100%	1,116.76	(1,928.88)	-	-
7	ONGC Nile Ganga (Cyprus) Ltd.	31st December, 2012	26th November, 2007	241,223 Shares of 0.01 USD each	100%	226.17	406.36	-	-
8	ONGC Nile Ganga (San Cristobal) B.V.	31st December, 2012	29th February, 2008	54,000 shares of Euro 1 each	100%	8,557.73	11,104.60	-	-
9	ONGC Satpayev E&P B.V	31st December, 2012	7th June, 2010	18,000 shares of Euro 1 each	100%	(0.28)	(0.48)	-	-
10	ONGC Caspian E&P B.V	31st December, 2012	7th June, 2010	36,000 shares of Euro 1 each	100%	194.53	(8.52)	-	-
11	Imperial Energy Limited (previously knows as Jarpeno Limited)	31st March, 2013	12th August, 2008	1,450 Equity shares of 1 USD each & 192,210 Optionally Convertible Redeemable Preference shares of USD 1 each	100%	(1,868.20)	(18,147.68)	-	-
12	Biancus Holdings Limited	31st March, 2013	13th January, 2009	1,000 shares of 1.71 EUR each	100%	(18.47)	118.60	-	-
13	San Agio Investments Limited	31st March, 2013	13th January, 2009	1,000 shares of 1.71 EUR each	100%	103.95	(85.28)	-	-
14	Redcliffe Holdings Limited	31st March, 2013	13th January, 2009	2,520 shares of 1 USD each	100%	(1.36)	(171.59)	-	-
15	Imperial Energy Nord Limited	31st March, 2013	13th January, 2009	25,920 shares of 1 USD each	100%	(1.09)	(1,324.31)	-	-
16	Imperial Energy (Cyprus) Limited	31st March, 2013	13th January, 2009	25,720 shares of 1 USD each	100%	(3.26)	(1,008.92)	-	-
17	Imperial Energy Tomsk Limited	31st March, 2013	13th January, 2009	850 shares of 1.71 EUR each	85%	(26.52)	(95.60)	-	-
18	Imperial Energy Gas Limited	31st March, 2013	13th January, 2009	2,000 shares of 1 EUR each	100%	(0.54)	(3.29)	-	-
19	Imperial Frac Services (Cyprus) Limited	31st March, 2013	13th January, 2009	1,000 shares of 1.71 EUR each	100%	(0.54)	(3.47)	-	-
20	Nefsilius Holdings Limited	31st March, 2013	13th January, 2009	2,420 shares of 1 USD each	100%	-	(8.60)	-	-
21	Freshspring Investments Limited	31st March, 2013	13th January, 2009	1,000 shares of 1.71 EUR each	100%	-	(2.85)	-	-
22	RK Imperial Energy Kostanai Limited	31st March, 2013	13th January, 2009	1,000 shares of 1.71 EUR each	100%	-	(2.50)	-	-
23	LLC Nord Imperial	31st December, 2012	13th January, 2009	full charter capital 100,000 RUR	100%	(1,408.62)	(16,179.34)	-	-
24	LLC Allianceneftegaz	31st December, 2012	13th January, 2009	full charter capital 50,000 RUR	100%	(1,494.91)	(4,803.21)	-	-
25	LLC Sibinterneft	31st December, 2012	13th January, 2009	charter capital 55,900 RUR	55.9% (Net Interest 47.5%)	(109.16)	(659.00)	-	-
26	LLC Rus Imperial Group	31st December, 2012	13th January, 2009	full charter capital 100,000 RUR	100%	(805.48)	(918.82)	-	-
27	LLC Imperial Trans Service	31st December, 2012	13th January, 2009	full charter capital 100,000 RUR	100%	(35.59)	(50.93)	-	-
28	LLC Stratum	31st December, 2012	13th January, 2009	full charter capital 100,000 RUR	100%	-	(0.19)	-	-
29	Carabobo One AB	31st March, 2013	25th February, 2010	377,678 ordinary shares of 11.19457 Euro each	100%	(1.55)	(153.64)	-	-
30	Petro Carabobo Ganga B.V.	31st December, 2012	26th February, 2010	18,000 shares of 1 Euro each	100%	(5.26)	(14.30)	-	-
31	ONGC (BTC) Limited	31st March, 2013	28th March, 2013	8,000,001 shares of 1 USD each	100%	-	-	-	-

*At the closing rate of exchange, there is a Foreign Exchange Translation Reserve of ` 14,660.26 million, which has not been adjusted.

(N K Sinha)
Company Secretary

(A K Banerjee)
Director (Finance)

(Sudhir Vasudeva)
Chairman & Managing Director

ONGC Group Performance at a Glance

(` in million unless otherwise stated)	2012-13	2011-12	2010-11
FINANCIAL			
Income form Operations	1,658,489	1,511,003	1,252,873
Other Non-operating Income	54,900	47,934	37,180
Total Revenue	1,713,389	1,558,937	1,290,053
Statutory Levies	291,291	269,402	247,631
Operating Expenses	814,349	639,629	488,606
Exchange Loss/(Gain)	4,090	11,925	42
Exploration costs written off#	110,457	105,136	92,620
Profit Before Interest, Depreciation & Tax (PBIDT)	493,202	532,845	461,154
Depreciation, Depletion, Amortisation and Impairment	120,942	131,866	113,644
Profit Before Interest & Tax (PBIT)	372,260	400,979	347,510
Interest Payment	4,838	4,349	4,377
Profit before Tax and Exceptional Items	367,422	396,630	343,133
Exceptional item	-	31,405	-
Profit before Tax	367,422	428,035	343,133
Corporate Tax	127,519	143,746	114,883
Profit after Tax	239,903	284,289	228,250
Share in Associates for the year	38	(11)	30
Profit relating to minority	(2,256)	2,842	3,720
Group Profit after Tax	242,197	281,436	224,560
Dividend	81,277	83,416	74,859
Tax on Dividend	13,051	13,611	12,528
Share Capital	42,778	42,778	42,778
Net Worth (Equity)	1,510,421	1,352,666	1,145,312
Long-term Borrowings	88,428	52,086	39,771
Working Capital	68,825	96,213	75,237
Capital Employed	1,184,489	1,003,223	909,267
FINANCIAL PERFORMANCE RATIOS			
PBIDT to Turnover (%)	29.74	35.26	36.81
PBDT to Turnover (%)	29.45	34.98	36.46
Profit Margin (%)- incl. exceptional items	14.60	18.63	17.92
ROCE(PBIDT to Capital Employed) (%)	41.64	53.11	50.72
Net Profit to Equity (%)- incl. exceptional items	16.04	20.81	19.61
BALANCE SHEET RATIOS			
Current Ratio	1.14:1	1.21:1	1.21:1
Debt Equity Ratio	0.06	0.04	0.03
Debtors Turnover Ratio (Days)	34	28	29
PER SHARE DATA			
Earning Per Share (`)	28.31	32.90	26.25
Dividend (%)	190	195	175
Book Value Per Share (`)	177	158	134

#Exploration Costs written off towards Survey & Dry Wells have been regrouped from Depreciation, Depletion and Amortization since these represents cash expenditure and shown as a separate item.

Notes:

1. In view of the Notification no. S.O 447(E) dated 28.02.2011, issued by Ministry of Corportae Affairs, the Balance sheet of the Company is mandatorily required to be prepared in Revised Schedule VI w.e.f 1st April 2011 onwrads. Accordingly, the figures of FY 2012-13, 2011-12 and 2010-11 are given as per the requirement of Revised Schedule VI and earlier years figures are as per Old Schedule VI.

ONGC Group Performance at a Glance

(` in million unless otherwise stated)	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04
FINANCIAL							
Income from Operations (Gross)	1085787	1105621	1036483	898872	755854	630663	465200
Statutory Levies	213391	229963	240025	216411	175823	155922	118979
Operating Expenses	407693	430150	374072	307502	255258	186967	139374
Exchange Loss/(Gain)	(10671)	11716	1018	(2675)	(463)	203	61
Profit Before Interest Depreciation & Tax (PBIDT)	475374	433792	421368	377634	325236	287571	206786
Recouped Costs	187391	155705	139533	124154	103549	73940	65797
Operating Income (PBIT)	287983	278087	281835	253480	221687	213631	140989
Interest(Net)	(16431)	(32950)	(27375)	(19241)	(11715)	(10991)	(7772)
Profit before Tax and Extraordinary Items	304414	311037	309210	272721	233402	224622	148761
Extraordinary Items- Excess of Insurance Claims over BV	0	658	0	4751	6405	0	0
Profit before Tax	304414	311695	309210	277472	239807	224622	148761
Corporate Tax	107138	110094	106999	98454	84932	79416	53880
Profit after Tax	197276	201601	202211	179018	154875	145206	94881
Share in Associates for the year	78	99	21	102	107	114	156
Profit relating to minority	3319	3747	3509	1424	1006	1930	1234
Group Profit after Tax	194035	197953	198723	177696	153976	143390	93803
Dividend	70583	68444	68444	66305	64167	57535	34222
Tax on Dividend	11992	12017	12014	10383	9172	8156	4385
Share Capital	21389	21389	21535	21416	14259	14259	14259
Net Worth (Equity)	1005653	915729	774127	661994	564017	480583	407397
Borrowings	51769	13091	9427	12964	22342	23870	29073
Working Capital	192787	172257	240202	202408	173164	135348	107709
Capital Employed	869009	752781	693329	618263	513037	430333	405765
FINANCIAL PERFORMANCE RATIOS							
PBIDT to Turnover (%)	43.78	39.2	40.7	42.0	43.0	45.6	44.5
PBDT to Turnover (%)	45.29	42.2	43.3	44.2	44.6	47.3	46.1
Profit Margin(%)- incl. extraordinary items	17.87	17.9	19.2	19.8	20.4	22.7	20.2
ROCE(PBIDT to Capital Employed) (%)	54.70	57.6	60.8	61.1	63.4	66.8	51.0
Net Profit to Equity (%)- incl. extraordinary items	19.29	21.6	25.7	26.8	27.3	29.8	23.0
BALANCE SHEET RATIOS							
Current Ratio	1.38:1	1.31:1	1.75:1	1.79:1	1.97:1	1.74:1	1.67:1
Debt Equity Ratio	0.05	0.01	0.01	0.02	0.04	0.05	0.07
Debtors Turnover Ratio(Days)	24	24	25	20	21	27	23
PER SHARE DATA							
Earning Per Share (`)- before extraordinary items*	22.68	23.09	23.23	20.40	17.50	16.76	10.96
Earning Per Share (`)- after extraordinary items*	22.68	23.14	23.23	20.77	18.00	16.76	10.96
Dividend (%)	330	320	320	310	450	400	240
Book Value Per Share(`)*	118	107	90	77	66	56	48

*restated Post Bonus & split

Statement of Income and Retained Earnings of ONGC Group

(` in million)	2012-13	2011-12	2010-11
REVENUES			
Sales			
Crude Oil	619,341	640,041	558,993
Natural Gas	176,794	151,320	135,329
LPG	31,484	23,711	18,368
Naptha	76,804	72,167	56,342
Ethane/Propane	13,440	12,741	8,796
Superior Kerosene Oil	3,686	1,520	679
HSD	170	103	134
Motor Spirit	31	30	-
Others	727,324	599,982	447,972
Price Revision Arrears		-	-
Sub- Total	1,649,074	1,501,615	1,226,613
Traded Products	43	34	172
Other Operating Revenue	9,372	9,354	26,088
Total Revenue from Operations	1,658,489	1,511,003	1,252,873
Other Non-operating Income	54,900	47,934	37,180
Total Revenues	1,713,389	1,558,937	1,290,053
COST & EXPENSES			
Statutory Levies			
(a) Royalties	137,210	155,316	126,529
(b) Cess	99,971	57,831	56,963
(c) Excise Duty	34,732	37,427	51,544
(d) Natural Calamity			
Contingent Duty - Crude Oil	1,101	1,097	1,114
(e) Sales Tax	3,834	3,339	3,112
(f) Service Tax	7,275	8,337	2,018
(g) Education Cess	3,111	1,871	1,828
(h) Octroi & Port Trust Charges	4,057	4,184	4,523
Sub-total (a to h)	291,291	269,402	247,631
Accretion / (Decretion) in stock	(11,205)	(4,641)	(8,917)
Production, Transportation,			
Selling and Distribution Expenditure	803,311	632,912	487,776
Provisions and Writ-offs	22,244	11,599	9,635
Exchange Loss	4,090	11,925	42
Adjustments relating to Prior Period (Net)	(1)	(241)	112
Exploration Costs Written off#			
-Survey Costs	18,078	14,947	19,542
-Exploratory Well Costs	92,379	90,189	73,078
Profit Before Depreciation, Interest &Tax	493,202	532,845	461,154
Depreciation, Depletion,			
Amortisation and Impairment	120,942	131,866	113,644
Total Cost & Expenses	1,341,129	1,157,958	942,543
Operating Income Before Interest &Tax	372,260	400,979	347,510
Interest Payment	4,838	4,349	4,377
Profit before Tax and Extraordinary Items	367,422	396,630	343,133
Exceptional item	-	31,405	-
Profit before Tax	367,422	428,035	343,133
Corporate Tax (Net)	127,519	143,746	114,883
Profit after Tax	239,903	284,289	228,250
Share in Associates for the year	38	(11)	30
Profit relating to minority	(2,256)	2,842	3,720
Group Profit after Tax	242,197	281,436	224,560
Profit & Loss Account Balance b/f	179,959	144,332	116,377
Adjustments due to change			
in share holding /other adjustment	61	44	(137)
Transfer to Capital Redemption Reserve	46	46	-
Dividend	81,277	83,416	74,859
Tax on Dividend	13,051	13,611	12,528
Transfer to general Reserve	117,757	144,461	104,773
Transfer to Debenture Redemption Reserve	4,308	4,319	4,308
Retained Earnings For The Year	205,778	179,959	144,332

Statement of Income and Retained Earnings of ONGC Group

(` in million)	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04
REVENUES							
Sales							
Crude Oil	527312	491127	543631	475295	382311	299765	222347
Natural Gas	81405	82835	78560	80117	73383	57759	53508
LPG	21924	22752	20169	14867	16279	12066	16352
Naptha/Aromatic Rich Naptha	47137	48406	43848	37907	35679	29260	22538
Ethane/Propane	10249	9890	9291	9095	7401	5705	4779
Superior Kerosene Oil	3255	16701	10775	15754	10605	16896	2658
HSD	156	61910	48621	42037	23403	29277	85
Motor Spirit	27	11062	9159	4530	3797	6846	0
Others	370250	349257	254297	183064	188892	164217	127037
Price Revision Arrears	0	0	0	11	156	584	3461
Sub- Total	1061715	1093940	1018351	862677	741906	622375	452765
Write Back of Excess Liability				0	0	0	0
Pipeline Revenue	3126	5267	4644	3351	3214	23	24
Other Receipts	17217	9858	12387	23029	11279	6989	11028
Accretion / (Decretion) in stock	3729	(3444)	1101	9815	(545)	1276	1383
Total Revenues	1085787	1105621	1036483	898872	755854	630663	465200
COST & EXPENSES							
Operating, Selling & General							
(a) Royalties	103561	111574	121057	104558	85242	65692	44740
(b) Cess/ Excise Duty	98831	103571	108838	100160	76755	68556	58647
(c) Natural Calamity Contingent Duty - Crude Oil	1062	1081	1127	1149	1080	1138	1117
(d) Sales Tax	3734	7823	2947	6009	10299	17405	12239
(e) Education Cess*	1719	1784	1861	1303	0	0	0
(f) Octroi & Port Trust Charges	4484	4130	4195	3232	2447	3131	2236
(g) VAT	816	800	685	1063	927	410	235
Sub-total (a to g)	213391	229963	240025	216411	175823	155922	118979
Pipeline Operations (Excluding Depreciation)	11967	10725	10343	9122	7732	10320	6095
Other Operating Costs	395726	419425	363729	298380	247526	176647	133279
Exchange Loss/(Gain)	(10671)	11716	1018	(2675)	(463)	203	61
Recouped Costs							
(a) Depletion	62242	55883	49259	46439	34318	27802	25748
(b) Depreciation	20767	21822	27874	29060	28556	10223	10758
(c) Amortisation	104815	81110	62837	46925	41001	35774	29129
(d) Impairment	(433)	(3110)	(437)	1730	(326)	141	162
Sub-Total (a to d)	187391	155705	139533	124154	103549	73940	65797
Total Cost & Expenses	797804	827534	754648	645392	534167	417032	324211
Operating Income Before Interest &Tax	287983	278087	281835	253480	221687	213631	140989
Interest							
-Payments	5564	2386	1135	1906	1597	1644	3785
-Receipts	21995	35336	28510	21147	13312	12635	11557
-Net	(16431)	(32950)	(27375)	(19241)	(11715)	(10991)	(7772)
Profit before Tax and Extraordinary Items	304414	311037	309210	272721	233402	224622	148761
Extraordinary Items- Excess of Insurance Claims over BV	0	658	0	4751	6405	0	0
Profit before Tax	304414	311695	309210	277472	239807	224622	148761
Corporate Tax (Net)	107138	110094	106999	98454	84932	79416	53880
Profit after Tax	197276	201601	202211	179018	154875	145206	94881
Share in Associates for the year	78	99	21	102	107	114	156
Profit relating to minority	3319	3747	3509	1424	1006	1930	1234
Group Profit after Tax	194035	197953	198723	177696	153976	143390	93803
Profit & Loss Account Balance b/f	93335	58990	28795	8848	1	1	0
Adjustments	(21)	-107	0	0	0	0	0
Dividend	70583	68444	68444	66305	64167	57535	34222
Tax on Dividend	11992	12017	12014	10383	9172	8156	4385
Retained Earnings For The Year	204774	176375	147060	109856	80638	77700	55196

Exploration Costs written off towards Survey & Dry Wells have been regrouped from Depreciation, Depletion and Amortization since these represent cash expenditure and are shown as a separate item.

Note:

1. In view of the Notification no. S.O 447(E) dated 28.02.2011, issued by Ministry of Corportae Affairs, the Balance sheet of the Company is mandatorily required to be prepared in Revised Schedule VI w.e.f 1st April 2011 onwrads. Accordingly, the figures of FY 2012-13, 2011-12 and 2010-11 are given as per the requirement of Revised Schedule VI and earlier years figures are as per Old Schedule VI.

Statement of financial position of ONGC Group

(` in million)	As at 31st March, 2013	As at 31st March, 2012	As at 31st March, 2011
RESOURCES			
A. Own			
1. Net Worth			
(a) Equity			
I) Share Capital	42,778	42,778	42,778
ii) Reserves & Surplus	1,482,502	1,321,614	1,110,495
Sub-Total	1,525,280	1,364,392	1,153,273
(b) Less Miscellaneous Expenditure	14,859	11,726	7,961
Net Worth	1,510,421	1,352,666	1,145,312
B. Long-term Borrowings	88,428	52,086	39,771
C. Deferred Tax Liability (Net)	142,251	121,846	111,526
D. Minority Interest	19,467	22,240	19,891
TOTAL RESOURCES (A+B+C+D)	1,760,567	1,548,838	1,316,500
DISPOSITION OF RESOURCES			
A. Non-current assets			
1. Fixed Assets(Net)			
i). Tangible assets	406,745	306,080	266,924
ii) Producing Properties	705,450	608,004	571,896
iii) Intangible assets	1,041	1,364	1,735
Total Block Capital	1,113,236	915,448	840,555
2. Goodwill on consolidation	83,255	77,976	89,928
3. Long-term Loans and Advances(Excluding Capital Advance)	67,351	51,029	58,250
4. Deposit with Bank Under Site Restoration Fund Scheme	106,349	94,753	81,262
5. Other non-current Assets (Excluding DRE)	14,660	20,302	5,619
Subtotal (6)= (1+2+3+4+5)	1,384,851	1,159,508	1,075,614
7. Less Non-current Liabilities			
a. Other Long Term Liabilities	16,225	10,758	9,731
b. Lility for Abandonment Cost	207,255	203,982	198,469
c. Long Term Provisions	45,707	37,758	33,384
Sub total (7)	269,187	252,498	241,584
Net Non Current Asset (A)=(6)-(7)	1,115,664	907,010	834,030
B. Net Working Capital			
1. Current Assets			
i) Inventories	127,804	131,680	85,676
ii) Trade Receivables	153,956	117,181	99,730
iii) Cash & Cash equivalents	196,190	278,914	208,158
iv) Short-term Loans & Advances	53,323	52,210	40,124
v) Others Current Assets (Excluding DRE)	21,274	19,643	5,955
Sub-Total	552,547	599,628	439,643
Less			
2. Current Liabilities			
i) Short-term borrowings	116,081	100,538	20,843
ii) Trade payables	186,189	176,036	155,863
iii) Other current liabilities	170,970	202,917	176,615
iv) Short-term provisions	10,482	23,924	11,085
Sub-Total	483,722	503,415	364,406
Net Working Capital	68,825	96,213	75,237
C. Capital Employed	1,184,489	1,003,223	909,267
D. Investments			
i) Non-current Investments	20,453	20,412	28,920
ii) Current Investments	829	8,795	2,080
E. Capital Works in Progress (Including Capital Advance)	418,379	399,855	273,854
F. Exploratory/Development Wells in Progress	136,417	116,553	102,379
TOTAL DISPOSITION (C+D+E+F)	1,760,567	1,548,838	1,316,500

In view of the Notification no. S.O 447(E) dated 28.02.2011, issued by Ministry of Corportae Affairs, the Balance sheet of the Company is mandatorily required to be prepared in Revised Schedule VI w.e.f 1st April 2011 onwrads. Accordingly, the figures of FY 2012-13, 2011-12 and 2010-11 are given as per the requirement of Revised Schedule VI and earlier years figures are as per Old Schedule VI.

Statement of financial position of ONGC Group

(` in million)	As at 31st March, 2010	As at 31st March, 2009	As at 31st March, 2008	As at 31st March, 2007	As at 31st March, 2006	As at 31st March, 2005	As at 31st March, 2004
RESOURCES							
A. Own							
1. Net Worth							
(a) Equity							
i) Share Capital	21389	21389	21535	21416	14259	14259	14259
ii) Reserves & Surplus	992677	900846	759331	645719	553421	471941	399158
Sub-Total	1014066	922235	780866	667135	567680	486200	413417
(b) Less Deffered Revenue Expenditure	8413	6506	6739	5141	3663	5617	6020
Net Worth	1005653	915729	774127	661994	564017	480583	407397
2. Long Term Liabilities							
Net Deferred Tax Liability	102912	92231	87376	81119	71633	57894	54250
Total Own Funds (1 + 2)	1108565	1007960	861503	743113	635650	538477	461647
B. Minority Interest	16432	14113	11448	8321	7230	6204	4274
C. Outside							
1. Unsecured Loans							
a) Indian Loans	34550	6015	2079	1881	1745	1643	1541
b) Foreign Loans	10260	1492	1458	4526	13181	11718	8431
Total Unsecured Loans	44810	7507	3537	6407	14926	13361	9972
2. Secured Loans	6959	5584	5890	6557	7416	10509	19101
Total Outside Resources	51769	13091	9427	12964	22342	23870	29073
TOTAL RESOURCES (A+ B+C)	1176766	1035164	882378	764398	665222	568551	494994
DISPOSITION OF RESOURCES							
A. Goodwill on consolidation	95385	114039	25777	30616	17103	13683	14591
B. Block Capital							
1. Fixed Assets	243762	184956	193961	185355	138806	116689	117049
2. Producing Properties (Gross)	511665	452980	362714	351741	312639	245554	246708
Less: Lility for Abandonment Cost	174590	171451	129325	151857	128675	80941	80292
Total Block Capital	580837	466485	427350	385239	322770	281302	283465
C. Working Capital							
a) Current Assets							
i) Inventories	82400	65424	72985	58744	49432	43730	35529
ii) Debtors (Net of Provision)	71424	71814	70469	48167	44271	47091	29310
iii) Cash & Bank Balances	149704	156331	186525	150653	45721	66035	64564
iv) Deposit with Bank Under Site Restoration Fund Scheme#	74138	69624	64034	56103	45336	36180	31682
v) Loans & Advances and Others	127998	143953	81332	74738	120683	77192	60835
Sub-Total	505664	507146	475345	388405	305443	270228	221920
Less							
(b) Current Liabilities and Provisions							
and Short Term Loans	312877	334889	235143	185997	132279	134880	114211
Working Capital	192787	172257	240202	202408	173164	135348	107709
D. CAPITAL EMPLOYED	869009	752781	693329	618263	513037	430333	405765
E. INVESTMENTS	51593	34803	44821	35832	35579	26555	30307
F. CAPITAL WORKS IN PROGRESS	176039	165222	86351	64055	76292	87775	13520
G. EXPLORATORY/DEVELOPMENT WELLS IN PROGRESS	80125	82358	57877	46248	40314	23888	45402
TOTAL DISPOSITION	1176766	1035164	882378	764398	665222	568551	494994

Excluded for Current Ratio.

Report of the Auditors to the Board of Directors of Oil and Natural Gas Corporation Limited on the Consolidated Financial Statement of Oil and Natural Gas Corporation Limited, its Subsidiaries, Joint Venture and Associates

1. We have audited the accompanying consolidated financial statements of Oil and Natural Gas Corporation Limited ("the Company") and its subsidiaries, joint ventures and associate (hereinafter referred to as "Group") which comprise the consolidated Balance Sheet as at March 31, 2013, the consolidated Statement of Profit and Loss, and the consolidated Cash Flow Statement for the year then ended, with the summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

5. In our opinion and to the best of our information and according to the explanations given to us and on consideration of the audit reports on the financial statements of the company, its subsidiaries, joint ventures and associates, and certification of management in respect of unaudited accounts referred to in "Other Matters" below, we are of the opinion that the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

a) in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2013;

b) in the case of the consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and

c) in the case of the consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Other Matters

6. The Consolidated Financial Statements include the company's share in the total value of assets, liabilities, expenditure and income of 140 blocks under New Exploration Licensing Policy (NELPs) / Joint Venture (JVs) accounts for exploration and production out of which 8 NELPs /JVs accounts have been certified by other firms of Chartered Accountants and 11 NELP/JVs have been certified by the management in respect of NELPs/ JVs operated by other operators.

7. We did not audit the Consolidated Financial Statements of Mangalore Refinery and Petrochemicals Limited (MRPL), a subsidiary, whose financial statements reflect total assets of `267,928.67 million as at March 31, 2013 and total revenues of `656,496.79 million and cash flows amounting to `(6,257.65) million for the year ended on that date. The Consolidated Financial Statements and other financial information of MRPL has been audited by other auditors whose report has been furnished to us, and our opinion, so far as it relates to the amounts included in respect of this subsidiary is based solely on the report of those auditors.

8. We did not audit the consolidated financial statements of ONGC Videsh Limited (OVL), a subsidiary, whose financial statements reflect total assets of `594,095.28 million as at March 31, 2013 and total revenues of `180,293.09 million and cash flows amounting to `(6,942.58) million for the year ended on that date. These consolidated financial statements and other financial information of OVL has been audited by other auditors whose audit report has been furnished to us, in our opinion, so far as it relates to the amounts included in respect of the above is based solely on the report of those auditors. These consolidated financial statements of OVL comprise of:

(a) consolidated financial statements of the following Subsidiaries/ Joint Venture Companies which are prepared under respective local laws / Production Sharing Contract / Joint Operating Agreement:

(i) Subsidiaries audited by local firm of auditors:

(` in million)

Name of the Subsidiary	Total Assets as at 31.03.2013	Total Liabilities as at 31.03.2013	Total Revenue for the year ended 31.03.2013	Profit/ (loss) after tax for the year ended March 31, 2013 (Consolidated)
ONGC Nile Ganga BV	200,907.85	44,760.16	68,423.23	14,236.30
ONGC Amazon Alaknanda Limited	47,913.68	4,944.48	17,763.31	6,941.75
Imperial Energy Limited (Earlier Jarpeno Limited)	85,444.84	7,828.72	17,948.75	(5,550.91)
Carabobo One AB	8,793.64	1,003.62	-	2.08

(ii) Subsidiaries unaudited, as certified by the Management:

(` in million)

Name of the Subsidiary	Total Assets	Total Liabilities	Total Revenue	Profit/ (loss) after tax for the year ended March 31, 2013 (Consolidated)
ONGC Narmada Limited	95.05	1,749.19	-	(13.36)
ONGC (BTC) Limited	261.28	1,444.55	-	-

(iii) Joint Venture Company unaudited, as certified by the Management:

(` in million)

Name of the Company	Group's Share in Total Assets	Group's Share in Total Liabilities	Group's Share in Revenue	Profit/ (loss) after tax for the year ended March 31, 2013 (Consolidated)
ONGC Mittal Energy Limited	933.10	8,178.03	-	(286.65)

In Respect of:

I. Item no. (i) above so far it relates to amounts included, is based solely on the report of the other auditors, and

II. Item no. (ii) & (iii) above so far it relates to amounts included, is based solely on the financial statements certified by the management.

(b) Group's share of Assets, Liabilities, Revenues and Expenditure in the joint ventures of OVL include 28 projects (as detailed in Note no. 42.4.1 of Consolidated Financial Statements) held in the books of the respective Subsidiaries / Joint Venture Company as mentioned in 8 (a) above, out of which financial statements of 21 projects certified under respective local laws / Production Sharing Contract/ Joint operating Agreement by local audit firms and financial statements of 7 projects certified by the management

9. We did not audit the financial statements of the following Joint Ventures:

(` in million)

Sl. No.	Name of the Joint Venture	Group's share of Total Assets	Group's share of Total Revenue	Group's share of Cash Flows
(a)	Petronet LNG Limited	13,853.53	39,561.44	355.78
(b)	Petronet MHB Limited	1,407.90	296.77	29.14
(c)	Mangalore SEZ Limited (Consolidated Financial Statements)	2,961.05	44.40	208.68
(d)	ONGC Mangalore Petrochemicals Limited	21,089.23	0.14	(1,132.23)
(e)	ONGC Petro Additions Limited	74,790.17	-	(1.36)
(f)	ONGC Tripura Power Company Limited - (Consolidated Financial Statements)	17,967.23	224.33	27.88
(g)	ONGC Teri Biotech Limited	155.25	72.41	(2.17)
(h)	Dahej SEZ Limited	4,718.27	270.43	337.51

a) Financial Statements of the above mentioned Joint Venture companies have been audited by other auditors except for Dahej SEZ Limited and ONGC Tripura Power Company Limited, whose reports have been furnished to us, and our opinion, so far as it relates to the amounts included in respect of these Joint Venture Companies is based solely on the report of those auditors.

b) We have relied on the unaudited financial statements of Dahej SEZ Limited and ONGC Tripura Power Company Limited. These unaudited financial statements as certified by the management have been furnished to us and our report, in so far it relates to the amount included in respect of these Companies is based solely on such certified unaudited financial statements.

10. For the purpose of considering the investment in Pawan Hans Limited, an associate, in the consolidated financial statements, the share of profit for the year ended 31st March, 2013 amounting to `37.94 million, as stated in Note 20.4, based on unaudited accounts has been considered in the current year. We did not audit the financial statements of this associate, and our opinion, so far as it relates to the amounts included in respect of this associate, is based solely on the financial statements certified by the management.

11. We have placed reliance on technical / commercial evaluation by the Management in respect of categorization of wells as exploratory, development and producing, allocation of cost incurred on them, depletion of producing properties on the basis of proved developed hydrocarbon reserves, impairment, liability for abandonment costs, liabilities under NELP for under performance against Minimum Work Programme and allocation of depreciation on process platforms to transportation and facilities.

Our opinion is not qualified in respect of other matters.

For G D Apte & Co.
Chartered Accountants
Firm Reg. No. 100515W

(C. M. Dixit)
Partner (M.No. 017532)

For Varma & Varma
Chartered Accountants
Firm Reg. No. 004532S

(K.M. Sukumaran)
Partner (M. No.015707)

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

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

For Ray & Ray
Chartered Accountants
Firm Reg. No. 301072E

(B.K.Ghosh)
Partner (M. No. 051028)

For Mehra Goel & Co.
Chartered Accountants
Firm Reg. No. 000517N

(R.K.Mehra)
Partner (M.No. 006102)

Date : May 29, 2013

Place : New Delhi

Consolidated Balance Sheet As At 31st March, 2013

(` in million)

	Particulars	Note No.	As at 31st March, 2013	As at 31st March, 2012
I.	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	4	42,777.60	42,777.60
	(b) Reserves and surplus	5	1,482,502.45	1,321,613.70
2	Minority Interest		19,466.49	22,240.07
3	Non-current liabilities			
	(a) Long-term borrowings	6	88,427.49	52,085.83
	(b) Deferred tax liabilities	7	148,490.07	127,258.48
	(c) Other Long term liabilities	8	16,224.42	10,758.24
	(d) Long-term provisions	9	252,962.76	241,739.57
4	Current liabilities			
	(a) Short-term borrowings	10	116,080.84	100,538.21
	(b) Trade payables	11	186,188.99	176,035.87
	(c) Other current liabilities	12	170,970.11	202,916.89
	(d) Short-term provisions	13	10,482.14	23,924.21
	TOTAL		2,534,573.36	2,321,888.67
II.	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	14	406,744.58	306,079.86
	(ii) Producing Properties	15	705,450.04	608,004.37
	(iii) Intangible assets	16	1,041.25	1,364.10
	(iv) Capital work-in-progress	17	397,396.72	380,428.64
	(v) Exploratory/Development Wells in Progress	18	136,416.88	116,552.62
	(b) Goodwill on consolidation	19	83,254.88	77,975.77
	(c) Non-current investments	20	20,452.81	20,411.78
	(d) Deferred tax Asset	7	6,238.89	5,412.05
	(e) Long-term loans and advances	21	88,333.08	70,455.43
	(f) Deposit under Site Restoration Fund Scheme		106,349.19	94,752.87
	(g) Other non-current assets	22	24,702.62	29,421.30
2	Current assets			
	(a) Current investments	23	829.01	8,795.36
	(b) Inventories	24	127,803.87	131,680.10
	(c) Trade receivables	25	153,956.08	117,180.86
	(d) Cash and Cash equivalents	26	196,190.51	278,914.26
	(e) Short-term loans and advances	27	53,322.96	52,209.53
	(f) Other current assets	28	26,089.99	22,249.77
	TOTAL		2,534,573.36	2,321,888.67
	Notes to Financial Statements	1 to 51		

For and on behalf of the Board

(N. K. Sinha)
Company Secretary

(A K Banerjee)
Director (Finance)

(Sudhir Vasudeva)
Chairman & Managing Director

In terms of our report of even date attached

For G D Apte & Co.
Chartered Accountants
Firm Reg. No. 100515W

(C. M. Dixit)
Partner (M.No. 017532)

For Varma & Varma
Chartered Accountants
Firm Reg. No. 004532S

(K.M. Sukumaran)
Partner (M. No.015707)

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

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

For Ray & Ray
Chartered Accountants
Firm Reg. No. 301072E

(B.K.Ghosh)
Partner (M. No. 051028)

For Mehra Goel & Co.
Chartered Accountants
Firm Reg. No. 000517N

(R.K.Mehra)
Partner (M.No. 006102)

New Delhi
May 29, 2013

Consolidated Statement Of Profit And Loss For The Year Ended 31st March, 2013

(` in million)

Particulars	Note No.	2012-13	2011-12
I REVENUE			
Revenue from Operations (Gross)	29	1,658,488.43	1,511,003.25
Less: Excise Duty		34,456.70	38,153.77
Revenue from Operations (Net)		1,624,031.73	1,472,849.48
Other Income	30	54,900.37	47,933.77
Total Revenue		1,678,932.10	1,520,783.25
II EXPENSES			
(Increase)/ Decrease in Inventories	31	(11,205.01)	(4,641.19)
Purchases of stock-in-trade		0.42	-
Production, Transportation, Selling and Distribution Expenditure	32	1,064,235.77	876,086.06
Exploration Costs written off			
- Survey costs		18,077.72	14,946.82
- Exploratory well costs		92,378.82	90,189.41
Depreciation, Depletion, Amortisation and Impairment	33	120,942.32	131,865.36
Finance Costs	34	4,837.97	4,349.10
Provisions and Write-offs	35	22,243.59	11,598.86
Adjustments relating to Prior Period (Net)	36	(1.15)	(240.76)
Total Expenses		1,311,510.45	1,124,153.66
Profit before Exceptional, Extraordinary items and Tax		367,421.65	396,629.59
Exceptional items		-	31,405.47
Profit before Extraordinary items and Tax		367,421.65	428,035.06
Extraordinary items		-	-
Profit before Tax		367,421.65	428,035.06
Tax Expenses			
- Current Tax		112,139.08	140,038.84
- Earlier years		(4,849.02)	(5,967.19)
- MAT Credit		19.34	(9.45)
- Deferred Tax		20,209.62	9,737.89
- Fringe Benefit Tax		-	(54.09)
Profit after Tax		239,902.63	284,289.06
Add: Share of Profit/(Loss) in Associate		37.94	(10.74)
Less: Share of Profit - Minority Interest		(2,255.87)	2,842.16
GROUP PROFIT AFTER TAX		242,196.44	281,436.16
Earning per Equity Share-Basic and Diluted (`) (Face Value ` 5/- per Share)	37	28.31	32.90
Notes to Financial Statements	1 to 51		

For and on behalf of the Board

(N. K. Sinha) Company Secretary	(A K Banerjee) Director (Finance)	(Sudhir Vasudeva) Chairman & Managing Director

In terms of our report of even date attached

For G D Apte & Co. Chartered Accountants Firm Reg. No. 100515W	For Varma & Varma Chartered Accountants Firm Reg. No. 004532S	For S. Bhandari & Co. Chartered Accountants Firm Reg. No. 000560C
(C. M. Dixit) Partner (M.No. 017532)	(K.M. Sukumaran) Partner (M. No.015707)	(P.P.Pareek) Partner (M. No. 071213)
For Ray & Ray Chartered Accountants Firm Reg. No. 301072E	For Mehra Goel & Co. Chartered Accountants Firm Reg. No. 000517N	
(B.K.Ghosh) Partner (M. No. 051028)	(R.K.Mehra) Partner (M.No. 006102)	

New Delhi

May 29, 2013

Consolidated Cash Flow Statement For The Year Ended 31st March, 2013

(` in million)

	Year ended 31st March, 2013		Year ended 31st March, 2012	
A. CASH FLOW FROM OPERATING ACTIVITIES:				
Profit before tax and extraordinary items		367,421.65		428,035.06
Adjustments For:				
- Prior Period Items	(1.15)		(240.76)	
- Depreciation, Depletion and Amortisation & Impairment	120,942.32		131,865.36	
- Exploration Well Costs Written off	92,378.82		90,189.41	
- Interest on Borrowings	4,837.97		4,349.40	
- Foreign Exchange Loss/Translation Adjustment	11,109.43		28,928.53	
- Provision for Employee Benefits	9,508.82		4,462.15	
- Miscellaneous Expenditure written off	0.03		0.30	
- Profit/Loss on sale of fixed assets	27.97		12.84	
- Lease Income (Net)	-		(91.93)	
- Other Provision and Write offs	22,243.59		11,727.65	
- Excess Provision/Liability written Back	(11,002.81)		(1,961.63)	
- Interest Income	(31,218.82)		(34,216.31)	
- Deffered Government Grant	(3.28)		(3.92)	
- Dividend Received	(3,187.34)		(3,641.58)	
- Profit on sale of investment	-		(3.65)	
		215,635.55		231,375.86
Operating Profit before Working Capital Changes		583,057.20		659,410.92
Adjustments for:-				
- Receivables	(44,305.25)		(11,953.27)	
- Loans and Advances	(8,810.72)		(11,737.97)	
- Other Current Assets	(11,757.97)		(43,218.91)	
- Inventories	2,921.88		(46,882.43)	
- Trade Payable and Other Liabilities	50,242.08		43,286.83	
		(11,709.98)		(70,505.75)
Cash generated from Operations		571,347.22		588,905.17
Direct Taxes Paid (Net of tax refund)		(124,257.31)		(127,786.56)
Cash Flow before prior period and Extra ordinary Items		447,089.91		461,118.61
Prior period items		(86.96)		175.59
Net Cash Flow from Operating Activities 'A'		447,002.95		461,294.20
B. CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase of Fixed Assets		(179,608.84)		(191,430.54)
Sale of Fixed Assets		172.44		1,228.36
Acquisition, Exploration and Development Cost		(243,193.21)		(204,259.97)
Purchase of Investments		(825.50)		(29.23)
Sale of Investments		8,791.86		1,838.14
Investment/Advance to Associates and Joint Controlled Entity		263.07		(533.54)
Loans to Public Sector Undertakings and Other Bodies Corporate		83.03		360.94
Foreign Currency Translation Adjustment		704.76		173.93
Deposit in Site Restoration Fund		(11,596.32)		(13,490.40)
Project Development/ Preoperative expenditure (net of advances)		(26,125.67)		(11,045.27)
Dividend Received		3,199.07		3,650.92
Interest Received		36,031.36		29,785.59
Tax paid on Interest Income		-		-
Net Cash Flow from Investing Activities 'B'		(412,103.95)		(383,751.07)

(` in million)

	Year ended 31st March, 2013	Year ended 31st March, 2012
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issue of Share Capital	574.68	(45.93)
Advance Against Equity	1,462.94	152.88
Proceeds from Borrowings	55,962.55	98,146.82
Repayment of Borrowings	(58,640.99)	(6,623.36)
Dividend Paid	(94,960.30)	(73,657.15)
Tax on Dividend	(15,060.42)	(11,551.31)
Interest Paid	(6,870.82)	(5,727.05)
Change in Minority Interest	(93.94)	320.54
Net Cash Flow from Financing Activities 'C'	(117,626.30)	1,015.44
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)	(82,727.30)	78,558.57
Cash and Cash Equivalents as at 1st April, 2012 (Opening Balance) Note 24	278,735.07	200,173.83
Add: Other Adjustments to Cash and Cash Equivalent *	0.23	2.67
	278,735.30	200,176.50
Cash and Cash Equivalents as at 31st March,2013** (Closing Balance) Note 24	196,008.00	278,735.07
	82,727.30	(78,558.57)

*Adjustment on account of increase in shareholding in OPAL & OTPC

Notes:

1. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard-3 on Cash Flow Statements issued by The Institute of Chartered Accountants of India.
2. Cash and Cash equivalent excludes `182.51 million (Previous year `179.19 million) in current account/deposit account of interest warrant/refund accounts, under lien, pledge with banks/Govt. authorities in respect of MRPL.
3. ** Cash and Cash equivalent Includes Fixed deposits of NIL (Previous year `52,380.00 million) pledged to Banks against Short term loan taken from Banks. Also, includes restricted amount of `388.48 million (Previous year `416.87 million) earmarked for payment of unclaimed dividend.
4. Cash Balance includes `3,389.43 million share of jointly controlled entity. (Previous year ` 3,899.08 million)
5. Bracket indicates cash outflow.
6. Previous years figures have been regrouped wherever necessary to conform to current year's classification.

For and on behalf of the Board

(N. K. Sinha) Company Secretary	(A K Banerjee) Director (Finance)	(Sudhir Vasudeva) Chairman & Managing Director

In terms of our report of even date attached

For G D Apte & Co. Chartered Accountants Firm Reg. No. 100515W	For Varma & Varma Chartered Accountants Firm Reg. No. 004532S	For S. Bhandari & Co. Chartered Accountants Firm Reg. No. 000560C
(C. M. Dixit) Partner (M.No. 017532)	(K.M. Sukumaran) Partner (M. No.015707)	(P.P.Pareek) Partner (M. No. 071213)
For Ray & Ray Chartered Accountants Firm Reg. No. 301072E	For Mehra Goel & Co. Chartered Accountants Firm Reg. No. 000517N	
(B.K.Ghosh) Partner (M. No. 051028)	(R.K.Mehra) Partner (M.No. 006102)	

New Delhi
May 29, 2013

Notes to Financial Statements for the year ended 31st March, 2013

1. Group information

Oil and Natural Gas Corporation Limited ('ONGC' or 'the Company') is a public limited company domiciled in India and incorporated under the provisions of Companies Act, 1956. Its Shares are listed and traded on Stock exchanges in India. The Consolidated financial statements relate to the Company, its Subsidiaries, Joint Venture entities and Associate. The Group is mainly engaged in Exploration & Production (E&P) of Oil & Gas in India and abroad including refinery business, Power Generation, Petrochemicals, LNG supply, pipeline transportation, SEZ development and Helicopter services.

2. Significant Group Accounting Policies

2.1 Principles of Consolidation

The Consolidated Financial Statements have been prepared on the following basis: -

i) The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements".

ii) The financial statements of Joint Venture entities are combined by applying proportionate consolidation method on a line by line basis on like items of assets, liabilities, income and expenses after eliminating proportionate share of unrealized profits or losses in accordance with Accounting Standard (AS) 27 - "Financial Reporting of Interests in Joint Ventures".

iii) Investments in Associates are accounted for using equity method in accordance with Accounting Standard (AS) 23 - "Accounting for Investments in Associates in Consolidated Financial Statements".

iv) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate Financial Statements except as otherwise stated.

v) The difference between the cost of investment in the subsidiaries/associates/Joint ventures, and the net assets at the time of acquisition of shares in the subsidiaries/associates/joint ventures is recognized in the Consolidated Financial Statements as Goodwill or Capital Reserve, as the case may be.

vi) Minorities' share in Net Profit/Loss of subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the Net Profit/Loss attributable to the shareholders of the Company.

vii) Minorities' share of Net Assets of subsidiaries is identified and presented in the Consolidated Balance Sheet separately from liabilities and the equity of the Company's shareholders.

viii) In case of foreign subsidiaries and joint ventures, foreign currency transactions are translated as per the provisions of Accounting Standard (AS) 11 - "Accounting for Effects of changes in Foreign Exchange Rates" in the Consolidated Financial Statements.

ix) The difference between the proceeds from disposal of investments in a subsidiary and the carrying amount of its net assets as on the date of disposal is recognized in the Consolidated Statement of Profit and Loss.

2.2 Other significant Accounting Policies

a. Basis of preparation

The financial statements are prepared under the historical cost convention on accrual basis in accordance with Generally Accepted Accounting Principles (GAAP), applying the Successful Efforts Method as per the Guidance Note on Accounting for Oil and Gas Producing Activities issued by the Institute of Chartered Accountants of India and Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 and provisions of the Companies Act, 1956. The financial statements are presented in Indian Rupees and all values are rounded to the nearest million except when otherwise indicated. Since the Operating cycle cannot be identified in normal course due to special nature of industry, the same has been assumed to have duration of 12 months.

b Use of Estimates

The preparation of financial statements requires estimates and assumptions which affect the reported amount of assets, liabilities, revenues and expenses of the reporting period. The difference between the actual results and estimates are recognized in the period in which the results are known or materialized.

Consolidated Accounts for the Year 2012 -13

c. Government Grants

Government Grant related to acquisition of Fixed Assets is treated as deferred income under 'Deferred Government Grant' and amount equal to proportionate depreciation of such assets is credited to Statement of profit & loss.

d. Fixed Assets

d.1 Tangible Assets

d.1.1 Fixed assets are stated at historical cost less accumulated depreciation and impairment. Fixed assets received as donations/gifts are capitalised at assessed values with corresponding credit taken to Capital Reserve.

d.1.2 All costs, net of applicable tax credits, relating to acquisition of fixed assets till the time of bringing the assets to working condition for intended use are capitalised.

d.2 Intangible Assets

Intangible assets are stated at cost of acquisition, net of applicable tax credits, less accumulated amortization and impairment.

e. Exploration, Development and Production Costs

e.1 Acquisition Cost

Acquisition cost of an oil and gas property in exploration and development stage is taken to acquisition cost under the respective category. Such costs are capitalized by transferring to Producing Property when it is ready to commence commercial production. In case of abandonment, such costs are expensed. Acquisition cost of a producing oil and gas property is capitalized as Producing Property.

e.2 Survey Cost

Cost of Survey and prospecting activities conducted in the search of oil and gas are expensed as exploration cost in the year in which these are incurred.

e.3 Exploratory/ Development Wells in Progress

e.3.1 All acquisition costs, exploration costs incurred in drilling and equipping exploratory and appraisal wells, cost of drilling exploratory type stratigraphic test wells are initially capitalised as Exploratory Wells in Progress till the time these are either transferred to Producing Properties on completion as per note no. 2.2.f.4.1 or expensed as exploration cost (including allocated depreciation) as and when determined to be dry or of no further use, as the case may be.

e.3.2 All wells under 'Exploratory Wells in Progress' which are more than two years old from the date of completion of drilling are expensed as exploration cost (including allocated depreciation) except those wells where it could be reasonably demonstrated that the well has proved reserves and the development of the field in which the wells are located has been planned.

e.3.3 All costs relating to Development Wells are initially capitalized as 'Development Wells in Progress' and transferred to 'Producing Properties' on completion as per note no. 2.2.f.4.1 and 2.2.f.4.2.

f.4 Producing Properties

f.4.1 Producing Properties are created in respect of an area/field having proved developed oil and gas reserves, when the well in the area/field is ready to commence commercial production.

f.4.2 Cost of temporary occupation of land, successful exploratory wells which are used for production of oil and gas, all development wells, depreciation on related equipment, facilities and estimated future abandonment costs are capitalised and reflected as Producing Properties.

g Depletion of Producing Properties

Producing Properties are depleted using the "Unit of Production Method". The rate of depletion is computed with reference to an area covered by individual lease/license/asset/amortization base by considering the proved developed reserves and related capital costs incurred including estimated future abandonment costs. In case of acquisition cost, Producing Properties is depleted by considering the proved reserves. These reserves are estimated annually by the Reserve Estimates Committee of the Company, which follows the International Reservoir Engineering Procedures.

h Production Costs

Production costs include pre-well head and post-well head expenses including depreciation and applicable operating costs of support equipment and facilities.

i Side tracking

i.1 The cost of abandoned portion of side tracked exploratory wells is expensed as 'Exploratory Well Cost'.

i.2 The cost of abandoned portion of side tracked development wells is considered as part of cost of development wells.

i.3 The cost of sidetracking in respect of existing producing wells is capitalized if it increases the proved developed reserves otherwise, expensed as 'Workover Expenditure'

j Impairment

Producing Properties, Development Wells in Progress (DWIP) and Fixed Assets (including Capital Works in Progress) of a "Cash Generating Unit" (CGU) are reviewed for impairment at each Balance Sheet date. In case, events and circumstances indicate any impairment, recoverable amount of these assets is determined. An impairment loss is recognized, whenever the carrying amount of such assets exceeds the recoverable amount. The recoverable amount is its 'value in use' or 'net selling price' (if determinable) whichever is higher. In assessing value in use, the estimated future cash flows from the use of assets and from its disposal at the end of its useful life are discounted to their present value at appropriate rate.

An impairment loss is reversed if there is change in the recoverable amount and such loss either no longer exists or has decreased. Impairment loss / reversal thereof is adjusted to the carrying value of the respective assets, which in case of CGU, is allocated to its assets on a pro-rata basis. Subsequent to impairment, depreciation is provided on the revised carrying value of the assets over the remaining useful life.

k Abandonment Cost

k.1 The full eventual estimated liability towards costs relating to dismantling, abandoning and restoring offshore well sites and allied facilities are recognized in respective assets when the well is complete / facilities are installed.

k.2 The full eventual estimated liability towards costs relating to dismantling, abandoning and restoring onshore well sites are recognized when the well is complete. Cost relating to dismantling, abandoning and restoring its allied facilities are accounted for in the year in which such costs are incurred as the salvage value is expected to take care of the abandonment costs. The abandonment cost on dry well is expensed as exploratory well cost.

k.3 Provision for abandonment cost is updated based on the technical assessment at current costs.

l Joint Ventures

The Company has Joint Ventures in the nature of Production Sharing Contracts (PSC) with the Government of India/other countries and various bodies corporate for exploration, development and production and other activities.

l.1 The company's share in the assets and liabilities along with attributable income, and expenditure, of the Jointly Controlled Assets is merged on line by line basis with the similar items in the Financial Statements of the Company and adjusted for depreciation, depletion, survey, dry wells, abandonment, impairment and sidetracking in accordance with the accounting policies of the Company.

l.2 Consideration for the right to participate in operations recoverable from new Joint Venture Partners are :

I) Reduced from respective capitalized cost wherever applicable

ii) Reduced from current expenditure to the extent it relates to current year.

iii) Balance is considered as miscellaneous receipts.

l.3 The hydrocarbon reserves in such areas are taken in proportion to the participating interest of the Company.

m. Investments

Long-term investments are valued at cost. Provision is made for any diminution, other than temporary, in the value of such investments.

Current Investments are valued at lower of cost and fair value.

Consolidated Accounts for the Year 2012 -13

n. Inventories

n.1 Finished goods (other than Sulphur) and stock in pipelines/tanks and carbon credits are valued at Cost or net realisable value whichever is lower. Cost of Finished goods is determined on absorption costing method. Sulphur is valued at net realisable value. The value of inventories includes excise duty, royalty (wherever applicable) but excludes cess.

n.2 Crude oil in unfinished condition in flow lines upto Group Gathering Stations/platform and Natural Gas in Pipelines are not valued.

n.3 Inventory of stores and spare parts is valued at Weighted Average Cost or net realisable value, whichever is lower. Provisions are made for obsolete and non-moving inventories.

n.4 Raw material and Stock in Process is valued at lower of cost or net realizable value. Crude oil as raw material is valued based on First in First Out (FIFO) cost and LNG as raw material is valued on weighted average cost. Cost of Stock in Process comprise of raw material cost and proportionate Conversion cost.

n.5 Unserviceable and scrap items, when determined, are valued at estimated net realizable value.

o. Revenue Recognition

o.1 Revenue from sale of products is recognized on transfer of custody to customers. Any difference as of the reporting date between the entitlement quantity minus the quantities sold in respect of crude oil (including condensate), if positive (i.e. under lift quantity) the proportionate production expenditure is treated as prepaid expenses and, if negative (i.e. over lift quantity), a liability for the best estimate of the Company's proportionate share of production expenses as per the Joint Operating Agreement / Production Sharing Agreement is created in respect of the quantity of crude oil to be foregone in future period towards settlement of the over-lift quantity of crude oil with corresponding charge to statement of Profit & Loss.

o.2 Any payment received in respect of short lifted gas quantity for which an obligation exists to supply such gas in subsequent periods is recognized as Deferred Revenue in the year of receipt. The same is recognized as revenue in the year in which such gas is actually supplied for the quantity supplied or in the year in which the obligation to supply such gas ceases, whichever is earlier.

o.3 Sale of crude oil and gas (net of levies) produced from Exploratory Wells in Progress is deducted from expenditure on such wells.

o.4 Sales are inclusive of all statutory levies except Value Added Tax (VAT). Any retrospective revision in prices is accounted for in the year of such revision.

o.5 Revenue in respect of fixed price contracts is recognized for the quantum of work done on the basis of percentage of completion method. The quantum of work done is measured in proportion of cost incurred to date to the estimated total cost of the contract or based on reports of physical work done.

o.6 Finance income in respect of assets given on finance lease is recognized based on a pattern reflecting a constant periodic rate of return on the net investment outstanding in respect of the finance lease.

o.7 Revenue in respect of the following is recognized when there is reasonable certainty regarding ultimate collection:

a. Short lifted quantity of gas

b. Gas pipeline transportation charges

c. Reimbursable subsidies and grants

d. Surplus from Gas Pool Account

e. Interest on delayed realization from customers

f. Liquidated damages from contractors/suppliers

p. Depreciation and Amortization

p.1 Depreciation on fixed assets is provided for under the written down value method in accordance with the rates specified in Schedule XIV to the Companies Act, 1956.

p.2 Depreciation on additions/deletions during the year is provided on pro rata basis with reference to the date of additions/deletions except items of Plant and Machinery used in wells with 100% rate of depreciation and low value items not exceeding ` .5,000/- which are fully depreciated at the time of addition.

p.3 Depreciation on subsequent expenditure on fixed assets arising on account of capital improvement or other factors is provided for prospectively.

Depreciation on refurbished/revamped assets which are capitalized separately is provided for over the reassessed useful life at rates which are not less than the rates specified in Schedule XIV to the Companies Act, 1956.

p.4 Depreciation on fixed assets (including support equipment, facilities and those taken on lease) used for exploratory/ development drilling and on production facilities is initially capitalised as part of drilling cost or producing properties and expensed/depleted as stated in note no 2.2.f & 2.2.g above. Depreciation on equipment/ assets deployed for survey activities is charged to Statement of Profit and Loss.

p.5 Leasehold land is amortized over the lease period except perpetual leases.

p.6 Intangible assets are amortized on Straight Line Method (SLM) over the useful life not exceeding ten years from the date of capitalization.

q. Foreign Exchange Transactions

q.1 Foreign currency transactions on initial recognition in the reporting currency are accounted for at the exchange rates prevailing on the date of transaction.

q.2 At each Balance Sheet date, foreign currency monetary items are translated using the mean exchange rates prevailing on the balance sheet date and non-monetary items are translated using the exchange rate prevailing on the date of transaction or on the date when the fair value of such item was determined.

q.3 The loss or gain thereon and also the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expense and adjusted to the statement of profit & loss except where such liabilities and /or transactions relate to fixed assets/ projects and these were incurred/ entered into before 1.4.2004; in which case, these are adjusted to the cost of respective fixed assets.

q.4 In respect of the Company's integral foreign operations:

q.4.1 The foreign currency transactions on initial recognition in the reporting currency are recorded following the note no 2.2.q.1. For practical reasons, the average exchange rate of the relevant month is taken for the transactions of the month in respect of joint venture operations, where actual date of transaction is not available.

q.4.2 At each Balance Sheet date, monetary and non-monetary items are translated following the policy stated in note no. 2.2.q.2.

q.4.3 All exchange differences are treated following the policy stated in note no.2.2.q.3.

q.5 The financial statements of the non-integral foreign operations of the company are incorporated in the financial statements using the following principles:

q.5.1 The assets and liabilities, both monetary and non-monetary, of the non-integral foreign operation are translated at the average of the exchange rate prevailing on the date of the balance sheet;

q.5.2 Income and expense items of the non-integral foreign operation are translated at the average exchange rates for the period to which the financial statements relate;

q.5.3 The resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment in the non-integral foreign operation.

q.5.4 Exchange differences arising on the company's net investment in a non-integral foreign operation are accumulated in a foreign currency translation reserve until the disposal of such investment, at which time they are recognized as income or as expenses.

q.6 In the case of forward exchange contracts, the premium or discount arising at the inception of such contracts, is amortised as income or expense over the life of the contract as well as exchange difference on such contracts, i.e. difference between the exchange rate at the reporting / settlement date and the exchange rate on the date of inception / the last reporting date, is recognized as income / expense for the period.

Forward exchange contracts other than those covered under -Accounting Standard-11 on The effect of Changes in Foreign Exchange Rates, are marked to market basis at the reporting date and the losses are charged to statement of Profit & Loss. Unrealized gains are ignored.

Consolidated Accounts for the Year 2012 -13

r. Employee Benefits

r.1 All short term employee benefits are recognized at their undiscounted amount in the accounting period in which they are incurred.

r.2 Employee Benefit under defined contribution plans comprising provident fund etc. is recognized based on the undiscounted amount of obligations of the company to contribute to the plan. The same is paid to a fund administered through a separate trust.

r.3 Employee benefits under defined benefit plans comprising of gratuity, leave encashment, compensated absences, post-retirement medical benefits and other terminal benefits are recognized based on the present value of defined benefit obligation, which is computed on the basis of actuarial valuation using the Projected Unit Credit Method. Actuarial Liability in excess of respective plan assets is recognized during the year. Actuarial gains and losses in respect of post-employment and other long-term benefits are recognized in the statement of profit & loss.

s. Voluntary Retirement Scheme

Expenditure on Voluntary Retirement Scheme (VRS) is charged to statement of profit & loss when incurred.

t. General Administrative Expenses

General administrative expenses of Assets, Basins & Services which are identifiable are allocated to activities and the balance is charged to statement of profit & loss. Such expenses relating to Headquarter is charged to statement of profit & loss.

u. Insurance claims

The company accounts for insurance claims as under :-

u.1 In case of total loss of asset, by transferring either the carrying cost of the relevant asset or insurance value (subject to deductibles), whichever is lower under the head "Claims Recoverable-Insurance" on intimation to Insurer. In case insurance claim is less than carrying cost, the difference is charged to statement of profit & loss Account.

u.2 In case of partial or other losses, expenditure incurred/payments made to put such assets back into use, to meet third party or other liabilities (less policy deductibles) if any, are accounted for as "Claims Recoverable-Insurance". Insurance Policy deductibles are expensed in the year the corresponding expenditure is incurred.

u.3 As and when claims are finally received from insurer, the difference, if any, between Claims Recoverable-Insurance and claims received is adjusted to statement of profit & loss.

v. Research Expenditure

Revenue expenses on Research are charged to statement of profit & loss, when incurred.

w. Taxes on Income

Provision for current tax is made as per the provisions of the Income Tax Act, 1961/other applicable tax laws. Deferred Tax Liability / Asset resulting from 'timing difference' between book profit and taxable profit is accounted for considering the tax rate and laws that have been enacted or substantively enacted as on the Balance Sheet date. Deferred Tax Asset is recognized and carried forward only to the extent that there is reasonable certainty that the asset will be realized in future.

x. Borrowing Costs

Borrowing Cost specifically identified to the acquisition or construction of qualifying assets is capitalized as part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to statement of profit & loss.

y. Rig Days Costs

Rig movement costs are booked to the next location drilled/planned for drilling. Abnormal Rig days' costs are considered as unallocable and charged to statement of profit & loss.

z. Unamortized Expenditure

z.1 Dry docking charges of Rigs/ Multipurpose Supply Vessels (MSVs), Geo Technical Vessels (GTVs), Well Stimulation Vessels, Offshore Supply Vessels (OSVs), Rig/equipment mobilization expenses and other related expenditure are amortized over the period of use not exceeding five years and balance is carried under head "Unamortized Expenditure" in the balance sheet..

za Transportation Costs

Transportation Costs in respect of the quantity of gas short transported, for which the right exists to transport such gas in subsequent periods at no charge, is treated as Deferred Expenditure in the year of payment. The same is treated as cost in the year in which the gas is actually transported for the quantity transported or in the year in which the right to transport such gas ceases, whichever is earlier.

zb. Lease

zb.1 Assets given on Lease:

zb.1.1 Assets given on finance lease are accounted for as per Accounting Standard (AS) 19 "Leases". Such assets are included as a receivable at an amount equal to the net investment in the lease.

zb.1.2 Initial direct costs incurred in respect of finance leases are recognised in the statement of profit and loss in the year in which such costs are incurred.

zb.2 Assets taken on Lease

zb.2.1 Assets taken on finance lease are capitalized and recognised at the lower of the fair value of the asset and the discounted value of the minimum lease installments. The lease payments are bifurcated into repayment and interest components, based on a fixed interest rate and installment as derived from the underlying agreement. The lease commitments are carried under liabilities exclusive of interest. The interest component is recognised in the statement of profit & loss in accordance with the lease installments.

zb.2.2 Assets acquired on lease where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the statement of profit & loss on accrual basis.

zc Claims

Claims/Surrenders on/to Petroleum Planning and Analysis Cell, Government of India are booked on 'in principle acceptance' thereof on the basis of available instructions/clarifications subject to final adjustments, as stipulated. All other claims and provisions are booked on the merits of each case.

zd Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Assets are neither recognized nor disclosed in the financial statements. Contingent liabilities are disclosed by way of notes to accounts.

ze Accounting for derivatives

Accounting for Derivatives, other than those covered under Accounting Standard (AS) 11, is done on marked to market basis and the losses are charged to statement of Profit & Loss. Unrealized gains are ignored.

zf Goodwill on Consolidation

Goodwill arising on Consolidation of Companies having Hydrocarbon reserves is amortized based on "Unit of Production Method" considering the related Proved Reserves. Other goodwill on consolidation is not amortized

3. The consolidated financial statements represent consolidation of accounts of "Oil and Natural Gas Corporation Limited", its subsidiaries, Joint ventures entities and associates as detailed below:-

SI No.	Name of the Subsidiaries/ Joint Venture and Associates	Country of Incorporation	Proportion of Ownership Interest As on 31.03.13		Status of Audit as on
			31.03.2013	31.03.2012	31.03.2013
A.	Subsidiaries				
1	ONGC Videsh Limited (OVL)	India	100%	100%	Audited
1.1	ONGC Nile Ganga B.V. (ONGBV)	The Netherlands	Class A and Class B 100%	Class A and Class B 100%	Audited
1.1 (i)	ONGC Campos Ltda.	Brazil	100%	100%	Audited
1.1 (ii)	ONGC Nile Ganga (Cyprus) Ltd.	Cyprus	100%	100%	Audited
1.1 (iii)	ONGC Nile Ganga (San Cristobal) B.V.	The Netherlands	100%	100%	Audited
1.1 (iv)	ONGC Satpayev E&P B.V.	The Netherlands	100%	100%	Audited
1.1 (v)	ONGC Caspian E&P B.V.	The Netherlands	100%	100%	Audited
1.2	ONGC Nile Ganga B.V. (ONGBV)	The Netherlands	Class C 55% direct (balance 45% held by OMEL)	Class C 55% direct (balance 45% held by OMEL)	Audited
1.3	ONGC Narmada Limited (ONL)	Nigeria	100%	100%	Unaudited
1.4	ONGC Amazon Alaknanda Limited (OAAL)	Bermuda	100%	100%	Audited
1.5	Jarpeno Limited*	Cyprus	100%	100%	Audited
1.5 (i)	Imperial Energy Tomsk Limited	Cyprus	100%	85%	Audited
1.5 (ii)	Imperial Energy (Cyprus) Limited	Cyprus	100%	100%	Audited
1.5(iii)	Imperial Energy Nord Limited	Cyprus	100%	100%	Audited
1.5(iv)	RK Imperial Energy (Kostanai) Limited	Cyprus		100%	Audited
1.5(v)	Freshspring Investments Limited	Cyprus	100%	100%	Audited
1.5 (vi)	Nefsilius Holdings Limited	Cyprus	100%	100%	Audited
1.5(vii)	Biancus Holdings Limited	Cyprus	100%	100%	Audited
1.5(viii)	Redcliffe Holdings Limited	Cyprus	100%	100%	Audited
1.5 (ix)	Imperial Energy Gas Limited	Cyprus	100%	100%	Audited
1.5(x)	Imperial Frac Services (Cyprus) Limited	Cyprus	100%	100%	Audited
1.5 (xi)	San Agio Investments Limited	Cyprus	100%	100%	Audited
1.5(xii)	LLC Sibinterneft (**)	Russia	47.52%	47.52%	Audited
1.5(xiii)	LLC Allianceneftegaz	Russia	100%	100%	Audited
1.5 (xiv)	LLC Nord Imperial	Russia	100%	100%	Audited
1.5(xv)	LLC Imperial Trans service	Russia	100%	100%	Audited
1.5(xvi)	LLC Rus Imperial Group	Russia	100%	100%	Audited
1.5(xvii)	LLC Stratum	Russia	100%	100%	Audited
1.5(xviii)	LLC Imperial Frac Services	Russia	50%	50%	Audited
1.6	Carabobo One AB	Sweden	100%	100%	Audited
1.6(i)	Petro Carabobo Ganga B.V.	The Netherlands	100%	100%	Audited
1.7	ONGC BTC Ltd	Cayman Islands	100%	-	Unaudited
2.	Mangalore Refinery and Petrochemicals Ltd. (MRPL)	India	71.63%	71.63%	Audited
B.	Joint Venture Entities				
1.	Petronet LNG Limited (PLL)	India	12.50%	12.50%	Audited
2.	Petronet MHB Ltd (PMHBL)	India	28.77%	28.77%	Audited
3.	Mangalore SEZ Ltd (MSEZ) (note 3.1)	India	26.46%	26.46%	Audited
4.	ONGC Mangalore Petrochemicals Ltd. (OMPL) (note 3.2)	India	48.15%	48.15%	Audited
5.	ONGC Petro Additions Ltd. (OPaL)	India	49%	41.93%	Audited
6.	ONGC Tripura Power Company Ltd. (OTPC)	India	49.52%	49.52%	Unaudited
7.	ONGC Teri Biotech Ltd. (OTBL)	India	49.98%	49.98%	Audited
8.	Dahej SEZ Limited (DSEZ)	India	50.00 %	50.00 %	Unaudited
9.	ONGC Mittal Energy Limited (OMEL) (through OVL)	Cyprus	49.98%	49.98%	Unaudited
10.	Shell MRPL Aviation Fuels & Services Pvt. Limited (SMASL)(through MRPL)	India	50%	50%	Audited
11.	North East Transmission Company Ltd. (NETC) (through OTPC)	India	30.00%	32.36%	Unaudited
12.	Mangalore STP Limited (through MSEZ)	India	69.99%	69.99%	Audited
C.	Associates				
1.	Pawan Hans Ltd. (PHL) (Note 3.3)	India	49.00 %	49.00%	Unaudited

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for the Year 2012 -13

(*) Jarpeno Limited has been rechristened as Imperial Energy Limited with effect from 19th April 2013.

(**) Although the Company has 47.52 per cent effective ownership interest, it has 55.9 per cent of voting rights in LLC Sibinterneft. LLC Sibinterneft is therefore a subsidiary of the Company, in accordance with the Companies Act, 1956 of India and included in consolidation of accounts accordingly.

3.1 Includes holding of 0.96% by OMPL.

3.2 Includes holding of 3% by MRPL

3.3 During the year 2012-13, name of Associate company "Pawan Hans Helicopters Limited (PHHL)" has got changed to "Pawan Hans Limited (PHL)"

3.4 In view of different sets of environment/prevalent laws in respect of respective countries in which the subsidiaries /JV are operating, the accounting policies followed (for treatment of depreciation of Tangible Assets, sales revenue and royalty etc) by the subsidiaries/JVs are different from the accounting policies of the Company. Such different accounting policies have been adopted and is disclosed in Note no. 9.2,14.2,14.3 14.5, 16.1(c), 16.2, 16.3, 17.1(c),17.1(d), 17.1(e), 17.1(f), 17.1(g), 24.3, 28.2, 29.10, 29.11 & 29.12, 32.2 & 49.

4. Share Capital

(` in million)

	As at 31st March, 2013	As at 31st March, 2012
Authorised:		
30,000,000,000 Equity Shares of ` 5 each (Previous Year 30,000,000,000 Equity Shares of ` 5 each)	150,000.00	150,000.00
Issued and Subscribed:		
8,555,528,064 Equity Shares of ` 5 each (Previous Year 8,555,528,064 Equity Shares of ` 5 each)	42,777.64	42,777.64
Paid up:		
8,555,490,120 Equity Shares of ` 5 each (Previous Year 8,555,490,120 Equity Shares of ` 5 each)	42,777.45	42,777.45
Add: Shares forfeited	0.15	0.15
Total	42,777.60	42,777.60

4.1 Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March, 2013		As at 31st March, 2012	
	No in million.	` in million	No in million.	` in million
Outstanding at the beginning of the year	8,555.49	42,777.45	8,555.49	42,777.45
Changes during year	-	-	-	-
Outstanding at the end of the year	8,555.49	42,777.45	8,555.49	42,777.45

4.2 Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of ` 5 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

4.3 Details of shareholders holding more than 5% shares in the company are as under:-

Name of Share Holder	As at 31st March, 2013		As at 31st March, 2012	
	No in million.	% holding	No in million.	% holding
President of India	5,922.55	69.23	5,922.55	69.23
Life Insurance Corporation of India	662.85	7.75	664.45	7.76
Indian Oil Corporation Limited	657.92	7.69	657.92	7.69

4.4 Pursuant to the approval of the members dated 28.01.2011, during the financial year 2010-11, one equity share having face value of ` 10/- each had been sub-divided into two equity shares of ` 5/- each and bonus shares in proportion of one new equity bonus share of ` 5/- each for every one fully paid up equity share of ` 5/- each held on 09.02.2011 (record date) had been allotted. The company has issued total 4,277.75 million equity shares of face value of ` 5 each issued as fully paid up by way of bonus shares during the period of five years immediately preceding the reporting date.

4.5 Shares reserved for issue under option : Nil (previous year Nil)

5. Reserves and Surplus

(` in million)

	As at 31st March, 2013		As at 31st March, 2012	
Capital Reserve (Note 5.1)				
a) As per last Balance Sheet	1,104.97		1,008.91	
b) Addition/(deduction) during the year	49.08	1,154.05	96.06	1,104.97
Capital Redemption Reserve(Note 5.3)				
a) As per Last Balance Sheet	46.02		0.09	
b) Add: Transferred from P&L Account	45.93	91.95	45.93	46.02
Securities Premium Account				
a) As per last Balance Sheet	144.33		144.33	
b) Less: Bonus Share issued	-	144.33	-	144.33
Debenture Redemption Reserve (note no. 5.4)				
a) As per Last Balance Sheet	9,781.27		5,461.83	
b) Add: Transferred from Surplus Account	4,307.64	14,088.91	4,319.44	9,781.27
Deferred Government Grant (Note 2.2.c)				
a) As per last Balance Sheet	30.82		34.73	
b) Addition during the year	-		-	
c) Less: Deduction during the year	3.29	27.53	3.91	30.82
Foreign Exchange Translation Reserve (Note 5.5)				
a) As per Last Balance Sheet	24,639.98		(1,933.82)	
b) Addition/(deletion)	12,914.35	37,554.33	26,573.80	24,639.98
General Reserve				
a) As per last Balance Sheet	1,105,907.56		961,447.07	
b) Add: Transferred from Surplus Accounts	117,756.67		144,460.49	
c) Less: Bonus Share issued	-	1,223,664.23	-	1,105,907.56
Surplus				
a) As per last Balance Sheet	179,958.75		144,331.72	
b) Add: Transferred from Statement of Profit and Loss	242,196.44		281,436.16	
c) Add: Adjusment due to change in holding/other adjustment	60.76		43.82	
d) Less: Proposed Dividend	4,277.75		17,111.01	
e) Less: Interim Dividend	76,999.41		66,305.10	
f) Less: Tax on Dividend	13,051.43		13,610.98	
g) Less: Transfer to Capital Redemption Reserve	45.93		45.93	
h) Less: Transfer to Debenture redemption Reserve	4,307.64		4,319.44	
I) Less: Transferred to General Reserve	117,756.67	205,777.12	144,460.49	179,958.75
Total		1,482,502.45		1,321,613.70

5.1 Includes ` 159.44 million (previous year ` 159.44 million) being assessed value of assets received as gift and ` 4.18 million (previous year ` 4.18 million) being Capital Reserve on Consolidation.

5.2 The Board of Directors has recommended a final dividend of ` 0.50 per share which is subject to the approval of the shareholders in the ensuing Annual General Meeting over and above the interim dividend of ` 9.00 (Previous year ` 7.75) per share.

5.3 In respect of subsidiary, MRPL, Capital redemption Reserve on redemption of Preference share capital is of ` 91.86 Million (previous year ` 45.93 Million).

5.4 Debenture Redemption Reserve: -

In respect of subsidiary company OVL, Debenture redemption reserve has been created as follows:

(` in million)

Particulars	Balance as on 31st March, 2012	Additions	Balance as on 31st March, 2013
8.54 % 10 Years Unsecured Non Convertible Redeemable Bonds in the nature of Debentures- Series II	826.73	369.80	1,196.53
8.40 % 5 Years Unsecured Non Convertible Redeemable Bonds in the nature of Debentures- Series I	8,954.54	3,937.84	12,892.38
Total	9,781.27	4,307.64	14,088.91

5.5 Foreign Currency Translation Reserve:

The subsidiary, ONGC Videsh Limited has followed the Accounting Standard (AS) 11 - Effects of Changes in Foreign Exchange Rates (revised 2003) for incorporating in the consolidated financial statements following the principles for translation of the financial statements of Non-integral Foreign Operation. Accordingly, the resulting exchange gain of ` 12,914.34 million (Previous Year ` 26,573.80 million) has been accounted as foreign currency translation reserve.

5.6 Reserve and Surplus includes ` (-) 3,530.20 million shares of jointly controlled entities. (Previous Year ` (-) 3,868.88 million)

6. Long-term borrowings

(` in million)

	As at 31st March, 2013		As at 31st March, 2012	
A. Secured				
(a) Zero Coupon Bond (note no. 6.2.1)	27.29		91.04	
(b) Term Loan				
- From Banks	38,371.79		3,921.04	
- From Others	14,040.84	52,439.92	10,455.77	14,467.85
B. Unsecured				
(a) Non Convertible Redeemable Bonds (note 6.3.1)	23,400.00		23,400.00	
(b) Term Loan				
- Bank	-		3,969.78	
- From Others	7,000.00		4,000.00	
(c) Long Term maturity of Finance Lease (Note 41.2)	2,759.08		3,124.98	
(d) Non - Recourse deferred credit (Note 6.3.3)	134.98		380.60	
(e) Sales Tax Deferment Loan (Note no.6.3.5)	2,693.51	35,987.57	2,742.62	37,617.98
Total Long Term Borrowing (A+B)		88,427.49		52,085.83

6.1 Long Term borrowing includes ` 36,146.92 million share of jointly controlled entities (Previous Year ` 15,861.13 million)

6.2 Secured Loan

6.2.1 Zero coupon bond (ZCB): The Joint Venture, PMHBL has issued Zero Coupon Bonds to Lenders as per Corporate Debt Restructuring (CDR) Approved Scheme, repayable in 36 quarterly installments commencing from Sept 2006 and ending on June 2015. The ZCBs are secured by first mortgage on Immovable Properties, present & future, first charge on movable properties, present & future and charge on all receivables from the project on pari passu basis. Balance outstanding as on 31st March 2013 is ` 94.88 million (previous year ` 316.48 million) out of which Group's share is ` 27.29 million (Previous year ` 91.04 million)

6.2.2 The Subsidiary, MRPL has external commercial borrowing (ECB) of ` 16,293.00 million (previous year ` 2,576.50 million), secured by first pari passu Charge over immovable and movable fixed assets both present and future. Charge/security is in the process of being created. The interest rate for ECB ranges from LIBOR plus 2.54% to LIBOR plus 3.75 % p.a, to be repaid by 2018-19.

6.2.3 The Joint Venture, PLL has outstanding loan from Banks, secured by first ranking mortgage and first charge on pari passu basis on all movable and immovable properties, both present and future including current assets except on trade receivables on which second charge is created on pari passu basis at an average interest rate of 10.41% p.a as applicable on 31st march, 2013. Balance outstanding as on 31st March 2013 is ` 10,941.10 million (previous year ` 10,756.30 million) out of which group's share is ` 1,367.64 million (Previous year ` 1,344.54 million)

6.2.4 The joint venture, OMPL has external commercial borrowing (ECB) arrangement from consortium of bank for USD 250 million (previous year nil) with bank at interest rate "LIBOR+3.13%", secured by first charge on all fixed asset and second charge of the current assets. Balance outstanding as on 31st March 2013 is ` 13,597.50 million (previous year ` nil) out of which group's share ` 6,547.05 million (Previous year ` nil)

6.2.5 The joint venture, OMPL has borrowed rupee term loan from consortium of Banks at the interest rate "SBI base rate+1.25%" secured by first charge on all fixed asset and second charge of the current assets. Balance outstanding as on 31st March 2013 is ` 10,000.00 million (previous year ` nil) out of which group's share ` 4,814.89 million (Previous year ` nil).

6.2.6 The joint venture, OPaL has borrowed term loan from consortium of Banks at the interest rate "SBI base rate+spread 1.00%" secured by first ranking pari passu mortgage / charge on immovable and movable properties and asset both present and future and second ranking pari passu charge on the current assets. Balance outstanding as on 31st March 2013 is ` 16,740.00 million (previous year ` nil) out of which group's share ` 8,202.60 million (Previous year ` nil).

6.2.7 The joint venture, MSEZ has term loan from consortium of Banks at the interest rate "base rate+agreed spread (i.e. at 11.50%) " secured by mortgage and hypothecation of immovable and movable assets repayable in 36 unequal quarterly instalment commencing after moratorium period of 6 month from commercial operation date. Balance outstanding as on 31st March 2013 is ` 4,333.00 million (previous year ` nil) out of which group's share ` 1,146.61 million (Previous year ` nil)

6.2.8 The Joint Venture, OTPC has outstanding loan from Power Finance Corporation Limited, secured by, first rank pari-passu charge on all immoveable properties, present and future, relating to the project and first charge by way of hypothecation on all moveable properties, present and future, relating to project and first charge on all the receivables, Letter of credit and Escrow Account. Balance outstanding as on 31st March 2013 is ` 24,252.29 million (previous year ` 16,424.54 million) out of which group's share is ` 12,010.70 million (Previous year ` 8,132.61 million)

6.2.9 The Joint Venture, PLL has external commercial borrowings (ECB) of from International Finance Corporation Washington D.C., USA Proparco, France, Asian Development Bank are borrowed at an average cost of 8.61% p.a (inclusive of hedge cost) and loan from Bajaj Allianze (indian lenders) carry average interest rate of 10.41% p.a as applicable as on 31st March 2013. The Joint Venture, PLL has entered into derivative contract to hedge the loan including interest. Balance outstanding as on 31st March 2013 is `16,241.10 million (previous year ` 18,585.30 million) out of which group's share ` 2030.14 million (Previous year `2,323.16 million)

6.3 Unsecured Loan

6.3.1 Non-convertible redeemable bonds:

During the financial year 2009-10, the subsidiary, OVL, had raised funds from the financial markets by issuance of non-convertible redeemable bonds in the nature of debentures as follows:

Particulars	Amount (` in million)	Date of issue	Date repayable on
8.54 % 10 Years Unsecured Non-Convertible Redeemable Bonds in the nature of Debentures- Series II	3,700.00	6-Jan-10	6-Jan-20
8.40 % 5 Years Unsecured Non-Convertible Redeemable Bonds in the nature of Debentures- Series I	19,700.00	23-Dec-09	23-Dec-14
Total	23,400.00		

The above securities have been listed in National Stock Exchange of India Ltd. (NSE). Further the Company is required to maintain 100% asset cover as per SEBI guidelines. There is no put / call option.

6.3.2 The Subsidiary, MRPL has unsecured term loan from Oil Industry Development Board (OIDB) of ` 7,000.00 million (previous year ` 4,000.00 million). The interest rates are 8.89 %, 9.04%, 8.73% and 8.98% on ` 3,650.00 million, ` 350.00 million `1,250.00 million and ` 2750.00 million respectively, repayment up to 2017-18.

6.3.3 The Subsidiary, OVL has unsecured non-recourse deferred credit ` 944.87 million (Previous Year ` 888.06 million), from contractors of pipeline project executed in Sudan. The credit is repayable from the instalments of pipeline lease rentals from Ministry of Energy and Mining (MEM), Sudan.

(` in million)

Non-Recourse Deferred Credit (Unsecured)	As at 31st March, 2013	As at 31st March, 2012
Current (Note 10.2.1)	809.89	507.46
Non Current (Note 6)	134.98	380.60
Total	944.87	888.06

6.3.4 The subsidiary, OVL has unsecured non-current maturity of finance lease obligation of ` 2,759.08 million (previous year ` 3,124.98 million).

6.3.5 The Subsidiary, MRPL, has deferred sale tax payment liability of ` 2,693.51 million (previous year ` 2,742.62 million) with Nil interest rate, to be repaid by 2019-20.

6.3.6 The Joint Venture, OMPL had an External Commercial Borrowing (ECB) which were repaid during the current year. The rate of interest for ECB is six month LIBOR + 3.13% reset on the last day of the six monthly interest period. There has been no default in payment of interest during the year. Balance outstanding as on 31st March, 2013 is ` nil (previous year ` 8,244.80 million) out of which Group's share is ` nil (Previous year ` 3,969.78 million)

7. Deferred Tax Liabilities

The Deferred Tax Liability/Asset of the company, its subsidiaries and joint ventures as at 31st March, 2013 comprises of the major components of Deferred Tax Liabilities and Deferred Tax Assets under Accounting Standard-22 on 'Accounting for Taxes on Income' is as under:

(` in million)

	Particulars	As at 31st March, 2013	As at 31st March, 2012
(I)	Liabilities		
	Depletion of Producing Properties	177,977.15	149,985.77
	Depreciation Allocated to Wells in Progress & expenses relating to NELP	14,799.59	9,452.84
	Unamortized Expenditure	5,050.44	3,804.58
	Development wells-in Progress	12,045.58	9,013.47
	Depreciation	27,958.99	22,917.62
	Others	3,707.51	4,540.08
	Deferred tax liability of ONGBV, OAAL, Carabobo one AB-Subsidiary of OVL	8,064.64	6,327.28
	Sub Total	249,603.90	206,041.64
(ii)	Assets		
	Depreciation	13,710.90	9,963.16
	Unabsorbed losses and allowances	215.65	265.69
	Dry wells written off	10,650.76	10,176.73
	Provision for Non Moving Inventories	1,584.30	1,228.89
	Provision for Doubtful Debts/ Claims /Advances/ Interest Accrued	9,501.06	5,313.09
	Provision for Abandonment	24,029.48	25,718.03
	Provision toward Additional Profit Petroleum & interest thereon	3,102.97	2,783.85
	Provision unpaid u/s 43B of Income Tax Act, 1961	29,307.72	18,588.77
	Others	9,178.23	4,936.35
	Deferred tax asset of ONGBV & OAAL - Subsidiary of OVL	6,071.65	5,220.65
	Sub Total	107,352.72	84,195.21

7.1 The above includes Deferred Tax Asset of ` 6,238.89 million (previous year ` 5,412.05 million) and Deferred Tax Liability of `148,490.07 million (previous Year `127,258.48 million) in respect of various components of entities consolidated as below.

(` in million)

Particulars	As at 31st March, 2013	As at 31st March, 2012
Net Deferred Tax Liability of ONGC	128,879.81	111,978.68
Net Deferred Tax Liability of OVL	3,649.86	3,876.60
Net Deferred Tax Liability of ONGBV	7,733.56	6,178.54
Net Deferred Tax Liability of OAAL	261.47	148.74
Net Deferred Tax Liability of Carabobo One AB	69.61	-
Net Deferred Tax Liability of MRPL	7,343.14	4,531.90
Net Deferred Tax Liability of PLL	488.75	453.75
Net Deferred Tax Liability of OTPC	63.87	1.67
Net Deferred Tax Liability of DSL	-	88.60
Consolidated Net Deferred Tax Liability	148,490.07	127,258.48
Net Deferred Tax Asset of ONGBV	5,840.86	5,049.90
Net Deferred Tax Asset of OAAL	230.79	170.75
Net Deferred Tax Asset of PMHBL	167.18	191.34
Net Deferred Tax Asset of OTBL	0.06	0.06
Consolidated Net Deferred Tax Asset	6,238.89	5,412.05

8. Other Long term Liabilities

(` in million)

	As at 31st March, 2013	As at 31st March, 2012
Trade payables		
- Outstanding dues to Micro & Small Enterprises	-	-
- Outstanding dues to other than Micro & Small Enterprises	1,301.85	182.72
Others		
- Advance from customers	3,312.73	3,212.86
- Deposits from Suppliers and Contractors	203.92	321.98
- Liability for Capital Goods	688.27	1,220.72
- Liabilities for Liquidated Damages	9,271.47	4,363.48
- Other Liabilities	1,446.18	1,456.48
Total	16,224.42	10,758.24

8.1 Above includes ` 5,305.48 million share of jointly controlled entities (Previous Year ` 5,322.11 million)

9. Long Term Provisions

(` in million)

	As at 31st March, 2013	As at 31st March, 2012
Provision for Employee benefits		
- Unavailed Leave	18,509.05	16,925.99
- Gratuity	3.84	174.68
- Post Retirement Medical & Terminal Benefits	26,563.42	19,644.52
Provision for Abandonment (Note no. 44)	207255.35	203981.37
Other Provisions (Note no. 44)	631.10	1,013.01
Total	252,962.76	241,739.57

9.1 Above includes `11.06 million share of jointly controlled entities (Previous Year `10.10 million)

9.2 Subsidiaries and the Joint Venture Companies of OVL provide for the retirement benefits in accordance with the laws of their respective jurisdictions. The net impact on account of the difference in accounting policy is not ascertainable.

10. Short Term Borrowings

(` in million)

	As at 31st March, 2013	As at 31st March, 2012
Secured		
Short Term Loans from Banks	158.95	45,119.62
Unsecured		
Loans Repayable on demand from Bank	54,530.88	34,028.59
Other Short Term Loans :		
From Banks	60,581.12	20,882.54
From Others	809.89	507.46
Total	116,080.84	100,538.21

10.1 Secured short term borrowing includes `117.11 million shares of jointly controlled entities (Previous Year `72.49 million) and unsecured short term borrowing includes `55,110.23 million shares of jointly controlled entities (Previous Year `36,360.33 million).

10.2 Short term Loan - Secured

10.2.1 During the previous year, the company had taken short term loans of `45000.00 million, repayable on demand, from various banks with interest rates ranging from 10.08% p.a. to 10.48% p.a.

10.2.2 The subsidiary, MRPL has outstanding secured short term Loan of `158.95 million (previous year `119.62 million) from Bank (secured by way of hypothecation of MRPL's stocks of raw materials, finished goods, stock-in-process, stores, spares, components, book debts, outstanding moneys receivable, claim, bills, contracts, engagements, securities, both present and future and further secured/to be secured by residual charge on MRPL's immovable and movable properties (save and except Current Assets) both present and future, ranking pari passu inter se and including a lien over MRPL's Fixed Deposit amounting to Nil (Previous Year ` Nil). This includes `117.12 million in respect of joint venture company of MRPL, Shell MRPL Aviation Fuels & Services Pvt Ltd (Previous Year `72.49 million).

10.3 Short term Loan-Unsecured

10.3.1 The Joint venture, OPaL has borrowed short term loan from bank repayable on demand of `104,003.95 million (previous year `69,949.15 million) out of which group share included above is `50,961.94 million (previous year ` 29,329.68 million)

10.3.2 The Joint venture, OMPL has borrowed short term loan from bank repayable on demand of `7,412.31 million (previous year `9,500.00 million) out of which group share included above is `3,568.95 million (previous year `4,574.25 million).

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10.3.3 The Joint venture, PLL has borrowed short term loan from bank repayable on demand of ` nil (previous year `998.10 million) out of which group share included above is ` nil (previous year ` 124.76 million)

10.3.4 The subsidiary OVL has short term borrowing (bridge finance) amounting to ` 48,053.57 million (USD 883.50 million) was taken from the consortium of State Bank of India, Royal Bank of Scotland, Singapore and Citi Bank N.A. for financing of acquisition of participating interests in ACG, Azerbaizan Project, and BTC pipeline. The loan is repayable on 28th June 2013 and backed by Company guarantee. After the reporting date, the OVL has issued 5 year (USD 300 Million) and 10 year (USD 500 Million) Notes in international markets aggregating USD 800 Million and the net proceeds of the issue amounting to USD 798.715 Million have been utilised to partly prepay the bridge finance.

10.3.5 The Joint venture, OTPC has borrowed short term loan from bank repayable within one year of ` 1,169.84 (previous year `3,500.00 million) out of which group share included above is ` 579.35 million (previous year ` 1,733.03 million).

10.3.6 The Joint venture, MSEZ has borrowed short term loan from bank repayable on demand of ` nil (previous year `2,262.50 million) out of which group share included above is ` nil (previous year ` 598.71 million)

10.3.7 Other short term loan from bank includes ` 11,948.20 million (previous year ` 18,550.80 million) in respect of subsidiary, MRPL in the form of buyers credit.

10.3.8 The subsidiary OVL, has non-recourse deferred credit (unsecured) of ` 809.89 million (previous year `507.46 million). refer note 6.3.3

11. Trade Payables

(` in million)

	As at 31st March, 2013	As at 31st March, 2012
- Outstanding dues to Micro & Small Enterprises	3.60	6.13
- Outstanding dues to other than Micro & Small Enterprises	185,889.35	175,800.37
- Deferred Credit on Gas Sale	296.04	229.37
Total	186,188.99	176,035.87

11.1 Above includes `5,150.59 million share of jointly controlled entities. (Previous Year `3,340.50 million).

11.2 Deferred credit on gas sales represents amounts received from gas customers against "Take or Pay" obligations under relevant gas sales agreements. The amounts are to be utilized to supply gas in subsequent year(s) free of charge to such customers.

12. Other Current Liabilities

(` in million)

	As at 31st March, 2013	As at 31st March, 2012
Current Maturity of Long Term Borrowings (note 12.2)	1,981.13	6,127.18
Current Maturity of Finance Lease Obligations	889.04	975.52
Interest Accrued but not due on Borrowings	987.63	1,130.26
Interest Accrued and due on Borrowings	272.72	303.07
Advance from Customers	4,819.56	29,569.05
Unclaimed Dividend (note 12.3)	232.11	261.08
Liability for Capital Goods	39,879.92	51,085.99
Liability for Statutory Payments	26,961.11	27,994.87
Liability for Gratuity	155.98	451.85
Deposits from Suppliers and Contractors	3,906.92	1,939.39
Cash Call payable to JV Partners	22,186.46	23,795.11
Liability for Employees	6,586.84	10,740.52
Liability for Superannuation Benefits	20,204.79	1,700.00
Liabilities for Liquidated Damages	12,624.63	13,362.80
Other Liabilities (note 12.4)	29,281.27	33,480.20
Total	170,970.11	202,916.89

12.1 Above includes `12,723.4 million share of jointly controlled entities. (Previous Year `7,450.67 million)

12.2 Above includes, outstanding current maturity of Long Term Borrowings of ` nil (previous year `714.05 million) in respect of the subsidiary, MRPL, secured by Equitable mortgage over the immovable properties, both present & future and also by hypothecation over the present and future movable properties of MRPL. These Term Loans are convertible into Equity Shares of MRPL in case of default in repayment of loans.

12.3 No amount is due for payment to Investor Education and Protection Fund.

12.4 The joint venture OTPC has received the amount `164.56 million) from Govt of Nagaland for transfer of 16456000 equity share of `10/- each fully paid up of North East Transmission Company ltd (Jv Company of OTPC) out of which group share included above is `81.66 million (previous year `nil). Pending transfer of these shares, the same is shown under "other liabilities" above.

13. Short Term provisions

(` in million)

		As at 31st March, 2013		As at 31st March, 2012
Provision for Employees Benefits				
Unavailed Leave		2,015.05		1,509.90
Gratuity		59.80		10.07
Post Retirement Medical & Terminal Benefits		1,677.18		1,049.91
Provision for Abandonment		436.77		157.45
Provision for Others				
Proposed Dividend		4,277.75		17,110.98
Tax on Proposed Dividend		766.84		3,100.60
Provision for Taxation		2.11		27.39
Provision for wealth Tax	102.00		74.50	
Less: Paid	52.27	49.73	46.03	28.47
Other Provisions (note no. 13.2 & 44)		1,196.91		929.44
Total		10,482.14		23,924.21

13.1 Above includes `177.85 million share of jointly controlled entities. (Previous Year `219.24 million)

13.2 Other provision

The subsidiary, MRPL, had recognized liability based on substantial degree of estimation for excise duty payable on clearance of goods lying in stock as on 31st March, 2013 for `961.75 million ( Previous Year `692.71 million).

14.Tangible Assets

(` in million)

	Gross Block				Accumulated Depreciation				Accumulated Impairment					Net Block	
	At 1st April,2012	Additions	Deletion/ Adjustment	At 31st March, 2013	At 1st April,2012	For the year	Deletion/ Adjustment	At 31st March, 2013	At 1st April,2012	For the year	Written back	Re classification	At 31st March, 2013	At 31st March, 2013	At 31st March, 2012
Land Freehold	3,058.56	299.52	97.64	3,260.44	-	-		-	13.50	-	13.50	-	-	3,260.44	3,045.06
Land Leasehold	16,959.17	125.20	(649.26)	17,733.63	832.64	278.76	(34.83)	1,146.23	-	-	-	-	-	16,587.40	16,126.53
Building & Bunk House	28,995.93	2,579.65	(60.99)	31,636.57	10,387.18	1,132.64	22.80	11,497.02	112.57	9.73	34.08	0.82	87.40	20,052.15	18,496.18
Railway Sidings	89.95	-	89.95	-	84.91	-	84.91	-	-	-	-	-	-	-	5.04
Plant & Equipment	1,037,943.78	187,299.41	71,113.65	1,154,129.54	775,629.10	89,397.54	71,066.21	793,960.43	1,567.34	739.29	389.44	1.50	1,915.69	358,253.42	260,747.34
Furnitures & Fixtures	14,992.85	446.07	77.16	15,361.76	9,454.36	1,092.17	(102.20)	10,648.73	9.74	2.06	-	(0.01)	11.81	4,701.22	5,528.75
Office Equipment	5,752.96	932.17	436.42	6,248.71	4,814.84	407.82	727.31	4,495.35	19.67	3.24	0.20	0.06	22.65	1,730.71	918.45
Vehicles includes Survey Ships, Crew Boats and Helicopters	6,298.67	1,448.18	132.60	7,614.25	5,076.36	452.85	84.65	5,444.56	9.80	1.03	-	0.38	10.45	2,159.24	1,212.51
Total	1,114,091.87	193,130.20	71,237.17	1,235,984.90	806,279.39	92,761.78	71,848.85	827,192.32	1,732.62	755.35	437.22	2.75	2,048.00	406,744.58	306,079.86
Previous Year	993,032.41	126,355.58	5,296.12	1,114,091.87	724,514.56	87,101.72	5,336.90	806,279.38	1,593.49	164.69	28.01	(2.45)	1,732.62	306,079.87	266,924.36
The above includes the company's share in Joint Venture	183,855.28	37,133.99	(751.50)	221,740.77	118,380.73	12,977.62	48.90	131,309.45	182.52	615.01			797.53	89,633.79	65,292.04
Previous Year	169,976.16	11,873.23	(2,005.89)	183,855.28	99,278.10	18,532.95	(569.67)	118,380.72	129.32	53.20			182.52	65,292.04	

14.1 Above includes:-

(a) Additions to Tangible Fixed Asset are net of ` 1,107.95 million on account of foreign currency translation adjustment during the year (previous year ` 2,220.06 million).

(b) Land includes land in respect of certain projects for which execution of lease/conveyance deeds are in process.

(c) Registration of title deeds in respect of certain Buildings is pending execution.

(d) Plant & Equipment includes an amount of ` 782.98 million (previous year ` 782.98 million) being MRPL's share of an asset jointly owned with another company. Net Block ` 79.39 million (previous year ` 120.73 million).

(e) Net Tangible Assets include ` 16,308.36 million share of jointly controlled entities. (previous year ` 14,308.77 million).

(f) Depreciation for the year includes ` (-) 20.24 million pertaining to prior period. (previous year ` (-) 131.33 million)

(g) Plant & Equipment includes Jetty & Trestle having Gross block of ` 45,437.82 million in the books of Joint Venture Company, Petronet LNG Ltd, out of which Group share is ` 5,679.73 million. As per the agreement, ownership of assets will be transferred to the Gujarat Maritime Board in the year 2035.

(h) Building includes cost of undivided interest in land

14.2 The accounting policies for treatment of depreciation of fixed assets by the subsidiaries/Joint Venture/Associate Entities are different from the accounting policies of the Group. Such different policy of depreciation of Fixed Asset have been adopted in respect of the following:-

Names of Subsidiaries/ JV/Associate	Accounting Policies		Proportionate Depreciation		Proportionate Net Block	
	Company	Subsidiaries/ JV	2012-13	2011-12	2012-13	2011-12
MRPL	Written Down Value Method at the rates specified in Schedule XIV.	Straight Line Method	6,008.29	4,316.54	57,776.45	40,251.74
Petronet LNG Ltd.			231.47	229.89	2,939.98	3,146.21
Petronet MHB Ltd.			140.35	44.9	443.46	616.83
Mangalore SEZ Ltd.			0.52	0.35	926.50	2.72
OMPL			27.95	1.06	1252.98	6.58
OPaL			202.72	97.71	5,159.23	3,575.64
OTPC*			33.01	3.01	1,863.17	104.16
PHL			363.92	294.32	4,812.69	4465.26
Total- Proportion			7,008.23	4,987.78	75,174.16	52,169.14
Group Total			92,804.83	87,101.72	406,857.57	306,079.86

* Depreciation has been provided on the basis of CERC Tariff Regulations 2009 with effect from 1st April, 2009, as notified by Central Electricity Regulatory Commission.

14.3 Title to Fixed Assets under Production Sharing Agreements

The Subsidiary OVL and its subsidiaries and joint ventures, in consortium with other partners (Consortium) carries on its business in respect of exploration, development and production of hydrocarbons under agreements with the host governments. Several of these agreements, governing OVL's activities in the fields / projects, provide that the title to the fixed assets and other ancillary installations shall pass to host Government or its nominated entities either upon acquisition / first use of such assets or upon 100% recovery of such costs through allocation of "Cost Oil" and "Cost Gas" or upon relinquishment of the relevant contract areas or termination of the relevant agreement. However, as per the terms of the agreements, the Consortium and/ or Operator has the custody of all such assets and is entitled to use, free of charge all such assets for Petroleum Operations throughout the term of the respective agreements. The Consortium also has the custody and maintenance of such assets and bears all risks of accidental loss and damage and all costs necessary to maintain such assets and to replace or repair such damage or loss. Under the circumstances, such assets are kept in the records of the OVL during the currency of the respective agreements.

14.4 Apart from the above assets, the joint venture ompany, Petronet MHB Limited (PMHBL) has taken lease land from HPCL for its stations at Mangalore, Hassan and Devangonthi on a long term lease basis for the period of 30 years on annual rental basis. Also, there are seven pieces of land acquired by PMHBL through KIADB for sectionalized valve stations for which absolute sale deeds are yet to be registered in the name of the PMHBL and the amount paid is shown as capital advance under note 21.

14.5 The Subsidiary of OVL "OAAL" and joint venture company of OVL "OMEL" provide depreciation on fixed assets using the straight line method. The amount involved is ` 981.73 million (Previous year ` 709.36 million) shown as depreciation under Note 33.

14.6 Hitherto, the casing and tubing were being capitalised under the head "Plant & Equipment" and depreciated at the rate of 100% in the year of addition. With effect from 01.04.2012, the company has changed the accounting method by charging off the same as consumption of stores & spares. Accordingly, casing & tubing capitalised amounting to ` 68,732.06 million have been removed from both gross block and accumulated depreciation. However, this has no impact on the profit of the company for the year.

15. Producing Properties

(` in million)

		As at 31st March, 2013		As at 31st March, 2012
Gross Cost				
Opening Balance	1,298,434.30		1,170,870.96	
Acqusition cost	27,472.01		-	
Expenditure during year	4,946.90		10,493.91	
Transfer from Exploratory Wells-in-Progress	5,417.69		5,077.20	
Transfer from Development Wells-in-Progress	84,202.26		53,465.41	
Depreciation on Facilities	59,741.63		43,136.69	
Increase/(Decrease) in estimated Abandonment costs	1,168.42		368.17	
Foreign Currency Translation Adjustments	5,000.89		15,189.82	
Other Adjustments	0.00	1,486,384.10	(167.86)	1,298,434.30
Less: Depletion & Impairment				
Depletion				
Opening Balance	687,875.53		596,281.58	
Depletion for the year	86,228.54		82,310.51	
Foreign Currency Translation Adjustments	3,533.72		9,430.64	
Other Adjustments	54.06	777,691.85	(147.20)	687,875.53
Impairment				
Opening Balance	2,554.40		2,693.05	
Impairment provided for the year	687.81		592.35	
Write back of Impairment	0.00	3,242.21	(731.00)	2,554.40
Net Producing Properties		705,450.04		608,004.37

15.1 Above includes ` nil share of jointly controlled entities. (Previous Year ` nil)

15.2 Pursuant to Notification no. G.S.R.(914)E dated 29th December 2011, issued by MCA, from the current financial year, OVL, subsidiary of the company, has opted to adjust exchange differences arising on reporting of long term foreign currency monetary items, in so far as they relate to the acquisition of depreciable assets, against the cost of such assets and depreciate the said adjustment over the balance life of the asset. Had the option not been exercised, the difference amounting to ` 1,120.37 million on long term foreign currency monetary items relating to depreciable assets would have been charged to Statement of Profit and Loss and Producing Properties would have been lesser to that extent as given below-

(` in million)

Sl no.	Particulars	31st March, 2013	31st March, 2012
a)	Exchange loss arising on reporting of long-term foreign currency monetary items relating to abandonment liability of Sakhalin-1, Russia Project capitalised in producing properties	1,246.83	Nil
b)	Less: Depletion charged to Profit & Loss A/c for the year on a) above	126.46	Nil
c)	Net impact on Profit & Loss A/c for the year / remaining to be amortized	(1,120.37)	Nil

16. Intangible Assets

(` in million)

	Gross Block				Accumulated Depreciation				Accumulated Impairment					Net Block	
	At 1st April,2012	Additions	Deletion/ Adjustment	At 31st March, 2013	At 1st April,2012	For the year	Deletion/ Adjustment	At 31st March, 2013	At 1st April,2012	For the year	Written back	Re classification	At 31st March, 2013	At 31st March, 2013	At 31st March, 2012
Computer Software	6,503.19	285.51	(6.88)	6,795.58	5,165.61	661.12	(4.89)	5,831.62	22.27				22.27	941.69	1,315.31
Copyrights & Patents	56.50	-	56.50	-	56.50	-	56.50	-	-	-	-	-	-	-	-
Goodwill (note 16.4)	20.13	-	-	20.13	10.06	2.01	-	12.07	-	-	-	-	-	8.06	10.07
Right of way	87.69	54.41	-	142.10	48.97	1.63	-	50.60	-	-	-	-	-	91.50	38.72
Total	6,667.51	339.92	49.62	6,957.81	5,281.14	664.76	51.61	5,894.29	22.27	-	-	-	22.27	1,041.25	1,364.10
Previous Year	6,460.10	186.31	(21.10)	6,667.51	4,703.83	557.84	(19.47)	5,281.14	21.59	0.67	-	(0.01)	22.27	1,364.10	1,734.68
The above includes the Company's share in Joint Venture Assets	372.39	113.76	10.29	475.86	222.62	75.53	11.77	286.38	-	-	-	-	-	189.48	149.77
Previous Year	303.00	76.09	6.70	372.39	230.79	(6.68)	1.49	222.62	-	-	-	-	-	149.77	

16.1 Above includes:-

(a) Addition to Intangible Asset are net of ` (-)24.28 million on account of foreign currency translation adjustment during the year (previous year ` 7.17 million)

(b) Net Intangible asset include ` 101.72 million shares of jointly controlled entities. (Previous year ` 41.55 million)

(c) In respect of Joint Venture Company, Petronet MHB Ltd (PMHBL), Cost of Right of way for laying pipeline amounting to ` 38.86million (Previous year ` 38.72 million) included above is capitalized as intangible asset and being perpetual in nature is not amortized.

16.2 The Associate, Pawan Hans Ltd, is charging cost of software purchased/ developed in-house up to ` 0.50 million each to statement of profit & loss in the year of purchase.

16.3 The Joint Venture Company, OTPC paid amount of ` 109.63 million (group share ` 54.29 million) to take possession of Forest land which has been accounted as 'right to use land" by the OTPC. The said amount will be amortized from the year of commencement of commercial operation of OTPC over a period of 25 years being the estimated operating life of the Project.

16.4 Represents consideration for purchase of business (Nitrogen Plant) in excess of book value of net assets acquired by subsidiary MRPL.

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17. Capital Works In Progress

(` in million)

	As at 31st March, 2013		As at 31st March, 2012	
Buildings	5,331.81		4,331.18	
Plant and Equipment	372,303.05		344,869.24	
Others (note 17.1.g)	19,267.92		30,626.03	
Capital Stores (including in transit)	3,032.07		1,991.44	
Less: Provision for Non-Moving Items	117.65	399,817.20	93.35	381,724.54
Less: Impairment				
Opening Balance	1,295.90		1,154.86	
Provided during the year	1,466.39		165.21	
Write back of Impairment	(319.68)		(22.39)	
Other adjustment	(22.13)	2,420.48	(1.78)	1,295.90
Net Capital Works-in-progress		397,396.72		380,428.64

17.1 Above includes:-

(a) Plant & Equipment includes an amount of ` 8,176.05 million (Previous Year ` 8,159.95 million) in respect of Capital Works in Progress (CWIP) for C2-C3 plant which is mechanically complete and will be capitalized on completion of test run which is pending due to non-receipt of approval for allocation of gas from Ministry of Petroleum and Natural Gas (MoP&NG) for swap arrangement through GAIL.

(b) CWIP ` 91,863.97 million share of jointly controlled entities. (Previous Year ` 50,938.75 million)

(c) In respect of subsidiary company, MRPL, an amount of ` (-) 30.73 million ( previous year ` 26.14 million) has been capitalized under CWIP on account of exchange difference arising on reporting of long term foreign currency monetary items instead of charging to Statement of Profit & Loss, in pursuant of notification no. GSR(914)E dated 29th December, 2011 issued by Ministry of Corporate Affairs, Govt of India.

(d) In respect of Joint Venture Company, OPaL, an amount of `199.95 million ( previous year ` 208.07million) has been capitalized under CWIP on account of exchange difference arising on reporting of long term foreign currency monetary items instead of charging to Statement of profit & loss

(e) In respect of of Joint Venture Company, OMPL, an amount of ` nil million ( previous year ` 57.50 million) has been capitalized under CWIP on account of exchange difference arising on reporting of long term foreign currency monetary items instead of charging to Statement of profit & loss, in pursuant of notification no. GSR(914)E dated 29th December, 2011 issued by Ministry of Corporate Affairs, Govt. of India.

(f) In respect of of Joint Venture Company, OTPC, an amount of ` 181.87 million ( previous year ` 176.55 million) has been capitalized under CWIP on account of exchange difference arising on reporting of long term foreign currency monetary items instead of charging to Statement of profit & loss, in pursuant of notification no. GSR(914)E dated 29th December, 2011 issued by Ministry of Corporate Affairs, Govt of India.

(g) The subsidiary OVL computes acquisition cost as the difference between the purchase consideration and net book value of assets less the liability acquired relating to the OVL share of participating interest on the date of acquisition of oil and gas property. Accordingly, acquisition cost of `11,917.47 million (previous year `11,927.89 million) has been capitalized during the year under CWIP.

18. Exploratory/Development Wells In Progress

(` in million)

	As at 31st March, 2013		As at 31st March, 2012	
A) Exploratory Wells-in-progress				
Gross Cost				
Opening Balance		82,929.40		84,214.67
Acqusition Cost		2,124.44		-
Expenditure during the year	102,699.83		90,602.36	
Less : Sale proceeds of Oil and Gas (Net of levies)	123.05		296.64	
		102,576.78		90,305.72
Depreciation during the year		1,335.06		4,844.42
		188,965.68		179,364.81
Less :				
Transfer to Producing Properties	5,417.69		5,077.20	
Wells written off during the year	84,592.02		90,207.17	
Foreign Currency Translation Adjustments	(587.58)		1,129.73	
Other adjustments	(57.77)	89,364.36	21.31	96,435.41
		99,601.32		82,929.40
Less : Provision (Note 18.1 (a), (b) & (c))		20,579.93		10,891.24
Exploratory Wells-in-progress		79,021.39		72,038.16
B) Development Wells-in-progress				
Opening Balance		44,775.20		29,332.35
Expenditure during the year	94,175.84		56,482.59	
Depreciation during the year	2,842.41		9,644.88	
Foreign Currency Translation Adjustments	254.14		2,780.78	
Less: Transfer to Producing Properties	84,202.26	13,070.13	53,465.41	15,442.84
		57,845.33		44,775.19
Less: Impairment				
Opening Balance	260.74		299.88	
Provision for the year	189.10		9.90	
Transfer to Producing Properties	-		-	
Write back during the year	-		(49.05)	
		449.84		260.73
Development Wells-in-progress		57,395.49		44,514.46
Exploratory/development Wells-in-Progress (A+B)		136,416.88		116,552.62

18.1 Above includes:-

(a) During the financial year 2004-05, the company had acquired 90% participating interest in exploration block KG DWN 98/2 from M/s Cairn Energy India Ltd for a lump sum consideration of ` 3,711.22 million which, together with subsequent exploratory drilling costs of wells had been capitalized under exploratory wells in progress. Initial in-place reserves have been established in this block and a conceptual development plan as part of the proposal for Declaration of Commerciality (DOC) had been submitted on 21.12.2009 for Southern Discovery Area and on 15.07.2010 for Northern Discovery Area to the Management Committee (MC) for review as per original time lines. The exploration period of this block has been restructured by Government upto 29.12.2013 in accordance with the Rig Holiday Policy and taking into account the delay in grant of PEL. Additional appraisal drilling along with exploratory drilling is in progress. Accordingly, the proposal for DOC after completion of drilling shall be revised and presented to the MC for review. During the financial year 2012-13 the company has acquired the remaining 10% participating interest in the block from M/s Cairn Energy India Ltd on actual past cost basis for a consideration of ` 2,124.44 million.

Pending final decision on the DOC by the MC, as a matter of abundant caution, the company has made a provision of ` 17,169.79 million (including provisions created in earlier years ` 9,412.09 million) towards acquisition cost and exploratory wells which are more than two years old from the date of completion of drilling.

(b) The Subsidiary company OVL, in respect of Farsi Block, Iran, the OVL in consortium with other partners entered into an Exploration Service Contract (ESC) with National Iranian Oil Company (NIOC) on 25th December 2002. After exploratory drilling, FB area of the block proved to be a gas discovery and was later rechristened as Farzad-B. NIOC announced the Date of Commerciality for Farzad-B as 18th August 2008. However, the Development Service Contract is pending. Provision has been made in respect of OVL's investment in exploration in Farsi Block amounting to ` 1,495.85 million till 31st March 2013 ( ` 1,479.15 million till 31st March 2012).

(c) The Subsidiary company OVL, has 60% PI in Block XXIV, Syria where the development rights have been granted by Govt. of Syria in 2012. In view of deteriorating law and order situation in Syria the operator served 'Force Majeure' notice to the Govt. of Syria which is not accepted by the Syrian Govt. The operations of the projects are temporarily suspended since May 2012. In view of the prevailing situation, the cost of successful exploratory wells lying in EWIP amounting to ` 1,914.29 million (Previous year Nil) and development wells (DWIP) amounting to ` 83.74 million (Previous year Nil), provision has been made during the year in respect of block XXIV, Syria.

18.2 Exploratory well in progress/ Development well in progress includes ` nil share of jointly controlled entities. (Previous Year ` nil).

19. Goodwill on Consolidation:

(` in million)

	31st March, 2013	31st March, 2012
Gross Goodwill	136,424.74	124,960.21
Less :Accumulated Amortization	33,636.17	27,450.75
Less : Provision for Impairment	19,533.69	19,533.69
Total	83,254.88	77,975.77

20. Non-Current Investments

(` in million)

	No. of Shares/ Bonds/Units	Face Value per Share/ Bond/Unit (in `)	As at 31st March, 2013	As at 31st March, 2012
A Trade Investments				
Investment in Equity Instruments				
(i) Investment in Associates				
(a) Pawan Hans Limited- (Unquoted) (refer note 3.3) Extent of holding 49% (previous year 49%) (Net of Capital reserve of ` 285.32 million) (note 20.3)	120,350	10,000.00	2,082.70	2,041.67
(ii) Investment in Others				
(a) Indian Oil Corporation Limited- (Quoted)	212,906,190	10.00	13,720.49	13,720.49
(b) GAIL (India) Limited (Quoted)	61,259,323	10.00	2,451.06	2,451.06
(c) Oil Spill Response Ltd. (Unquoted)	100	(note 20.1)	0.01	0.01
(d) Adani Petronet (Dahej) Port Pvt. Ltd.(Unquoted) (note 20.5)	11,250,000	10.00	112.50	112.50
(e) Bharuch Dahej Railway Company Limited (BDRCL)-(Unquoted)	5,000,000	10.00	50.00	50.00
B Non-trade Investments				
Investment in Government or Trust Securities (Unquoted)				
(i) 8.40% Oil Co. GOI Spl. Bonds 2025	197,370	10,000.00	1,973.70	1,973.70
(ii) Other Central Govt Securities			62.35	62.35
Total Non-current Investment			20,452.81	20,411.78
Total Quoted Investments			16,171.55	16,171.55
Total Unquoted Investments			4,281.26	4,240.23
Total			20,452.81	20,411.78
Total Market value of Quoted Investments			79,450.16	78,979.28

20.1 GBP one each, total value ` 6,885/-

20.2 Above includes:-

(a) Figures in parenthesis relate to previous year.

(b) Long term investment includes ` 349.57 million share of jointly controlled entities. (Previous Year ` 342.21 million)

(c) Long-term investments are valued at cost. Provision is made for any diminution, other than temporary, in the value of such investments

20.3 In the financial year 2010-11, Company had acquired an additional number of 95,850 equity share of ` 10,000/- each in its Associate Pawan Hans Ltd. (PHL) for ` 958.50 million resulting in increase in the holding to 49.00% from 21.54%. The above acquisition has resulted in Capital Reserve of ` 285.32 million, computed in accordance with Accounting Standard (AS) 23 on 'Accounting for Investments in Associates in Consolidated Financial Statements'.

20.4 In respect of PHL (Associate), the audited Annual Accounts for the year 2012-13 have not been received. For the purpose of consolidation of PHL, the audited Annual Accounts for the year 2011-12 and unaudited accounts for the year 2012-13 have been considered. The difference in share of profit amounting to ` 0.19 million between audited Profit After Tax (PAT) and unaudited PAT for the year 2011-12 has been considered as share of profit in Associate. The share of profit for the year 2012-13 amounting to ` 37.75 million has also been considered as share of loss in Associate. No dividend has been received during the year.

20.5 The joint venture company PLL has investment in its joint venture company "Adani Petronet (Dahej) Port Pvt Ltd. This investment is under lock in for a period of 5 years from the date of commercial operation (i.e. 01.09.2010) of the investee as per the Dahej LNG port Terminal Concession Agreement dated 20th December 2005 with Gujarat maritime Board.

21. Long-Term Loans And Advances

(₹ in million)

		As at 31st March, 2013		As at 31st March, 2012
Secured and Considered good				
Loans & Advances to Associates	745.33		1,042.78	
Loans and Advances to Employees	7,253.06		6,729.25	
Loans and advances to Others	1,304.36		3,044.50	
		9,302.75		10,816.53
Unsecured				
(Considered Good unless otherwise stated)				
Capital Advances		20,982.27		19,426.07
Public Sector Undertakings				
Considered Good	-		-	
Considered Doubtful	240.50		240.50	
Less : Provision for doubtful Advances	240.50		240.50	
		-		-
Advances against Equity pending allotment (note 40.3.1)		6,779.42		9,807.82
Loans and Advances to Employees				
Considered Good	687.98		626.86	
Considered Doubtful	8.56		14.99	
Less: Provision for Doubtful Loan/Advances	8.56		14.99	
		687.98		626.86
Adv Recoverable in Cash or in kind				
Considered Good	8,630.87		3,636.82	
Considered Doubtful (Note 21.2)	13,044.32		12,345.17	
Less: Provision for Doubtful Claims/Advances	13,044.32		12,345.17	
		8,630.87		3,636.82
Loans & Advances to Others				
Considered Good	18.70		21.64	
Considered Doubtful (Note 21. 3)	1,022.10		534.16	
Less: Provision for Doubtful Loan/Advances	1,022.10		534.16	
		18.70		21.64
Cash Call Receivable from Jv partners				
Considered Good	257.27		-	
Considered Doubtful	5,920.29		6,022.53	
Less: Provision for Doubtful cash call	5,920.29		6,022.53	
		257.27		-
MAT Credit Entitlement		24.65		9.46
Advance payment of Tax	413,492.20		346,145.05	
Less: Provision for Taxation	376,992.92		326,068.30	
		36,499.28		20,076.75
Deposits				
With Customs/Port Trusts etc.	37.97		34.02	
Security Deposits	86.00		20.16	
Other Deposit				
Considered Good	5,025.92		5,979.30	
Considered Doubtful	611.46		60.00	
Less: Provision for Doubtful Deposits	611.46		60.00	
		5,149.89		6,033.48
Total		88,333.08		70,455.43

21.1 Long term loan & advances includes ₹ 13,984.11 million share of jointly controlled entities. (Previous Year ₹ 4,011.3 million)

21.2 In Ravva Joint Venture, the demand towards additional profit petroleum raised by the Government of India (GoI), due to differences in interpretation of the provisions of the Production Sharing Contract (PSC) in respect of computation of Post Tax Rate of Return (PTRR), based on the decision of the Malaysian High Court setting aside an earlier arbitral tribunal award in favour of operator, was disputed by the operator M/s Cairn Energy India Pty Ltd. The company is not a party to the dispute but has agreed to abide by the decision applicable to the operator. The company had made a provision towards the claim made by the GoI in earlier years and the amount of provision outstanding as on 31st March, 2013 is ₹9,129.07 million (equivalent to USD 167.84 million) after adjustments for interest and exchange rate fluctuations. The GoI had recovered the above amount [including interest thereon USD 54.88 million (₹ 2,984.92 million)] from the company in earlier years which has been carried as recoverable under Long Term Loans and advances in the Balance Sheet as at 31st March, 2013.

In subsequent legal proceedings, the Appellate Authority of the Honorable Malaysian High Court of Kuala Lumpur had set aside the decision of the Malaysian High Court and the earlier decision of arbitral tribunal in favour of operator was restored, against which the GoI had preferred an appeal before the Federal Court of Malaysia. The Federal Court of Malaysia, vide its order dated 11th October, 2011, had dismissed the said appeal of the GoI.

The company has taken up the matter regarding refund of the recoveries made in view of the favourable judgment of the Federal Court of Malaysia with MoP&NG. However, according to a communication dated 13th January 2012 received, MoP&NG expressed the view that ONGC's proposal would be examined when the issues of ONGC carry under Ravva PSC is decided in its entirety by the Government along with other partners.

In view of the perceived uncertainties in obtaining the refund at this stage, the provision made in the books as above has been retained and netted off against the amount recoverable as above in the financial statements for the year ended 31st March, 2013.

21.3 The subsidiary company OVL has 25% participating interest (PI) in an exploration Block Satpayev Area Kazakhstan, and 75% PI is held by KMG the national oil company of Kazakhstan. As per the carry agreement, OVL shall finance KMG's share of expenditure in the project during the exploratory period (carry loan).The amount of carry loan will be refunded by KMG along with accrued interest in the event of commercial discovery and production from the project. KMG's share of expenditure financed by OVL in the Block has been accounted for as loan to KMG. Provision has been made towards the amount of carry loan of ₹ 1,022.10 million as at 31st March 2013 (as at 31st March 2012 ₹ 534.16 million) to KMG in view of the block being under exploration as there is no certainty of commercial discovery and has been depicted as other loans and advances-Doubtful. (refer note 35.2)

22. Other Non Current Assets (` in million)

	As at 31st March, 2013		As at 31st March, 2012	
A Secured and Considered good				
Investment in Lease (note no. 22.2)	675.83		1,846.25	
Interest accrued on loan & advances to Employees	2,934.90		2,710.52	
		3,610.73		4,556.77
(Unsecured, Considered Good unless otherwise stated)				
B Trade Receivables				
- Considered Good	10,638.68		15,138.70	
- Considered doubtful	16,666.44		5,597.50	
Less : Provision for doubtful receivables	16,666.44		5,597.50	
		10,638.68		15,138.70
C Other Receivables				
- Considered Good	301.75		319.63	
- Considered Doubtful	528.25		535.90	
Less : Provision for doubtful receivables	528.25		535.90	
		301.75		319.63
D Interest Accrued				
- On Investments	-		0.02	
- On Deposits	22.45		17.40	
- On Loans & Advances				
- Considered Good	86.12		269.49	
- Considered doubtful	41.89		24.20	
Less : Provision for interest Accrued	41.89		24.20	
		108.57		286.91
E Unamortised Expenditure				
- Dry Docking Charges	9,026.80		8,451.33	
- Mobilisation charges	1,016.09		667.96	
		10,042.89		9,119.29
Total Other Non-current Assets		24,702.62		29,421.30

22.1 Above includes ` 4.23 million share of jointly controlled entities. (Previous Year ` (-) 49.95 million)

22.2 The payment of installments is guaranteed by Government of Sudan. Attention is invited to Note No 41.1

23. Current Investments (` in million)

(Valued at the lower of Cost and Fair Value)	As at 31st March, 2013	As at 31st March, 2012
Non Trade		
Current Maturity of Long Term Investment		
Investments in Government or Trust Securities		
7% Govt. of India Special Bonds 2012 (Unquoted)	-	8,791.85
Other Investments		
Investments in Mutual Funds (Quoted)	421.20	3.51
Other Investments (Unquoted)	407.81	-
Total Current investments	829.01	8,795.36
Total Quoted Investments	421.20	3.51
Total Unquoted Investments	407.81	8,791.85

23.1 Above includes ` 829.01 million share of jointly controlled entities. (Previous Year ` 3.51 million)

24. Inventories (` in million)

	As at 31st March, 2013		As at 31st March, 2012	
Raw Material	4,305.19		17,969.05	
Raw Material in transit	26,029.22		32,634.97	
		30,334.41		50,604.02
Finished Goods (note 24.2)	39,624.96		28,836.97	
Less: Provision for Stock loss	5.91		5.91	
		39,619.05		28,831.06
Traded Goods		0.76		1.15
Stock in Process		2,351.30		1,961.45
Stores and spare parts				
- on hand	57,642.41		49,045.52	
- in transit	3,468.33		6,398.56	
	61,110.74		55,444.08	
Less: Provision for non-moving	5,864.99		5,344.56	
		55,245.75		50,099.52
Unserviceable Items		252.60		182.90
Total		127,803.87		131,680.10

24.1 Includes ` 1,354.56 million share of jointly controlled entities. (Previous Year ` 993.20 million)

24.2 This includes an amount of ` 0.56 million (previous year ` 0.56 million) in respect of Carbon Credits.

24.3 In respect of joint venture arrangements of OVL, where the property in crude oil produced does not pass on up-to a specific delivery point, the stock of crude oil till such delivery point is not recognized..

25. Trade Receivables

(` in million)

	As at 31st March, 2013		As at 31st March, 2012	
(Secured, Considered Good)				
Trade Receivables - Outstanding for a period exceeding six months	108.85		7.48	
Other	-		-	
		108.85		7.48
(Unsecured, Considered Good unless otherwise stated)				
Trade Receivables - Outstanding for a period exceeding six months:				
- Considered Good	38,307.25		30,369.85	
- Considered Doubtful	666.86		618.46	
Less: Provision for Doubtful debts	666.86		618.46	
		38,307.25		30,369.85
Other:				
- Considered Good	115,539.98		86,803.53	
- Considered Doubtful	220.84		17.81	
Less: Provision for Doubtful debts	220.84		17.81	
		115,539.98		86,803.53
Total		153,956.08		117,180.86

25.1 Above includes ` 3,446.69 million share of jointly controlled entities. (Previous Year ` 2,357.76 million)

25.2 Above include in respect of subsidiary OVL share of ` 8,297.73 million (US $ 152.71 million) (Previous year Nil) being lifting of ONGBV share of oil in GNPOC by Government of Sudan. Refer Note No 29.12.

26. Cash and Cash Equivalents

(` in million)

	As at 31st March, 2013	As at 31st March, 2012
Balance with Bank On Current Accounts	11,655.55	16,344.09
Cash on hand	17.30	16.54
Short Term Investment in Mutual Funds	19.75	1,092.06
Bank Deposit	183,322.00	260,599.97
Deposit towards margin money against guarantees issued	62.63	56.13
On Deposit Accounts for more than 12 months maturity	724.80	388.60
Unclaimed Dividend Account (Note 26.2 & 26.3)	388.48	416.87
Total	196,190.51	278,914.26

26.1 The deposits maintained by the company with banks comprise time deposit, which can be withdrawn by the company at any point without prior notice or penalty on the principal. Fixed deposits of `Nil (Previous year ` 52,380.00 million) has been pledged to Banks against Short term loan taken from Banks.

26.2 Amount deposited in unclaimed dividend account is earmarked for payment of dividend and cannot be used for any other purpose

26.3 Unpaid dividend includes ` 156.37 million (previous year ` 155.79 million) pertaining to minority shares in subsidiary company MRPL.

26.4 Cash and Cash Equivalents include ` 3389.43 million share of jointly controlled entities. (Previous Year ` 3,899.08 million)

27. Short Term Loans And Advances

(` in million)

	As at 31st March, 2013		As at 31st March, 2012	
(Secured, Considered Good)				
Loans & Advances to Associates	310.84		276.46	
Loans and Advances to Employees	1966.37		1781.49	
Loan and advances to others	0.16		1.39	
		2,277.37		2,059.34
(Unsecured, Considered Good unless otherwise stated)				
Capital Advances		115.36		-
Loans to Public Sector Undertakings		79.66		92.32
Loans & advances to Employees		430.90		343.37
Balance with Tax Authorities		316.98		147.15
Prepaid expenses for underlift		262.92		745.48
Cash Call Receivable from JV Partners		10,153.00		7,380.52
Advances Recoverable in Cash or kind				
Considered Good (Note 27.2)	24,351.13		23,652.23	
Considered Doubtful (note 27.3)	3,476.94		3,215.99	
Less : Provision for Doubtful advances	3,476.94		3,215.99	
		24,351.13		23,652.23
Advance payment of Tax	22,213.38		22,429.74	
Less: Provision for Taxation	13,002.61		11,595.05	
		9,210.77		10,834.69
Deposits				
With Customs/Port Trusts etc.	3,063.91		3,128.06	
Security Deposits	3,060.96		3,826.37	
		6,124.87		6,954.43
Total		53,322.96		52,209.53

27.1 Above includes ` 664.61 million share of jointly controlled entities. (Previous Year ` 473.42 million)

27.2 During the financial year 2010-11, the Oil Marketing Companies, nominees of the GoI recovered USD 32.07 million (` 1,744.29 million), ONGC's share as per directives of GoI in respect of Jointly Controlled Assets - Panna, Mukta & Tapti. The recovery is towards certain observations raised by auditors appointed by the Director General of Hydrocarbons (DGH) under Production Sharing Contract (PSC) for the period 2002-03 to 2005-06 in respect of cost and profit petroleum share payable to GoI. BGEPIL along with RIL ("Claimants") have served a notice of arbitration on the GoI in respect of dispute, differences and claims arisen in connection with the term of Panna, Mukta & Tapti PSC's. Since the company is not a party to the arbitration proceedings, it had requested MoP&NG that in case of an arbitral award, the same be made applicable to ONGC also, as a constituent of contractor for both the PSC's. Subsequently, vide letter dated July 4, 2011 MoP&NG has advised ONGC not to participate in the arbitration initiated by RIL & BGEPIL under Panna, Mukta & Tapti PSC's. MoP&NG has also stated that in case of an arbitral award, the same will be applicable to ONGC also as a constituent of the contractor for both the PSC's. Pending final arbitral award, the same has been shown as Receivable from GoI under 'Advance Recoverable in Cash or in kind or for value to be received'.

27.3 The subsidiary, OVL carried the share of investment of Sudapet, the national oil company of Sudan, for its 3.375% share in Block 5A, Sudan till the commencement of first commercial production. The carried amounts are repayable without interest in form of oil out of the production share of Sudapet as per the terms of the Exploration and Production Sharing Agreement (EPSA). In view of the secession of South Sudan and the transfer of PI of Sudapet of Block 5A to Nilepet the national oil company of South Sudan, the remaining balance of the carry loan of ` 58.89 million has become doubtful and provision has been created for the same.

Consolidated Accounts for the Year 2012 -13

28. Other Current Assets

(` in million)

	As at 31st March, 2013		As at 31st March, 2012	
Secured and Considered good				
Interest Accrued on Loans & Advances				
- Employee	216.65		28.15	
- Associates	9.86		12.78	
		226.51		40.93
(Unsecured, Considered Good unless otherwise stated)				
Interest Accrued				
- On Investments	1.38		37.83	
- On Deposits	4,023.27		8,818.94	
- On Loans & Advances	769.12		520.85	
		4,793.77		9,377.62
Other Current Assets		12,168.89		7,758.42
Cost of Ongoing Project (note 28.2)		49.98		38.69
Investment in Lease (note 28.3)		4035.15		2427.35
Unamortised Expenditure				
- Dry Docking Charges	3783.05		1891.35	
- Mobilisation charges	1032.64		715.41	
		4815.69		2606.76
Total		26,089.99		22,249.77

28.1 Above includes ` 237.42 million share of jointly controlled entities. (Previous Year ` 1.35 million)

28.2 In respect of Joint venture Company OTBL, revenue from projects based on execution and costs attributable and allocable thereto are recognized on full completion or substantial completion. Till the time of completion of project same are being carried as costs of ongoing project.

28.3 The subsidiary company, OVL has lease investment in Khartoum-Port Sudan Pipeline Project for which payment of installments is guaranteed by Government of Sudan. (refer note 41.1)

29. Revenue From Operations

(` in million)

		2012-13		2011-12	
A.	Sale of Products				
	Own Product		1,681,824.57		1,529,875.09
	Less :				
	Transfer to Exploratory Wells in Progress	164.55		364.77	
	Government of India's (GoI's) share in Profit Petroleum	32,586.55	32,751.10	27,894.84	28,259.61
			1,649,073.47		1,501,615.48
	Traded Products Revenue		43.16		33.99
B.	Other Operating Revenue				
	Pipeline Transportation Receipts	1,057.92		1,082.07	
	Contractual Short Lifted Gas Receipts	51.72		70.44	
	Surplus from Gas pool Account (note no. 29.8)	3,597.73		3,946.33	
	North-East Gas Subsidy	2,122.91		2,007.09	
	SEZ Lease Income	209.05		179.97	
	Other Operation Income (note 28.2)	1,561.83		1,387.44	
	Processing Charges	622.74		550.28	
	Production Bonus	147.90		130.16	
			9,371.80		9,353.78
	Total		1,658,488.43		1,511,003.25

29.1 In terms of the decision of Government of India (GOI), the company has shared under-recoveries of Oil Marketing Companies (OMCs) on price sensitive products viz. Diesel, Domestic LPG and PDS Kerosene for the year 2012-13 by extending the discount in the prices of Crude Oil, Domestic LPG and PDS Kerosene based on the rates of discount communicated by Petroleum Planning and Analysis Cell (PPAC) and Ministry of Petroleum and Natural Gas (MoP&NG). The impact of discount is as under:

(` in million)

Decrease in	2012-13	2011-12
Gross Revenue	494,206.50	444,656.08
Less: Value Added Tax (VAT)	14,114.40	13,533.22
Sales Revenue	480,092.10	431,122.86
Less: Statutory Levies	59,502.49	53,135.43
Profit Before Tax	420,589.61	377,987.43

29.2 Crude Oil Sales Agreements (COSA) with Indian Oil Corporation Limited (IOC) has been signed on 20th September, 2012. Since the COSA is made effective from 1st April, 2010, necessary adjustments amounting to ` 7,289.50 million (inclusive of VAT ` 306.54 million) for 2010-11 and 2011-12 considering revised crude prices for supplies made to IOC for the period from 1st April, 2010 to 31st March, 2012 have been made in books of accounts during 2012-13, by way of issue of credit notes.

29.3 COSA with Chennai Petroleum Corporation Limited (CPCL) has been signed on 15th May, 2013. Since the COSA is made effective from 1st April, 2010, necessary adjustments amounting to ` 171.03 million (inclusive of VAT ` 11.97 million) for 2010-11 and 2011-12 considering revised crude prices for supplies made to CPCL for the period from 1st April, 2010 to 31st March, 2012 have been made in books of accounts during 2012-13, by way of issue of credit notes.

29.4 COSA with Bharat Petroleum Corporation Limited (BPCL) and Hindustan Petroleum Corporation Limited (HPCL) was signed and implemented during 2011-12. Sales revenue in respect of Crude Oil supplied to Mangalore Refinery and Petrochemicals Limited (MRPL) is based on the pricing formula agreed with the refinery in terms of erstwhile MoU. For Crude Oil produced in Assam, sales revenue is based on the pricing formula provided by MoP&NG.

29.5 Based on the directives issued by MoP&NG and PPAC vide letters dated 31st May, 2012 and 1st June, 2012 respectively, w.e.f. 1 April, 2012, refineries started making deductions from ONGC payments towards Octroi/ VAT/ CST on discounts allowed by ONGC to refineries on supplies of crude oil. Total deduction made by refineries on this account for the period from 1st April, 2012 to 31st March, 2013 works out to ` 15,846.70 million. The same amount has been provided for in the accounts.

29.6 Recognition of revenue on account of Short Lifted Gas amounting to ` 571.42 million (Previous Year ` 55.45 million) has been postponed. This will be recognized when there is reasonable certainty regarding ultimate collection as per the policy of the company.

29.7 Sales revenue of Natural Gas is based on producer price fixed by GoI vide letter dated 31.05.2010 in respect of APM gas produced by National Oil Companies (NOCs) at US$ 4.2/mmbtu inclusive of royalty effective from 01.06.2010. For APM consumers, except for consumers in North Eastern states, the consumer price is same as producer price, i.e. US$ 4.2/ mmbtu inclusive of royalty. For APM consumers in North-East, consumer price is 60% of the producer price, i.e., US$ 2.52/ mmbtu inclusive of royalty and the difference between producer price and consumer price is paid to the company through GoI Budget up to allocated quantity and shown as 'North-East Gas Subsidy'.

29.8 The company is supplying majority of Natural gas to GAIL (India) Limited (GAIL) which also purchases gas from other sources and sells to APM and non-APM consumers. Based on the Government directives, excess in Gas Pool Account at the end of financial year is transferred to ONGC / OIL in accordance with their contribution. Based on the details received from GAIL, an amount of ` 3700.00 million for Gas Pool Receipts for the current year, ` 339.23 million on account of interest on Gas Pool Account and reversal of ` 441.50 million w.r.t. previous year's balance in Gas Pool Account, has been considered as 'Surplus from Gas Pool Account' as on 31st March, 2013.

29.9 Revenue from operation includes ` 42,412.56 million share of jointly controlled entities. (Previous Year ` 31,335.14 million)

29.10 In respect of Joint venture company PLL, revenue from services of ` 213.10 million (Previous Year ` 306.51 million) are net of service tax.

29.11 OVL's Subsidiary - ONGBV follows the entitlement method for revenue recognition associated with sale of crude oil and liquids for its share of petroleum production as specified in the Exploration Production Sharing Agreement (EPSA) and Crude Oil Pipeline Agreement (COPA). The amount reported under sales above using such method is ` 28,534.95 million (Previous year ` 68,757.64 million).

29.12 In respect of subsidiary company OVL, Government of Sudan's (GOS) is lifting of crude oil entitlement of foreign partners including ONGBV from GNPOC. The OVL's share of crude oil taken by GOS, as on 31st March 2013, is 1,428,983 barrels with value of ` 8,297.73 million (USD 152.71 million) which is considered as revenue during the period. The GOS has confirmed the lifting and the draft sale and purchase agreement is under finalization with GOS. In view of the confirmation of the GOS for treating the quantities lifted for local refinery as sales, the same has been accounted for as sales revenue during the current year. The corresponding receivables is considered in Trade receivables (refer Note No 25.2)

30. Other Income

(` in million)

	2012-13		2011-12	
Interest Income				
Long Term Investments	439.76		785.05	
Deposits with Banks/PSUs	20,326.56		23,785.52	
Loans and Advances to Associate	144.62		149.17	
Loans and Advances to Employees	450.84		408.02	
Income Tax Refund	95.00		384.92	
Site Restoration Fund Deposit	8,303.24		7,772.30	
Delayed Payment from Customers and Others	373.26		496.79	
		30,133.28		33,781.77
Dividend Income				
Long Term Investments	1,658.74		2,543.32	
Short Term -Debt Mutual Funds	1,644.53		1,430.91	
		3,303.27		3,974.23
Other Non Operating Income				
Excess Provisions written back	5,340.36		392.69	
Liabilities no longer required written back	5,663.20		1,989.73	
Profit on sale of Investment	-		3.65	
Contractual Receipts	158.74		494.17	
Miscellaneous Receipts (note 30.2)	10,301.52		7,297.53	
		21,463.82		10,177.77
Total		54,900.37		47,933.77

30.1 Above includes ` 182.93 million share of jointly controlled entities. (Previous Year ` 547.21 million)

30.2 As per the Farm Out agreement dated 5th November, 2012 entered into by the company with INPEX Offshore East India Ltd (INPEX), the company has agreed to transfer 26% Participating Interest (PI) in Block KG-DWN-2004/6 to INPEX for a consideration of USD 9.10 million (` 494.95 million), with effect from 1st April, 2012. The approval of the Government of India for the assignment of PI, which is a condition precedent to the above agreement, has been received on 15th April, 2013 and accordingly, the consideration of ` 494.95 million has been accounted under the head miscellaneous receipts.

31. (Increase)/Decrease in Inventories

(` in million)

	2012-13		2011-12	
Closing Stock				
- Stock in Process	2,351.30		3,525.35	
- Finished Goods and Stock in trade	39,625.72		28,838.12	
		41,977.02		32,363.47
Opening Stock				
- Stock in Process	3,525.35		2,414.79	
- Finished Goods and Stock in trade	28,838.12		25,468.53	
Less: Adjustment	1,591.46		161.04	
		30,772.01		27,722.28
Net (increase)/decrease In Inventories		(11,205.01)		(4,641.19)

31.1 Above includes ` 43.61 million share of jointly controlled entities. (Previous Year ` (-) 29.3 million)

32. Production, Transportation, Selling and Distribution Expenditure

(` in million)

	2012-13	2011-12
Royalty (Note 32.2)	137,209.63	155,316.39
Cess (Note 32.4)	99,970.75	57,830.85
Natural Calamity Contingent Duty	1,101.05	1,097.27
Excise Duty on stock (Net) (Note 32.4)	275.09	-727.20
Sales Tax	3,834.14	3,339.24
Service Tax	7,275.48	8,336.97
Education cess	3,111.09	1,871.44
Octroi and Port Trust Charges	4,057.30	4,184.36
Staff Expenditure	24,585.06	16,958.24
Workover Operations	19,135.41	23,955.18
Water Injection, Desalting and Demulsification	12,854.60	12,113.51
Consumption of Raw Materials, Stores and Spares	617,303.08	467,780.20
Pollution Control	5,810.33	4,881.09
Transport Expenses	3,530.28	3,958.47
Insurance	1,653.25	1,248.84
Power and Fuel	2,182.52	1,858.46
Repairs and Maintenance	9,588.82	8,830.15
Contractual payments including Hire charges etc.	9,417.15	8,081.43
Other Production Expenditure	27,184.19	30,654.23
Transportation and Freight of Products	17,196.41	15,096.07
Research and Development	6,002.02	3,238.11
General Administrative Expenses	33,275.58	22,880.60
Exchange Loss (Net)	2,482.78	11,377.77
Provision for mark to market loss on derivative contracts	1,606.76	498.56
Adjustments for overlift/(underlift)	546.00	-414.11
Hedging (Gain)/Loss (note no. 32.6)	-	48.52
Other Expenditure	13,047.00	11,791.42
Total	1,064,235.77	876,086.06

32.1 Above includes ` 39,444.93 million share of jointly controlled entities. (Previous Year ` 28,878.68 million)

32.2 The Subsidiary of OVL- ONGBV conducts its operations in Sudan jointly with Sudapet the national oil company of Sudan among others. All government stakes other than income taxes are considered to be royalty interest. Royalties on production represent the entitlement of the Government of Sudan to a portion of ONGBV's share of crude oil and liquid production and are recorded using the rates in effect under the terms of the contract at the time of production. Royalties / taxes in Syrian concession are accounted similarly by ONGBV. The amount of royalty reported in respect of Sudan and Syrian concession is ` 11,833.19 million (Previous year ` 38,770.10 million) under Royalty above.

32.3 The Government has revised the rate of Cess from `2,500/MT to ` 4,500/MT w.e.f. 17.03.2012, resulting in the material increase in the expenditure.

32.4 Excise duty on sale of product has been deducted from Sales revenue and Excise duty shown above represents the difference between excise duty on opening and closing stock of finished goods.

32.5 During the year, the Company has recognized additional liability of ` 5,079.53 million towards revision in Long Service Rewards Scheme. Further, in terms of DPE guidelines, the company has recognized liability of `18,504.79 towards superannuation benefits to employees. These have been allocated to activities as per the policy of the company

32.6 Derivative instruments and un-hedged foreign currency exposure:

During the year, subsidiary OVL has entered into cross currency swap transactions with various banks whereby it has swapped the principal and interest amounts payable towards Bonds issued in domestic markets into USD liability as follows:

Underlying	Notional Principal Amount (` in million)	Notional Principal Amount (USD in million)	Termination Date
8.40% 5 Years Unsecured Non-Convertible Redeemable Bonds in the nature of Debentures- Series I	15000	299.23	23rd Dec 2014
8.54% 10 Years Unsecured Non-Convertible Redeemable Bonds in the nature of Debentures- Series II	3700	73.93	6th Jan 2020
Total	18700	373.16	

The business of the OVL is carried out entirely outside India. The revenues of the OVL are received entirely in foreign currency and substantially all the expenses are incurred in foreign currency. Accordingly, the OVL has swapped the Bonds issued in Indian Rupees into USD so as to align the currency of its liabilities and assets, thereby hedging the resulting exposure.

The above swap positions were outstanding on 31st March 2013 and have been revalued on that date based on Mark-to-market positions reported by counter-party banks. During the year ended 31st March 2013 Mark-to-market loss amounting to ` 1606.76 million (Previous year ` 498.56 million) has been charged to foreign exchange gain/loss in the Statement of profit and loss.

33. Depreciation, Depletion, Amortization And Impairment

(` in million)

		2012-13		2011-12
Depletion		86,228.54		82,310.51
Pre Acquisition Expenditure		3,309.28		2,698.68
Amortisation of Goodwill		4,197.60		5,175.77
Depreciation	93,194.94		87,679.35	
Less : Allocated to :				
Exploratory Drilling	1,335.06		4,844.42	
Development Drilling	2,842.40		9,644.88	
Depreciation on Facilities	59,741.63		43,136.69	
Others	4,326.98		8,011.75	
		24,948.87		22,041.61
Impairment Loss				
During the year	3,014.50		20,466.52	
Less: Reversal during the year	756.47		827.73	
		2,258.03		19,638.79
Total		120,942.32		131,865.36

33.1 Above includes ` 522.83 million share of jointly controlled entities. (Previous Year ` 537.15 million)

34. Finance Costs

(` in million)

	2012-13	2011-12
Interest		
i) On Fixed Loans - Foreign Currency Loans	211.58	-
ii) On Short Term Loan	276.48	222.34
iii) On Cash Credit	4.02	2.69
iv) Others	3,183.83	3,551.80
v) Lease Finance Charges	388.73	389.71
vi) Foreign Exchange Fluctuation considered as Borrowing Cost	773.33	182.56
Total	4,837.97	4,349.10

34.1 Above includes ` 494.18 million share of jointly controlled entities. (Previous Year ` 453.14 million)

35. Provisions And Write Offs

(` in million)

		2012-13		2011-12
Provisions				
For Doubtful Debts		16,940.14		2,109.94
For Doubtful Advances		2,461.97		2,927.98
For Non-Moving Inventory		1,066.51		864.32
For Others		2,079.73		98.99
Sub-Total		22,548.35		6,001.23
Write-offs				
Disposal/Condemnation of Fixed Assets (Net)		56.80		82.43
Claims/Advances		2.18		2.54
Inventory		84.83		139.45
Bad debts	1,101.31		-	
Less: Provisions	1,101.31	-	-	-
Acquisition Cost Written off		254.37		3,257.84
Others		(702.94)		2,115.37
Sub-Total		(304.76)		5,597.63
Total		22,243.59		11,598.86

35.1 Above includes ` 5.97 million share of jointly controlled entities. (Previous Year ` 2,402.64 million)

35.2 In respect of subsidiary company OVL, provision for doubtful debts/claims includes carry loan of ` 487.94 million (Previous year ` 534.16 million) to KMG in view of the block being under exploration and there is no certainty of commercial discovery and hence the recovery of the loan. (refer note 21.3)

35.3 In respect of subsidiary company OVL , Other write-back includes ` 766.80 million (Previous year write off ` 766.80 million) in respect of minimum exploration commitment of Block 128 - Vietnam due to extension of exploration period by the Government of Vietnam for two years.

36. Adjustments Relating To Prior Period (Net)

(` in million)

	2012-13	2011-12
A. Expenditure		
Statutory levies	51.86	1.30
Other production, selling & distribution expenditure	(409.48)	237.90
Interest -Others	12.43	-
Exchange Fluctuation	(58.47)	(12.17)
Survey	0.47	38.52
Dry Wells	455.38	28.51
Depletion	82.55	-
Depreciation	(20.24)	(224.90)
Amortisation of Goodwill	-	11.14
	114.50	80.30
B. Income		
Sales	(168.47)	13.01
Interest -Others	3.22	0.79
Other Income	280.90	307.26
Sub-Total	115.65	321.06
Total (Net)	(1.15)	(240.76)

36.1 Above include ` 22.03 million share of jointly controlled entities. (Previous Year ` (-) 3.5 million)

37. Earnings per Equity Share

	2012-13	2011-12
Net Profit after Tax (` in million)	242,196.44	281,436.16
Weighted Average Number of Shares (Nos. in million)	8,555.49	8,555.49
Basic & Diluted earnings per equity share(`)	28.31	32.90
Face Value per equity Share (`)	5.00	5.00

38. Disclosure under Accounting Standard-16 on "Borrowing Costs"

Borrowing cost capitalized during the year is ` 8,413.24 million (Previous Year ` 4,654.28 million)

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39. Disclosure under Accounting Standard -17 on "Segment Reporting"

39.1 The Consolidated Segment Information as per Accounting Standard AS-17 for the Company is given below

(` in million)

	2012-13						2011-12					
	In India			Outside India	Unallocated	Grand Total	In India			Outside India	Unallocated	Grand Total
	E&P						E&P					
Particulars	Offshore	Onshore	Refining				Offshore	Onshore	Refining			
Revenue												
External Sales	499,727.85	254,709.05	688,329.15	175,571.85	39,982.06	1,658,319.96	457,475.55	237,351.08	572,221.93	215,219.29	28,748.40	1,511,016.25
Inter Segment Sales	76,915.36		30.61	-		76,945.97	71,886.52		24.82	8,253.83		80,165.17
Total Revenue	576,643.21	254,709.05	688,359.76	175,571.85	39,982.06	1,735,265.93	529,362.07	237,351.08	572,246.75	223,473.12	28,748.40	1,591,181.42
Results												
Segment Result Profit(+)/Loss(-)	243,196.92	40,217.27	(1,600.02)	68,136.20		349,950.37	242,988.17	97,941.52	13,096.07	53,224.22		407,249.98
Unallocated Corporate Expenses					11,118.12	11,118.12					12,665.92	12,665.92
Operating Profit	243,196.92	40,217.27	(1,600.02)	68,136.20	(11,118.12)	338,832.25	242,988.17	97,941.52	13,096.07	53,224.22	(12,665.92)	394,584.06
Interest Expenses					4,850.40	4,850.40					4,349.42	4,349.42
Interest/Dividend Income					33,439.77	33,439.77					37,800.42	37,800.42
Income Taxes					127,519.02	127,519.02					143,746.00	143,746.00
Profit from Ordinary Activities	243,196.92	40,217.27	(1,600.02)	68,136.20	(110,047.77)	239,902.60	242,988.17	97,941.52	13,096.07	53,224.22	(122,960.92)	284,289.06
Extraordinary Gain						-						-
Net Profit	243,196.92	40,217.27	(1,600.02)	68,136.20	(110,047.77)	239,902.60	242,988.17	97,941.52	13,096.07	53,224.22	(122,960.92)	284,289.06
Other Information												
Segment Assets	843,120.65	410,709.23	254,979.85	594,095.28		2,102,905.01	745,495.65	370,226.66	262,046.32	512,372.88		1,890,141.51
Unallocated Corporate Assets					431,668.36	431,668.36					426,355.46	426,355.46
Total Assets	843,120.65	410,709.23	254,979.85	594,095.28	431,668.36	2,534,573.37	745,495.65	370,226.66	262,046.32	512,372.88	426,355.46	2,316,496.97
Segment Liabilities	291,247.23	100,824.29	184,961.53	182,509.89		759,542.94	311,343.83	86,444.47	189,468.80	144,039.78		731,296.88
Unallocated Corporate Liabilities					249,750.38	249,750.38					220,808.78	220,808.78
Total Liabilities	291,247.23	100,824.29	184,961.53	182,509.89	249,750.38	1,009,293.32	311,343.83	86,444.47	189,468.80	144,039.78	220,808.78	952,105.66
Capital Expenditure	177,525.61	91,283.07	28,079.41	73,537.67	42,819.52	413,245.28	250,170.67	72,804.44	45,065.91	94,202.10	31,892.86	494,135.98
Depreciation*	66,550.20	16,393.35	6,140.16	30,720.83	1,200.13	121,004.67	54,618.76	19,614.80	4,487.86	49,419.76	963.99	129,105.17
Other Non-cash Expenses	10,138.48	8,694.15	92.42	2,912.30	406.22	22,243.57	839.21	2,343.04	1.68	8,395.42	19.51	11,598.86

* Also Includes Depletion,Amortization and Impairment Loss.

39.2 Notes :

39.2.1 The annexed matrix presentation depicts the geographical segments based on assets as primary segments and business segments as secondary segments.

39.2.2 Segments have been identified and reported taking into account the differing risks and returns, the organization structure and the internal reporting systems. These have been organized into the following main geographical and business segments:

Geographical Segments

a) In India - Offshore

- Onshore

b) Outside India.

Business Segments

a) Exploration & Production

b) Refining

39.2.3 Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amount allocated on reasonable basis. Un-allocated includes common expenditure incurred for all the segments and expenses incurred at the corporate level.

39.2.4 Inter Segment Sales have been priced at prevailing market rates.

39.2.5 Segment Assets includes ` 1,041.25 million of Intangible Assets (Previous year ` 1,364.10 million)

39.2.6 Reconciliation of the Segment Revenue with the Revenue as per note 29 & 36 is given below:

(` in million)

Particulars	Note	2012-13	2011-12
Revenue from operation (Gross)	29	1,658,488.43	1,511,210.96
Prior period Sales	36	(168.47)	10.95
Total		1,658,319.96	1,511,221.91
Segment Revenue as per note no. 39.1		1,658,319.96	1,511,221.91

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40. Disclosure under Accounting Standard -18 on "Related Party Disclosure"

40.1 Name of related parties and description of relationship :

40.1.1 Joint Ventures/Jointly Controlled Entities

Sl No.	Name	Relationship
A	Jointly Controlled Entities in India	
i	ONGC Mangalore Petrochemicals Limited	Jointly Controlled Entity in India
ii	Petronet LNG Limited	Jointly Controlled Entity in India
iii	ONGC Teri Biotech Limited	Jointly Controlled Entity in India
iv	Mangalore SEZ Limited	Jointly Controlled Entity in India
v	ONGC Petro-additions Limited	Jointly Controlled Entity in India
vi	ONGC Tripura Power Co. Limited	Jointly Controlled Entity in India
vii	Dahej SEZ Limited	Jointly Controlled Entity in India
viii	North East Transmission Company Ltd. Limited (NETC) (through OTPC)	Jointly Controlled Entity in India
ix	Mangalore STP Limited (through MSEZ)	Jointly Controlled Entity in India
x	Adani Petronet (Dahej) Port Pvt. Ltd	Jointly Controlled Entity in India
xi	Shell MRPL Aviation Fuels & Services Pvt. Limited (through MRPL)	Jointly Controlled Entity in India
xii	Mangalam Retail Services Limited (through MRPL)	Jointly Controlled Entity in India
B	Joint Ventures/Associates of Subsidiary	
i	ONGC Mittal Energy Limited, Cyprus	Joint Venture (Outside India) through OVL
ii	OOO Imperial Frac Service, Russian Federation	Joint Venture (Outside India) through OVL
iii	ONGC (BTC) Ltd, Cayman Island	Joint Venture (Outside India) through OVL

40.2 Key Management Personnel:

Whole-time Functional Directors:
Parent Company
i) Sudhir Vasudeva, Chairman and Managing Director
ii) Shri K.S. Jamestin
iii) Shri A. K. Banerjee from 22.05.2012
iv) Shri P. K. Borthakur from 30.10.2012
v) Shri Shashi Shanker from 01.12.2012
vi) Shri N. K. Verma from 01.04.2013
vii) Shri S.V. Rao up to 31.03.2013
viii) Shri U. N. Bose up to 30.11.2012
ix) Shri A. K. Hazarika up to 30.09.2012
Subsidiaries and Joint Ventures
i) Shri D K Sarraf, Managing Director , OVL
ii) Shri S P Garg, Director (Finance), OVL
iii) Shri S. Roychoudhary, Director (Operations) (till 30th June 2012), OVL
iv) Shri N K Verma, Director (Exploration)(till 31st March, 2013), OVL
v) Shri S Bhattacharya, Director (Operations) (with effect from 1st July 2012), OVL
vi) Ir. A R Baron Mackay Holding B.V., Director, ONGC Nile Ganga B.V.
vii) Shri Costas Christoforou, Director, Imperial Energy Limited
viii) Ms Arlene Nahikian, Director, Imperial Energy Limited
ix) Ms. K. Antoniadou, Director, Imperial Energy Limited
x) Ms. E. Chrysanthou, Director, Imperial Energy Limited
xi) Mr A. Loizou, Director, Imperial Energy Limited
xii) Mr. Roland Göransson, Director, Carabobo One AB
xiii) Mr. Richard Chindt, Director, Carabobo One AB
xiv) Shri. U.K.Basu, Managing Director (upto 30/06/2012), MRPL
xv) Shri P.P.Upadhya, Managing Director (from 01/07/2012 with additional charge as Director (Technical)), MRPL
xvi) Shri. Vishnu Agarwal, Director (Finance), MRPL
xvii) Dr. A.K. Balyan, (Managing Director & CEO), PLL
xviii) Shri R K Garg, Director - Finance, PLL
xix) Shri. Rajendra Singh, Director (Technical)(from 14th November, 2012), PLL
xx) Shri. C S Mani, Director-Technical (up to 13th November, 2012), PLL.
xxi) Shri. Rajiv Banga, Managing Director & CEO, MSEZ
xxii) Sri. Anil Khurana, Managing Director from 19.04.2012, PMHBL
xxiii) Shri P.P. Nadkarni, Managing Director, upto 18.04.2012, PMHBL
xxiv) Shri Sudhindra Kumar Dube, Managing Director, OTPCL
xxv) Dr P. S. V. Rao, CEO, OPaL

40.3 Details of Transactions

40.3.1 Joint Ventures/ Jointly Controlled Entities

(` in million)

Details	2012-13	2011-12
Sale of Products to		
a) Shell MRPL Aviation Fuels & Services Pvt. Limited	4022.24	4,647.31
b) ONGC Tripura Power Co. limited	184.79	-
Services Received from :		
a) ONGC Teri Biotech Ltd	182.34	133.67
b) Dahej SEZ Ltd.	9.33	7.36
c) ONGC Mangalore Petrochemicals Ltd.	1.03	0.02
d) Petronet LNG Ltd	0.78	-
e) Mangalore SEZ Ltd.	1.42	2.38
Services Provided to :		
a) ONGC Petro-additions Ltd.	117.50	81.63
b) ONGC Teri Biotech Limited	-	0.04
c) Mangalore SEZ Ltd.	5.80	3.82
d) ONGC Tripura Power Co. Pvt. Ltd.	220.35	167.29
e) ONGC Mangalore Petrochemicals Limited	11.75	18.40
f) Petronet LNG Ltd	1.32	-
g) Shell MRPL Aviation Fuels & Services Pvt. Limited	0.29	0.78
Advance against Equity during year :		
a) Dahej SEZ LTD.	-	230.00
b) ONGC Tripura Power Co. limited	103.32	-
Dividend Income		
a) Petronet LNG Limited	234.38	187.50
Amount Receivable :		
a) ONGC Petro-additions Limited	42.96	55.76
b) ONGC Tripura Power Co. Pvt. Ltd	-	-
c) Mangalam Retail Services Limited	0.05	-
d) Mangalore SEZ Ltd.	134.19	844.23
e) ONGC Mangalore Petrochemicals Limited	17.42	25.06
f) Shell MRPL Aviation Fuels & Services Pvt. Limited	406.91	408.47
Amount Payable :		
a) ONGC Teri Biotech Ltd	115.98	107.49
b) ONGC Mangalore Petrochemicals Limited	1.83	0.02
c) Dahej SEZ Ltd.	7.00	6.63
Advance against Equity outstanding :		
a) ONGC Petro-addition Limited	3,328.69	9702.99
b) ONGC Tripura Power Co. Pvt. Ltd	-	1,233.87
c) ONGC Mangalore Petrochemicals Ltd.	9,799.76	9,799.76
d) Mangalam Retail Services Ltd	0.05	1.00

40.3.2 Key Management Personnel

Remuneration Paid to Key Management Personnel `70.51 million (Previous year ` 60.20 million)

41 Disclosure under Accounting Standard - 19 on 'Leases'

41.1 Khartoum - Port Sudan Pipeline Project:

The subsidiary company , OVL had completed the 12"X741 Kms multi-product pipeline from Khartoum refinery to Port Sudan for the Ministry of Energy and Mining of the Government of Sudan (GOS) on Build, Own, Lease and Transfer (BOLT) basis and handed over the same to GOS during the financial year 2005-06. The project was implemented in consortium with Oil India Limited, OVL's share being 90%.

The payment under the contract with GOS is scheduled to be received over a period of 10 years including a moratorium of one year from the date of the contract (30th June, 2004) in 18 equal biannual instalments along with lease rental. The lease period commenced from the date of handing over of the pipeline system and will continue till all payments by GOS are completed. All titles in the works and the transportation system shall vest in the OVL and the title shall pass to GOS in proportion to the payments made by GOS against total payments due to OVL under the contract. Further, subject to regular payments on due dates by GOS to the OVL, GOS shall have the exclusive right to use and operate the pipeline system and the OVL shall not assign, transfer, sub-let, sub-contract, mortgage or create any rights to any third party or encumbrances or make any disposition to any third party. Accordingly, the amount of net investment in the lease (i.e. aggregate of Minimum Lease Payments minus Unearned Finance Income) is recognized and recorded as receivables under the lease. The finance income thereon has been recognized based upon the pattern reflecting the constant periodic rate of return on the outstanding net investment in the lease.

The first 11 installments under the contract due till 30th December 2010 have been received. The 12th,13th,14th and 15th installment of `3,074.12 million (OVL's share `2,766.71 million) due on 30th June 2011, 30th December 2011, 30th June 2012 and 31st December 2012 respectively have not yet been received. OVL had taken a political risk insurance policy for the 12th and 13th installments. As per the insurance policy provision, the OVL has filed the claim for the 12th and 13th installments with ECGC. No insurance is available for further installments (14th to 18th). The OVL has been pursuing with the GOS for the payment of the 12th, 13th, 14th and 15th installments. The GOS has given sovereign guarantee towards the payment of the installments for the Sudan Pipeline Project and no provision has been made for the above four overdue installments, amounting to `3,074.12 million (OVL share ` 2,766.71 million).

The disclosure in accordance with the Accounting Standard (AS) 19 viz. Leases is as under:

(` in million)

Particulars	31st March, 2013		31st March, 2012	
	Gross	Net	Gross	Net
a) Reconciliation between the total gross investment in the lease and the present value of minimum lease payments as at year end				
- Not later than one year	2,746.63	2,661.83	2,581.50	2,427.35
- Later than one year and not later than five years	2,059.97	2,049.15	1,936.13	1,846.25
- Later than five years	-	-	-	-
Total	4,806.60	4,710.98	4,517.63	4,273.60
b) Unearned Finance Income	95.62		244.03	
c) Unguaranteed residual value accruing to OVL's benefit	Nil		Nil	
d) Accumulated provision for uncollectible minimum lease payments receivable	Nil		Nil	
e) Contingent rents recognised in the statement of profit and loss for the period	Nil		Nil	
f) General description of the significant leasing arrangement	As described in para above		As described in para above	
g) Accounting Policy followed in respect of initial direct costs	As per note no. 2.2.zb.1		As per note no. 2.2.zb.1	

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The EPC contractor executing the project claimed additional costs aggregating to `2,020.59 Million (as on 31st March 2012 ` 1,899.11 million), Company's share being `1,818.53 Million (as on 31st March 2012 ` 1,709.20 Million) (90%), which have not been accepted by the Company. The Company, in turn has filed a claim as per the contract with GOS for their approval of an aggregate amount of ` 2,511.73 Million (as on 31st March 2012 ` 2,360.72 Million), Company's share being ` 2,260.56 Million (as on 31st March 2012 ` 2,124.65 Million). No revenue in this respect has been recognized since the claim has not been accepted by GOS. OVL has served a pre-arbitral notice on GOS which is a requirement prior to initiating any legal proceedings in Sudan. The EPC contractor has initiated arbitration with a claim for `1,386.40 Million (as on 31st March 2012 `1,303.05 Million) plus interest against the Company. Pending settlement with the EPC contractor, an amount of `1,247.76 Million (as on 31st March 2012 `1,172.69 Million), being the Company's 90% share out of total claim of `1,386.40 Million (as on 31st March 2012 `1,303.05 Million) has been accounted as liability in the relevant year of claim. The arbitration proceeding with the contractor is ongoing as of 31st March 2013.

41.2 Financial Lease for BC-10 Project

ONGBV owns 15% equity shares in Tamba B.V. The Netherlands; with the balance held by Shell E & P Offshore Services B.V., The Netherlands ("SEPBV"), and Petrobras Netherlands B.V. The Netherlands ("PNBV"). Tamba B.V. has been established to facilitate the development and production of hydrocarbons in the BC-10 concession, Campos Basin area in Brazil. Tamba B.V. has a third party lease for a major oil field equipment (FPSO) and constructed other sub-sea assets for onwards lease to BC-10 Project. Both financial leases commenced on 31st December 2008.

Tamba B.V. leases part of its assets from a third party, Brazilian Deepwater and re-leased these to BC-10 joint venture operated by Shell Brasil Ltd. The risks and rewards incidental to ownership are largely transferred to the lessee. These assets are capitalised and recognised in the balance sheet of BC-10 as from the date the lease contract is concluded, at the lower of the fair value of the asset and the discounted value of the minimum lease instalments. The lease instalments payable are broken down into repayment and interest components, based on a fixed interest rate and instalments as derived from the underlying agreement. The lease commitments are carried under long-term liabilities exclusive of interest. The interest component is recognised in the profit and loss account in accordance with the lease instalments.

Revenue of finance lease contracts represents the transfer of economic ownership from Tamba B.V. (lessor) to the lessee of the asset, being an affiliate. Cost of sales represents the costs associated with the finance lease contracts. The OVL's share of the lease liability (at USD 1= ` 54.39) are tabulated below:

Lease liability	` in million
Opening balance as at 1st April, 2012	4,038.66
Interest	363.94
Lease Payments	(1,012.18)
Foreign Currency Translation Adjustment	257.70
Closing balance as at 31st March, 2013	3,648.12

The OVL's 15% share of future estimated minimum lease expenses in the year and their present values are scheduled to be as follows:

(` in million)

	< 1Year	1-5 Years	>5Years	Total
Future minimum lease payments:	919.50	2,532.96	1,532.49	4,984.96
Present value of minimum lease payments	889.04	1,955.86	803.22	3,648.12

Tamba B.V., JV company of ONGBV (15%) has entered into a 15-year lease contract for the supply of the FPSO with a third party. The lease contract contains priced termination options for each of the 15 years and priced extension options for the 4 years following the initial 15-year term. The OVL can exercise a priced purchase option during the term of the lease. The interest rate implicit in the lease is 9.5% (Previous year 9.5%).

41.3 The company has certain office/residential premises on Operating Lease which are cancellable by giving appropriate notice as per the respective agreements. During the year `4,600.96 million (Previous year `4,876.52 million) had been paid towards cancellable Operating Lease.

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42 Disclosure under Accounting Standard - 27 on Financial Reporting of Interest in Joint Ventures:

42.1 Jointly Controlled Assets in India

In respect of certain blocks, the Company's Joint Ventures (JV) with certain bodies corporate have entered into Production Sharing Contracts (PSCs) with GoI. Details of these blocks and JVs as on 31.03.2013 are as under:

Sl. No.	Blocks	Company's PI *	Others Partners and their PI in the JV/Operatorship***
A	Jointly Operated JVs		
1	Panna, Mukta and Tapti	40% (40%)	BGEPIL 30%, RIL 30%
2	AN-DWN-2009/3	60% (60%)	OIL 40%
B	ONGC Operated JVs		
3	CB-OS/1 Development Phase	55.26% (55.26%)	TPL 6.7%, HOEC 38.04%
4	MN-DWN-98/3	60% (60%)	PIBBV 40%
5	MN-OSN-2000/2	40% (40%)	GAIL 20%, IOC 20%, OIL 20%
6	AA-ONN-2001/2	80% (80%)	IOC 20%
7	AA-ONN-2001/3	85% (85%)	OIL 15%
8	KK-DWN-2002/2	80% (80%)	HPCL 20%
9	CY-ONN-2002/2	60% (60%)	BPRL 40%
10	AA-ONN-2002/4	90% (90%)	OIL 10%
11	CY-DWN-2004/1	70% (70%)	GSPC 10%,HPCL 10%, GAIL 10%
12	CY-DWN-2004/2	70% (70%)	GSPC 10%, HPCL 10% , GAIL 10%
13	CY-DWN-2004/3	70% (70%)	GSPC 10%, HPCL 10%, GAIL 10%
14	CY-DWN-2004/4	70% (70%)	GSPC 10% , HPCL 10% GAIL 10%
15	CY-PR-DWN-2004/1	70% (70%)	GSPC 10%, HPCL 10%, GAIL 10%
16	CY-PR-DWN-2004/2	70% (70%)	GSPC 10%,HPCL 10% ,GAIL 10%
17	KG-DWN-2004/1	70% (70%)	GSPC 10%, HPCL 10%, GAIL 10%
18	KG-DWN-2004/2	60% (60%)	GSPC 10%, HPCL 10%, GAIL 10% , BPRL 10%
19	KG-DWN-2004/3	70% (70%)	GSPC 10%, HPCL 10%, GAIL 10%
20	KG-DWN-2004/5	50% (50%)	GSPC 10%, HPCL 10%, GAIL 10%, OIL 10%, BPRL 10%
21	KG-DWN-2004/6	34% (60%)	GSPC 10%, HPCL 10%, GAIL 10% , OIL 10%, INPEX 26%
22	CB-ONN-2004/1	50% (50%)	GSPC 40%, HERA-MEC LTD 10%
23	CB-ONN-2004/2	55% (55%)	GSPC 45%
24	CB-ONN-2004/3**	65% (40%)	GSPC 35% (GSPC 35%, ENSEARCH 25%)
25	CB-ONN-2004/4**	60% (50%)	GSPC 40% (GSPC 40%, HERA-MEC 10%)
26	CY-ONN-2004/1	80% (80%)	BPRL 20%
27	CY-ONN-2004/2	80% (80%)	BPRL 20%
28	MB-OSN-2005-1	80% (80%)	GSPC 20%
29	MB-OSN-2005-5	70% (70%)	GSPC 30%
30	MB-OSN-2005-6	80% (80%)	GSPC 20%
31	AN-DWN-2005/1	90% (90%)	OIL 10%
32	KG-DWN-2005/1	70% (70%)	IOC 20%, GSPC 10%
33	KK-DWN-2005/2	90% (90%)	GSPC 10%
34	KG-OSN-2005/1	60% (60%)	HMEL 20%, GSPC 20%
35	KG-OSN-2005/2	80% (80%)	HMEL 20%
36	Raniganj	74% (74%)	CIL 26%
37	Jharia	90% (90%)	CIL 10%
38	NK-CBM-2001/1	80% (80%)	IOC 20%
39	BK-CBM-2001/1	80% (80%)	IOC 20%
40	CB-ONN-2005/4	51% (51%)	GSPC 49%
41	CB-ONN-2005/10	51% (51%)	GSPC 49%
42	PR-ONN-2005/1	80% (80%)	TPL 20%
43	WB-ONN-2005/4	75% (75%)	OIL 25%
44	AA-ONN-2005/1	60% (60%)	OIL 30%, ACIL 10%
45	GV-ONN-2005/3	80% (80%)	TPL 20%
46	AN-DWN-2009/2	60% (60%)	OIL 40%
47	AN-DWN-2009/1	70% (70%)	OIL 30%
48	AN-DWN-2009/5	90% (90%)	GSPC 10%
49	AN-DWN-2009/13	70% (70%)	GAIL 10%, NTPC 10%, GSPC 10%
50	AN-DWN-2009/18	60% (60%)	OIL 30%, GAIL 10%
51	GK-OSN-2009/1	40% (40%)	AWEL 20%, GSPC 20%, IOC 20%
52	GK-OSN-2009/2	40% (40%)	AWEL 30%, IOC 30%
53	KG-OSN-2009/1	80% (80%)	APGIC 10%, NTPC 10%
54	KG-OSN-2009/2	90% (90%)	APGIC 10%
55	KG-OSN-2009/4	50% (50%)	APGIC 10%, OIL 30%, NTPC 10%
56	AA-ONN-2009/3	50% (50%)	OIL 50%
57	CB-ONN-2009/4	50% (50%)	GSPC 50%
58	GK-OSN-2010/1	60% (60%)	OIL 30%, GAIL-10%
59	GK-OSN-2010/2	90% (90%)	GAIL 10%
60	CB-ONN-2010/6	80% (80%)	IOC 20%
	Operated by JV Partners		
61	Ravva	40% (40%)	Cairn India (Operator) 22.5% , VIL 25%, ROPL 12.5%
62	CY-OS-90/1 (PY3)	40% (40%)	HEPI (operator) 18%, HOEC 21%, TPL 21%
63	RJ-ON-90/1	30% (30%)	Cairn India (Operator) 35%, CEHL 35%
64	CB-OS/2 -Development Phase	50% (50%)	Cairn India (operator) 40% , TPL 10%
65	CB-ON/7 -Development Phase	30% (30%)	HOEC (Operator) 35%, GSPC 35%
66	CB-ON/3 - Development Phase	30% (30%)	EOL (Operator) 70%
67	AA-ONN-2002/3	70% (70%)	OIL (Operator) 30%
68	AN-DWN-2003/2	45% (45%)	ENI (Operator) 40%, GAIL 15%
69	KG-ONN-2003/1	51% (51%)	Cairn India (Operator) 49%
70	PR-OSN-2004/1	35% (35%)	Cairn India (Operator) 35%, TPL 30%
71	CB-ON/2- Development phase	30% (30%)	GSPC (Operator) 56%, Geo-Global Resources 14%
72	RJ-ONN-2005/3	40% (40%)	GSPC (Operator) 60%
73	AA-ONN-2009/4	50% (50%)	OIL(Operator) 50%
74	CY-OSN-2009/2	50% (50%)	OIL (Operator) 50%
75	KG-DWN-2009/1	45% (45%)	BGEPIL (Operator) 30%, OIL 15%, APGIC 10%
76	RJ-ON/6 - Development phase	30% (30%)	Focus Energy Ltd (Operator) 7%, I services Investment Ltd, Mauritius 45.5%, Newbury Oil Co. Ltd, Cyprus 17.5%
77	AA-ONN-2010/2	30% (30%)	OIL 40%, GAIL 20%, EWP 10%
78	AA-ONN-2010/3	40% (40%)	OIL 40%, BPRL 20%

* PI - Participating Interest

** Approval towards PI assignment is awaited from GoI

*** There is no change in previous year details unless otherwise stated.

Abbreviations:- ACL- Assam Company (India) Ltd, APGIC- AP Gas Infrastructure Corporation Ltd, AWEL- Adani Welspun Exploration Ltd, BGEPIL- British Gas Exploration & Production India Ltd, BPRL- Bharat Petro Resources Ltd, Cairn India-Cairn India Ltd, CEHL- Cairn Energy Hydrocarbons Ltd, CIL- Coal India Ltd, ENI- Ente Nazionale Idrocarburi, Ensearch- Enserach, EWP- East west Petroleum Canada, GAIL- Gas Authority of India Ltd, GGR- Geo Global Resources, GSPC- Gujarat State Petroleum Corporation Ltd, HEPI- Hardy Exploration & Production India Ltd, Heramec- Heramec Ltd, HEPI-Hardy Exploration & Production (India), HEIBV-Hydro Oil & Energy India BV, HMEL- HPCL Mittal Energy Ltd, HOEC- Hindustan Oil Exploration Company Ltd, HPCL- Hindustan Petroleum Corporation Ltd, IOC- Indian Oil Corporation Ltd, INPEX- INPEX Offshore East India Ltd., NTPC- National Thermal Power Corporation Ltd, OIL- Oil India Ltd, PIBBV-Petrobras International Braspero BV, VIL- Videocon Industries Ltd, RIL- Reliance Industries Ltd, ROPL- Ravva Oil (Singapore) Private Ltd, SRL- Sunterra Resources Ltd, TPL- Tata Petrodyne Ltd

42.2 List of the blocks surrendered during the year are given below:

Sl. No.	Joint Ventures / PSCs	Company's PI *
1.	KG-DWN-2002/1	70% (70%)
2.	MN-DWN-2002/1	36% (36%)
3.	MN-DWN-2002/2	100% (100%)
4.	AN-DWN-2002/I	100% (100%)
5.	AN-DWN-2003/I	100% (100%)
6.	VN-ONN-2003/1	100% (100%)
7.	KK-DWN-2004/1	45% (45%)
8.	AN-DWN-2002/2	100% (100%)

* PI - Participating Interest

42.3 The Financial position of the JV/NELP blocks are as under:

(` in million)

	No. of JVs/ NELP Blocks	Assets	Liabilities	Income	Expenditure	Profit / (-) Loss before tax
NELP Block- 100% PI*	21 (21)	15,654.33 (2,702.60)	368.09 (100.74)	71.51 (0.10)	26,243.39 (30,595.61)	-26,171.88 (-30,595.51)
Blocks with other partners	78 (85)	92,348.44 (96,450.27)	28,134.96 (29,995.32)	170,084.17 (155,064.23)	106,303.27 (88,174.76)	63,780.91 (66,889.47)
Surrendered	41 (33)	3,346.44 (316.97)	8,979.16 (8,255.62)	613.22 (2.33)	8,646.73 (3,760.89)	-8,033.51 (-3,758.86)
Total	140 (139)	111,349.21 (99,469.87)	37,482.21 (38,351.68)	170,768.90 (155,066.66)	141,193.38 (122,531.26)	29,575.52 (32,535.40)

42.3.1 The financial statements of 129 (previous year 128) out of 140 (previous year 139) JVs/NELP have been incorporated in the accounts to the extent of Company's participating interest in assets, liabilities, income, expenditure and profit / (loss) before tax on the basis of statements certified in accordance with production sharing contract and in respect of balance 11 (previous year 11) JVs/NELP, the figures have been incorporated on the basis of uncertified statements prepared under the production sharing contracts. Both the figures have been adjusted for changes as per Note No. 2.1.1. The financial positions of JV/NELP are as under:

(` in million)

	No. of Jvs/ NELP Blocks	Assets	Liabilities	Income	Expenditure	Profit / (-) Loss before tax
Audited	129 (128)	110,369.47 (98,443.56)	34,943.33 (36,418.07)	170,599.99 (154,188.35)	139,865.63 (120,472.85)	30,734.36 (33,715.50)
Unaudited	11 (11)	979.74 (1,026.31)	2,538.89 (1,933.61)	168.91 (878.31)	1,327.76 (2,058.41)	-1,158.85 (-1,180.10)
Total	140 (139)	111,349.21 (99,469.87)	37,482.21 (38,351.68)	170,768.90 (155,066.66)	141,193.38 (122,531.26)	29,575.52 (32,535.40)

42.3.2 In respect of 16 NELP blocks (previous year 16) which have expired as on 31st March, 2013, the Company's share of Unfinished Minimum Work Programme (MWP) amounting to `19,560.95 million (previous year to `23,949.27 million) has not been provided for since the company has already applied for further extension of period in these blocks as 'excusable delay'/ special dispensations citing technical complexities, within the extension policy of NELP Blocks, which are under active consideration of GoI. The delays have occurred generally on account of pending statutory clearances from various Govt. authorities like Ministry of Defense, Ministry of Commerce, environmental clearances, State Govt. permissions etc. The above MWP amount of `19,560.95 million (previous year `23,949.27 million) is included in MWP commitment under note no. 45.1.2.

42.3.3 As per the Production Sharing Contracts signed by the Company with the GoI, the Company is required to complete Minimum Work Programme (MWP) within stipulated time. In case of delay in completion of the MWP, Liquidated Damages (LD) is payable for extension of time to complete MWP. Further, in case the Company does not complete MWP or surrender the block without completing the MWP, the estimated cost of completing balance work programme is required to be paid to the GoI. LD amounting to `293.30 million (Previous year `870.42 million) and cost of unfinished MWP `217.14 million (Previous year `146.57 million) paid/payable to the GoI is included in survey and wells written off expenditure.

42.3.4 The company had acquired Participating Interest (PI) of British Gas Exploration & Production India Ltd (BGEPIL) in the following blocks, effective from the following dates as approved by the board of directors.

Name of the Block	PI	Date of Transfer of PI
KG OSN 2004/1	45%	25.11.2011
KG DWN 98/4	30%	18.05.2011
MN DWN 2002/2	25%	01.12.2011

British Gas has agreed to pay a lump sum amount of USD 50 Million, towards full and final settlement of carry costs/cash calls due in all the above blocks, subject to government approval for transfer of PI in all the above blocks. Since the government approval in respect of MN DWN 2002/2 is pending, no adjustment is made in the accounts towards the lump sum amount due as above.

42.4 Company's share in Joint Ventures (Outside India) through Subsidiary - OVL

Sr. No.	Name of the Project and Country of Operation	Company's participating share (%)	Other Consortium Members	Operator	Status
1	Block 06.1Vietnam,Offshore	45%	TNK Vietnam B.V. -35% Petrovietnam - 20%	TNK Vietnam B.V.	The project is under development and production
2	Block 2a, 2b & 4, GNPOC. Sudan, Onshore (Through ONGC Nile Ganga B.V.)	25%	CNPC - 40% Petronas - 30% Sudapet - 5%	Joint Operatorship (GNPOC)	The project is under production.
3	Block 1a, 1b, & 4, GPOCSouth Sudan, Onshore (Through ONGC Nile Ganga B.V.)	25%	CNPC - 40% Petronas - 30% Nilepet - 5%	Joint Operatorship (GPOC)	The project is under temporary shut down as per Government of South Sudan directive.
4	Block 5A South Sudan, Onshore	24.125%	Petronas - 67.875% Nilepet - 8%	Joint Operatorship (SPOC)	The project is under temporary shut down as per Government of South Sudan directive.
5	Sakhalin -1 Project,Russia, Offshore	20%	ENL - 30% SODECO - 30% SMNG - 11.5% R N Astra - 8.5%	ENL	The project is under development and production
6	AFPC Project Syria, Onshore (Through ONGC Nile Ganga B.V.) *	38.75%	Fulin - 50% Mittals - 11.25%	SSPD *	The project is under production.
7	MECL Colombia, Onshore (Through ONGC Amazon Alaknanda Limited)	50%	Sinopec - 50%	Joint Operatorship	The project is under exploration, development and production
8	Block BC-10 Brazil, Offshore (Through ONGC Nile Ganga B.V.)	15%	Shell - 50% Petrobras - 35%	Shell	The project is under development and production
9	OOO Imperial Frac Service (Through Imperial Energy Ltd)	50%	Mr. Vladimir Aleksandrovich Borisov - 50%	OVL	The company provides Fraccing Services
10	San Cristobal Project Venezuela, Onshore (Through ONGC Nile Ganga B.V.)	40%	CVP- 60%	Joint Operatorship	The project is under development and production
11	Block A-1 Myanmar, Offshore	17%	MOGE- 15% KOGAS - 8.5% GAIL - 8.5%	Daewoo	The project is under development.
12	Block A-3 Myanmar, Offshore	17%	Daewoo - 51% KOGAS - 8.5% GAIL - 8.5% MOGE- 15%	Daewoo	The project is under development.
13	Farsi Block Project Iran, Offshore	40%	IOC - 40% OIL - 20%	OVL	The project 's exploration period ended on 24 June 2009. Agreement on MDP and Development service contract is pending.
14	Block XXIV Syria, Onshore	60%	IPRMEL - 25% Triocean-15%	IPR MEL	The project is under exploration, development and production.
15	Blocks 25-29, & 36 Cuba, Offshore	30%	Repsol YPF - 40% Stat Oil - 30%	Repsol YPF	The project is under exploration.
16	Khartoum-Port Sudan Pipeline Project Sudan, Onshore	90%	OIL - 10%	OVL	The pipeline has been completed and is under lease.
17	Block RC-8 Colombia, Offshore	40%	Ecopetrol - 40% Petrobras - 20%	OVL	The project is under exploration
18	Block RC-9 Colombia, Offshore	50%	Ecopetrol - 50%	Ecopetrol	The project is under exploration
19	Block RC-10 Colombia, Offshore	50%	Ecopetrol - 50%	OVL	The project is under exploration
20	Block BM-SEAL-4, Brazil, Offshore (Through ONGC Nile Ganga B.V)	25%	Petrobras- 75%	Petrobras	The project is under exploration
21	Block BM-BAR-1Brazil, Offshore (Through ONGC Nile Ganga B.V)	25%	Petrobras- 75%	Petrobras	The project is under exploration
22	Block SSJN-7 Colombia, Onshore	50%	Pacific - 50%	Pacific	The project is under exploration
23	Block CPO-5Colombia, Onshore	70%	Petro Dorado - 30%	OVL	The project is under exploration
24	SHWE Offshore Pipeline Project, Myanmar, Offshore	17%	Daewoo - 51% KOGAS - 8.5% GAIL - 8.5% MOGE - 15%	Daewoo	The project is under construction.
25	Onshore Gas Pipeline Project (SEAGPCL), Myanmar, Onshore(Through ONGC Nile Ganga B.V.)	8.35%	CNPC-SEAP- 50.9% Daewoo - 25.041% KOGAS- 4.1735% GAIL - 4.1735% MOGE - 7.365%	CNPC-SEAP	The project is under construction
26	Carabobo Project,Venezuela Onshore (Through Carabobo One AB)	11%	CVP - 60% Petronas Ve-11% Repsol Exp-11% INDOIL-7%	Joint operatorship	The project is under development
27	Satpayev Contract Area 3575, Kazakhstan, Offshore	25%	KMG - 75%	SOLLP	The project is under Exploration
28	Azeri, Chirag, Guneshli fields Azerbaijan, Offshore	2.7213%	BP - 35.79% SOCAR - 11.65% Chevron - 11.27% Inpex - 10.96% Statoil - 8.56% Exxon-Mobil - 8.00% TPAO - 6.75% Itochu - 4.30%	BP	The project is under development and production
29	BTC Pipeline Azerbaijan, Onshore (Through ONGC (BTC))	2.36%	BP - 30.1% SOCAR - 25% Chevron - 8.9% Statoil - 8.71% TPAO - 6.53% Eni - 5% Total - 5% Itochu - 3.40% Inpex - 2.5% Conoco Philips - 2.5%	BP	The project is under operation

Abbreviations used: CNPC - China National Petroleum Corporation; CNPC-SEAP-CNPC South-East Asia Pipeline Co Ltd; CVP - Corporacion Venezolana Del Petroleo S.A.; Daewoo - Daewoo International Corporation; ENL - Exxon Neftegas Limited; Fulin - Fulin Investments Sarl; GAIL - GAIL (India) Limited; GNPOC - Greater Nile Petroleum operating Company; GPOC - Greater Pioneer Operating Company; SPOC - Sudd Petroleum Operating Company;IOC - Indian Oil Corporation Limited; INDOIL- Indoil Netherlands B.V.; IPRMEL - IPR Mediterranean Exploration Limited; KMG KazMunayGas; KOGAS - Korea Gas Corporation; B.V; Mittals - Mittal Investments Sarl; MOGE- Myanmar Oil and Gas Enterprise; Nilepet - Nilepet Limited, South Sudan; OCL - ONGC Campos Ltda.. OIL - Oil India Limited; Pacific - Pacific Stratus Energy, Colombia; Petrobras - Petroleo Brasileiro S.A.; Petro-Dorado - Petro-Dorado South America S.A.; Petronas - Petronas Carigali Overseas Sdn Bhd; Petronas Ve: PC Venezuela Ltd; Petrovietnam - Vietnam Oil and Gas Group; Repsol - Repsol YPF Cuba SA; Repsol Exp- Repsol Exploracion S.A.; SEAGPCL - South East Asia Gas Pipeline Company Ltd.; Shell - Shell Brazil Ltda; Sinopec - Sinopec Overseas Oil and Gas Limited; SMNG - Sakhalinmorneftegas Shelf; SODECO - Sakhalin Oil Development Company Limited; SOLLP - Satpayev Operating Company LLP (100% subsidiary of KMG); SSPD: Syria Shell Petroleum Development B.V.; Sudapet - Sudapet Limited; Triocean: Tri-Ocean Mediterranean; SOCAR: State Oil Company of Azerbaijan Republic; TPAO - Turkish Petroleum Corporation

* OVL has effectively 38.75% interest in Himalaya Energy Syria B.V. (HESBV) with Mittals and Fulin effectively holding 11.25% and 50% interest respectively. HESBV, through its subsidiaries, holds 33.33%, 37.5% and 36% interest in Ash Sham (including deep and lateral) concession, Deir-Ez-Zor and Annexure-IV (including deep and lateral) concessions and a gas utilization agreement in Syria; the balance interest in the concessions being held by SSPD- the Operator.

42.4.1 Company's share in Joint Ventures

The Company, its Subsidiaries' and the Joint Venture Company's share of assets, liabilities, income and expenses in the Joint Ventures as furnished by the Operator has been incorporated in the financial statements as given below:

(` in million)

Project	Net Fixed Assets	Net Producing Property	Capital Work in Progress	Exploratory and Developme-nt wells in Progress	Current Assets	Cash and Bank Balance	Liabilities	Income	Expenditure* (Including depreciation)
A. Audited as of 31st March, 2013									
Block 06.1 Vietnam	4,970.35	3,822.31	40.75	-	4,040.37	-	11,027.97	11,266.78	5,684.44
Farsi Block, Iran	0.24	-	-	-	-	0.32	114.07	0.20	17.56
Sudan Pipeline, OVL's Share (90%)	-	-	-	-	4,710.95	9.70	3,039.85	164.35	(26.62)
LLC Imperial Frac Service-Jarpeno	103.99	-	-	-	67.99	67.55	16.86	372.79	295.26
Block 1a, 1b, 2a, 2b & 4, Sudan	290.92	24,782.70	-	3,377.44	12,244.02	124.56	5,037.71	28,998.79	18,077.08
Block BC-10 & Exploratory Blocks, Brazil	-	17,860.55	-	8,643.30	1,903.35	436.69	485.93	12,139.00	7,282.08
PIVSA (San Cristobal), Venezuela	955.73	2,354.45	1,622.68	1,997.77	27,669.32	157.85	15,862.35	25,594.57	12,274.28
Pipeco 1 onshore Project, Myanmar (SEAGP)	15.55	-	5,717.06	-	113.25	176.60	411.21	-	-
Tamba	-	-	4,412.90	-	7,921.36	824.13	4,228.90	1,425.34	1.79
AFPC, Syria	0.74	2,000.82	-	68.06	2,157.48	16.46	730.50	-	321.15
MECL, Colombia	5,925.07	8,789.85	144.53	4,872.22	7,272.45	122.57	3,621.68	17,763.31	7,443.55
Petro Carabobo, Venezuela**	-	-	7,673.02	-	171.79	148.35	934.01	-	-
Total (A)	12,262.59	59,610.68	19,610.94	18,958.79	68,272.33	2,084.78	45,511.03	97,725.12	51,370.57

(` in million)

Project	Net Fixed Assets	Net Producing Property	Capital Work in Progress	Exploratory and Developme-nt wells in Progress)	Current Assets	Cash and Bank Balance	Liabilities	Income	Expenditure* (Including depreciation)
B. Audited as of 31st December, 2012									
Sakhalin 1 Russia	30,771.36	55,219.16	51,219.29	1,733.25	14,355.28	308.88	17,615.91	63,378.28	20,412.98
Block RC-8, Colombia	0.22	-	-	-	-	-	550.48	0.17	623.14
Block RC-10, Colombia	0.31	-	-	-	0.09	-	688.74	0.21	992.62
Block RC-9, Colombia	-	-	-	-	-	0.23	1.95	0.20	24.67
Blocks 25-29, & 36, Cuba	4.13	-	-	-	273.42	-	-	0.39	3,322.47
Block A-1, Myanmar	82.39	-	6,429.52	3,620.39	395.46	740.89	2,196.23	-	47.55
Block A-3, Myanmar	0.99	-	1,201.89	3,034.93	17.83	251.33	454.67	-	11.43
CPO 5 Block, Colombia	0.37	-	-	1,166.00	66.49	-	1,020.09	0.56	(2.52)
SHWE Offshore Pipeline Myanmar	4.68	-	2,900.66	-	1.06	354.16	127.03	-	6.07
Total (B)	30,864.45	55,219.16	61,751.36	9,554.57	15,109.64	1,655.49	22,655.10	63,379.80	25,438.40
C. Unaudited									
Block XXIV, Syria	45.40	(42.38)	-	-	362.79	-	413.28	7.18	63.48
Block 6 North Ramadan, Egypt	-	-	-	-	-	-	64.74	-	54.89
Block 5A, Sudan	2,504.19	5,974.80	27.26	1,009.28	1,027.10	21.69	-	-	792.58
Block NC-188, Libya	-	-	-	-	5.24	0.67	-	-	18.64
Block NEMED, Egypt	-	-	-	-	2.00	-	-	-	(0.12)
Satpayev Block, Kazakhstan	2.24	-	4,753.53	-	1,071.18	0.19	-	0.66	627.36
ACG, Azerbaizan	10,519.00	33,848.83	-	-	-	-	12.77	-	20.38
Total (C)	13,070.83	39,781.25	4,780.79	1,009.28	2,468.31	22.55	490.80	7.84	1,577.21
Grand Total	56,197.87	1,54,611.08	86,143.09	29,522.64	85,850.28	3,762.83	68,656.94	1,61,112.76	78,386.18

*Represents expenditure as per joint venture statement. In the accounts of the Company, the amount is reflected after netting off as per the Accounting Standard (AS) 27 viz. Financial Reporting of interests in Joint Ventures.

** Excludes signature bonus paid by Subsidiary and classified under capital work-in-progress

42.4.2 The OVL's share of assets, liabilities, income and expenses has been converted into the reporting currency at the average exchange rate over the period for which the details are provided by the Operators. Generally the details are provided by the operators on monthly basis except in respect of Sakhalin-1, Russia, where the details are provided by the Operator on quarterly basis.

42.4.3 Block 5A, Blocks 1,2 &4 in Republic of South Sudan

Block-5A is located in the Unity State of the Republic of South Sudan (RSS). Block-5A is jointly operated by the partners Petronas Carigali Nile Ltd, ONGC Videsh Limited and Nilepet, the national oil company of RSS. OVL has 24.125% participating interest in Block 5A. A company Sudd petroleum Operating Company (SPOC) was incorporated in Mauritius with shares held in proportion to the participating interest of each partners in Block 5A for acting as operator of the Block.

South Sudan seceded from Republic of Sudan (ROS) as an independent country effective from 9th July 2011. In view of the separation of South Sudan, the entire contract area of Block 5A is located in the territory of the RSS. The partners of Block 5A signed a Transition Agreement (TA) with Government of South Sudan (GOSS) on 13th January 2012 which allows the partners to continue their rights for oil exploration and exploitation in the contract area of Block 5A.

RSS is a landlocked country and the crude oil produced from blocks in RSS was evacuated to the export market utilising the oil processing and transportation facilities of ROS until 3rd week of January 2012. Effective from 23rd January 2012, GOSS enforced shut down of petroleum operation in RSS since the Government of Sudan (GOS) and GOSS could not agree on the commercial terms including the Transit fees for the transportation of oil produced in RSS through ROS facilities. All the operations related to E&P activities in Block 5A were shut down on temporary basis effective from 23rd January 2012.

Both Governments have reached an Agreement concerning Oil and related economic matters on 27th September 2012. Subsequently in March 2013 both Governments have directed the respective oil companies to resume production in RSS as well as to process and transport crude oil produced in RSS using the facilities of ROS. Consequently limited production from Block 5A in South Sudan has been resumed effective from 6th April 2013 and 13th April 2013 in respect of Blocks 1,2,& 4.

42.4.4 Satpayev Block, Kazakhstan:

Effective 12th October 2011, OVL has acquired 25% Subsoil use rights from National Company JSC KazMunayGas (KMG) in the Contract for Exploration and Production of Hydrocarbon (Contract) in Satpayev Area which was signed on 15 June, 2010 between Ministry of Oil and Gas (MOG), Kazakhstan and KMG. KMG now holds subsoil use rights of 75% in the Block. The amounts paid toward initial payment and signature bonus aggregating to `4,753.53 million (Previous year `4,753.53 million) are disclosed as Capital-Work-in-Progress in Note 17, as part of acquisition cost to be treated as per the final status of the project.

42.4.5 AFPC, Syria

ONGC Nile Ganga BV (ONGBV) and Fulin Investments Sarl, a subsidiary of China National Petroleum Company International (CNPCI), hold 50% shareholding each in the Dutch joint venture company, named Himalaya Energy Syria B.V. (HESBV). HES B.V. in turn through three German entities i.e. HES Sham, HES Dez and HES Gas Syria holds 33.33% to 37.5% Participating Interest (PI) in four Production Sharing Contracts (PSCs) in Syria. The Syria business for the above PSC of ONGBV is structured as separate class of business (Class C).

Effective 1st December 2011 Al-Furat Petroleum Company (AFPC) an Operating Company jointly held by the Syria Shell Petroleum Development B.V. (SSPD) a company acting as an operator for the Contractor and HESBV (collectively the Contractor) and General Petroleum Company (GPC), Syria, which represents Government of Syria in the Operating Company, were included in the list of sanctioned enterprises by the European Union (EU) as part of the strengthening of the sanctions on Syria. Due to the sanctions, HESBV, as an EU company, has been forbidden to directly or indirectly make funds or resources available to or for the benefit of AFPC and GPC.

On the 16th May 2012 the Syrian court (the 1st degree court) ruled in favour of "single management", provided that Contractor will be kept informed of all transactions. In addition the court considered that Contractor's share of profits should be set aside in a separate bank account. AFPC Chairman appealed for three motives (i) to challenge the above two court-determined measures that allows Contractor to monitor the Chairman powers; (ii) to exercise all powers required for running AFPC and solely operate the bank accounts; and to (iii) challenge the requirement to set aside profits. On 28th November 2012, the Court of appeal in Syrian Court rejected the appeal of the Chairman. As a result, the first degree court judgement became final.

As per the financials prepared by HESBV for the year ended 31st March 2013, ONGBV's share of net fixed assets in HESBV is `2069.54 million (USD 38.05 million) ((Previous year `2248.26 million (USD 43.98 million)) and net trade receivables is `1646.93 million (USD 30.28 million) ((Previous year `3,853.94 million (USD 75.39 million)). Due to the political situation in Syria and the EU sanction, this Cash Generating Unit (CGU), including the above mentioned assets and receivables was tested for impairment by comparing the carrying value with the recoverable value as on 31st March 2013. No impairment provision was required in view of the recoverable value being higher than the carrying value.

42.4.6 Azeri, Chirag & Gunashli Project, Azerbaijan (ACG) Project:

OVL acquired 2.7213% participating interest (PI) in ACG project from Hess Oil and Gas Holdings Inc (HOGHI) during the year. The transaction has been completed on 28th March 2013 and total purchase consideration of `44,247.55 million (USD 813.52 million).

The ACG project is under production. As mentioned in Note No. 17.1(g) accounting of the net assets less liabilities of 2.7213% PI in ACG as on 31st March 2013* was accounted in the respective assets and liabilities as per accounting policy of OVL. The difference between the purchase price and net book value of assets less liabilities has been accounted as acquisition cost and capitalized in Producing Properties as below:

	USD million	` million
Purchase Price (A)	813.52	44,247.55
Less: OVL share of asset as on closing date	325.38	17,697.58
Less: OVL's share of liabilities on the closing date	16.95	922.04
Assets less liabilities(B)	308.43	16,775.54
Acquisition cost (capitalized in Producing Properties) (A-B)	505.09	27,472.01

*since details of assets and liabilities of ACG were not available as on 28th March 2013 i.e. the date of closing, the details of assets and liabilities as per the billing statement of operator as on 31st March 2013 were considered. The difference between 28th March and 31st March is not expected to be material.

As per the condition of sale and purchase agreement for acquiring PI in ACG, the purchase price is subject to adjustment for the seller's final statements of accounts which will be submitted within 120 days from the date of closing i.e. by 27th July 2013. Adjustment to the purchase price, if any, shall be accounted on finalization of seller's final statement of accounts.

OVL has simultaneously acquired 100% shares of Hess (BTC) Limited, which holds 2.36% shares in Baku-Tbilisi-Ceyhan (BTC) Pipeline from Hess Oil and Gas Holdings Inc (HOGHI). The Purchase price of `2,519.86 million (USD 46.33 million) for acquiring Hess (BTC) Limited shares has been accounted for as investment. Post-acquisition, Hess (BTC) Ltd. was renamed as ONGC (BTC) Limited. The OVL has also acquired receivables on account of a short term loan advanced to ONGC (BTC) Limited by the seller. The outstanding amount of the loan as on 31st March 2013 was `1,291.52 million (equivalent USD 23.75 million).

42.5 Jointly Controlled Entities:

42.5.1 Group ownership interests in Jointly Controlled Entities are as mentioned in note 3.B.

42.5.2 The Group's share in assets, liabilities, income, expenses, contingent liabilities and capital commitments of Jointly Controlled Entities:

(` in million)

Description	As at 31.03.2013	As at 31.03.2012
I) Assets		
Fixed Assets	108,274.04	65,289.33
Other Non Current Asset	20,877.86	15,315.24
Deferred Tax Assets	218.18	268.39
Current Asset	10,030.45	7,981.01
ii) Liabilities		
Long Term Borrowings	43,595.31	22,742.82
Other Non Current liabilities and provisions	5,430.325	5,393.07
Deferred Tax Liability	603.43	621.51
Current liabilities and provisions	73,698.92	47,951.33
iii) Income	42,948.46	32,158.76
iv) Expenses	40,624.30	32,237.60
v) Contingent liabilities	7,749.88	6,560.33
vi) Capital commitments	29,017.22	49,098.16

43 Disclosure under Accounting Standard - 28 on "Impairment of Assets"

43.1 The Company is engaged mainly in the business of oil and gas exploration and production where each cost centre used for depreciation (depletion) purposes is identified as independent Cash Generating Unit (CGU) for assessing the impairment in Producing Properties and fixed assets etc. on the basis of 'value in use'. The Company has tested all its CGUs for impairment as on 31.03.2013 by applying discount rates of 20.10% (previous year 20.40 %) for Rupee transactions and 14.00 % (previous year 13.67 %) for crude oil and value added products revenue measured in USD as on 31.03.2013.

43.2 During the year ` 3,014.50 million (Previous Year ` 932.83 million) is provided as impairment loss. Out of this an amount of `2,363.50 million (Previous Year nil) has been provided in respect of Eastern Offshore Asset, Rajahmundry. `45.36 million (Previous Year `83.30 million) has been provided as additional impairment in respect of onshore CGUs - Jodhpur and Silchar and for offshore CGU- Ratna, `31.02 million (Previous Year `75.83 million) and D 18 `6.98 million (Previous Year nil) has been provided on account of increase in the estimate of abandonment liability. In addition, `23.40 million (Previous Year `154.99 million) pertaining to block CY-OS-90/1 (PY-3) has been provided as presently the field does not have any potential to produce. An amount of `453.11 million (Previous Year `540.14 million) mainly represents additional impairment charge in respect of certain onshore Pre-NELP JVs (RJ ON 6 and CB ON 2) due to adjustment of cost recovery from revenue and sharing of 100% royalty. Balance amount of `91.12 million has been provided in Rajahmundry onshore CGU for CWIP.

Further, `756.47 million (Previous Year `827.73 million) has been reversed as impairment loss for Onshore CGU - Silchar and Jodhpur during the year.

44 Disclosure under Accounting Standard - 29 on "Provisions, Contingent Liabilities and Contingent Assets":

Movement in Provisions - Abandonment liability & others

For Court cases, arbitration and others, where the timing of expected outflows is upon settlement of the proceedings:

(` in million)

	Provision for Abandonment		Others	
Particulars	2012-13	2011-12	2012-13	2011-12
Opening Balance	204,138.82	198,503.71	1,942.45	2,432.62
Add: Provision made during the year	3,553.30	5,635.11	350.49	307.27
Less: Provision written back/ reclassified/ reduction during the year	-	-	464.93	797.44
Closing Balance	207,692.12	204,138.82	1,828.01	1,942.45

45 Disclosures under Schedule VI to the Companies Act, 1956:

45.1 Capital Commitment not provided for:-

45.1.1 Estimated amount of contracts remaining to be executed on capital account:-

i) In respect of the Company, its subsidiaries and Joint Venture Entities - `146,670.94 million (Previous year `207,824.06 million).

ii) In respect of Joint Ventures - ` 27,834.64 million (Previous year ` 33,226.23 million).

45.1.2 Estimated amount of Minimum Work Programme (MWP) committed under various 'Production Sharing Contracts':-

i) In respect Nominated Blocks `958.54 million (Previous year `282.68 million).

ii) In respect of NELP blocks in which the Company has 100% participating interest - `12,305.38 million (Previous year `15,052.01 million).

iii) In respect of NELP blocks in Joint Ventures, company's share - `62,127.36 million (Previous year ` 71,183.60 million).

45.2 Contingent Liabilities:

Claims against the Company/ disputed demands not acknowledged as debt:-

(` in Million)

No.	Particulars	As at 31st March, 2013	As at 31st March, 2012
I	in respect of Company :		
	I. Income tax matters	39,121.76	24,972.99
	ii Excise Duty matters	8,840.67	6,868.31
	iii. Custom Duty matters	2,219.95	2,104.63
	vi. Royalty	90,178.00	66,123.54
	v. Cess	6.57	6.57
	vi. Sales Tax	1,986.94	38,499.43
	vii. Octroi	45,853.77	66.89
	viii. AP Mineral Bearing Land (Infrastructure) Cess	68.54	1,694.82
	ix Specified Land Tax (Assam)	3,194.73	2,860.57
	x. Claims of contractors in Arbitration/Court.	30,583.20	37,585.34
	xi. in respect of other matters	54,182.76	29,485.21
	xii. Service Tax	44,859.97	32,530.67
	xiii. EPF	66.35	-
	Sub Total	321,163.21	242,798.97
II	in respect of Joint Ventures :		
	I. Income tax matters	8.91	8.91
	ii. Excise Duty matters	-	-
	iii. Custom Duty matters	3744.00	3,620.12
	iv. Cess	-	-
	v. Sales Tax	2,950.00	2,960.23
	vi. Claim of GoI for additional profit petroleum	4286.17	4,028.17
	vii. Claims of contractors in Arbitration/Court	333.24	299.92
	viii. Service Tax	165.13	165.17
	ix. in respect of other matters	907.67	995.80
	Sub Total	12,395.12	12,078.32
	Total (I+II)	333,558.32	254,877.29

for recovery of their Operationalization Fees. The company has contested the liability on this account.

45.2.5 The above claims / demands are at various stages of appeal and in the opinion of the Company are not tenable.

45.2.6 Performance Guarantees executed under the contracts:

i. Guarantee in respect of Sakhalin Project in favour of Exxonneftgas Ltd., M/s. Roseneft-S, SMNG-S and RN-Astra towards performance of OVL's obligation under Joint Operating Agreement without any financial ceiling.

ii. The subsidiary, OVL The Company has given a Performance Guarantee on behalf of Petro Carabobo Ganga B.V. to Government of Venezuela in respect of Carabobo 1 Project. The total investment commitment is estimated at USD 1,333 Million. The outstanding guarantee obligation of the OVL was `72,501.87 million ( previous year ` 68,142.96 million) as at March 31st, 2013 The Company is confident that Petro Carabobo Ganga B.V. will be able to honor its obligations..

iii. The OVL subsidiary, ONGBV has given counter guarantee to the State Bank of India for the issue of performance bonds in favour of Nigerian National Petroleum Corporation, on behalf of ONGC Mittal Energy Limited, with a maximum of 51% of the guaranteed amounts. The outstanding guarantee obligation of the company was `72,501.87million (USD 76.50 million) (previous year `3,910.68 (USD 76.50 million)) as at March 31st, 2013.

iv. The subsidiary company OVL, has issued Performance Guarantee in respect of concessionary contract for Block BC-10, Brazil and Blocks BM-S-73 and BM-ES-42 on behalf of ONGC Campos Ltda (OCL). The Company is confident that OCL will be able to honor its obligations.

v. The OVL subsidiary, ONGBV has given performance guarantee to ANP, the regulatory authority in Brazil, favoring ONGC Campos Ltda (OCL) for BC-10 Project where OCL has a 15% participating interest and Shell Brazil is the operator.

46 Disclosure under Guidance Note on "Accounting for Oil & Gas Producing Activities" (approved by Reserve Estimates Committee):

46.1 Company's share of Proved Reserves on the geographical basis is as under:

46.2.1 MTOE denotes "Million Tonne Oil Equivalent" and for calculating Oil equivalent of Gas, 1000 M3 of Gas has been taken to be equal to 1 MT of Crude Oil.

Variations in totals, if any, are due to internal summation and rounding off

47. Pursuant to the finalization of the agreement between ONGC, Cairns Energy Plc, Vedanta Resources Plc and their associates during the year, the royalty paid by ONGC in respect of RJ-ON-90/1 Block has been treated as contract cost eligible for cost recovery. As a result, an income of ` 31,405.47 million received from M/s Cairn India Ltd. towards Royalty paid for the period August 2009 to September 2011 has been disclosed as an exceptional item during the year 2011-12.

48. The figures in respect of Subsidiaries/Joint Venture Companies have been regrouped/ rearranged based upon the details obtained from the management as part of consolidation process & audited accounts of respective group companies..

49. In view of the several subsidiaries and Joint Ventures of the company, with each entity operating under different regulatory requirements in different countries and adopting different policies and disclosure, the information required under Accounting Standard (AS) -15 on Employee Benefit is not disclosed in Consolidated Financial statement due to impracticability.

	Details	Crude Oil (MMT)*		Gas (Billion Cubic Meter)		Total Oil Equivalent (MTOE)(note 46.2.1)	
		As at 31.03.13	As at 31.03.12	As at 31.03.13	As at 31.03.12	As at 31.03.13	As at 31.03.12
A. In India							
Offshore	Opening	215.77	210.75	208.179	202.008	423.95	412.76
	Addition	22.79	21.56	14.917	25.694	37.71	47.25
	Production	15.58	16.54	19.851	19.524	35.43	36.06
	Closing	222.98	215.77	203.245	208.179	426.22	423.95
Onshore	Opening	190.46	189.91	156.074	155.688	346.53	345.60
	Addition	9.87	9.91	5.170	6.182	15.04	16.09
	Production	9.51	9.37	5.348	5.796	14.86	15.16
	Closing	190.81	190.46	155.897	156.074	346.71	346.53
Total in india	Opening	406.23	400.66	364.253	357.697	770.48	758.36
	Addition	32.66	31.47	20.087	31.876	52.75	63.35
	Production	25.10	25.91	25.199	25.319	50.29	51.22
	Closing	413.79	406.23	359.142	364.253	772.93	770.48

Consolidated Accounts for the Year 2012 -13

ओएनजीसी ONGC

	Details	Crude Oil (MMT)*		Gas (Billion Cubic Meter)		Total Oil Equivalent (MTOE)(note 46.2.1)	
		As at 31.03.13	As at 31.03.12	As at 31.03.13	As at 31.03.12	As at 31.03.13	As at 31.03.12
B. Outside India							
GNOP, Sudan	Opening	16.971	17.425	-	-	16.971	17.425
	Addition	0.176	0.870	-	-	0.176	0.870
	Ded/Adj	6.595	-	-	-	6.595	-
	Production	0.596	1.324	-	-	0.596	1.324
	Closing	9.956	16.971	-	-	9.956	16.971
GPOC, Sudan	Opening						
	Addition						
	Ded/Adj	(6.595)				(6.595)	
	Production						
	Closing	6.595				6.595	
Block 5A, Sudan	Opening	6.348	6.627	-	-	6.348	6.627
	Addition	(0.428)	(0.105)	-	-	(0.428)	(0.105)
	Ded/Adj	(0.001)	-	-	-	(0.001)	-
	Production	-	0.174	-	-	0.000	0.174
	Closing	5.921	6.348	-	-	5.921	6.348
Sakhalin-1, Russia	Opening	34.261	35.501	71.182	71.537	105.443	107.038
	Addition	0.003	0.258	(0.001)	0.138	0.002	0.396
	Ded/Adj	-	-	-	-	-	-
	Production	1.370	1.498	0.650	0.494	2.020	1.992
	Closing	32.894	34.261	70.531	71.182	103.425	105.442
Block 06.1, Vietnam	Opening	0.635	0.672	8.518	10.540	9.153	11.212
	Addition	-	-	-	-	-	-
	Ded/Adj	-	-	-	-	-	-
	Production	0.037	0.036	2.104	2.023	2.141	2.059
	Closing	0.598	0.636	6.414	8.517	7.012	9.153
AFPC, Syria	Opening	2.707	3.210	-	-	2.707	3.210
	Addition	-	-	-	-	-	-
	Ded/Adj	-	-	-	-	-	-
	Production	0.126	0.503	-	-	0.126	0.503
	Closing	2.581	2.707	-	-	2.581	2.707
BC-10, Brazil	Opening	4.778	5.317	0.399	0.659	5.177	5.976
	Addition	0.230	(0.089)	(0.053)	(0.244)	0.177	(0.333)
	Ded/Adj	-	-	-	-	-	-
	Production	0.291	0.450	0.012	0.015	0.303	0.465
	Closing	4.717	4.778	0.334	0.400	5.051	5.178
MECL, Columbia	Opening	3.504	4.131	-	-	3.504	4.131
	Addition	0.501	(0.065)	-	-	0.501	(0.065)
	Ded/Adj	-	0.001	-	-	-	0.001
	Production	0.552	0.561	-	-	0.552	0.561
	Closing	3.453	3.504	-	-	3.453	3.504

	Details	Crude Oil (MMT)*		Gas (Billion Cubic Meter)		Total Oil Equivalent (MTOE) (note 46.2.1)	
		As at 31.03.13	As at 31.03.12	As at 31.03.13	As at 31.03.12	As at 31.03.13	As at 31.03.12
IEC,Russia	Opening	15.530	17.181	4.683	5.309	20.213	22.491
	Addition	-	(0.880)	0.109	(0.626)	0.109	(1.506)
	Ded/Adj	-	-	-	-	-	0.000
	Production	0.560	0.771	0.071	-	0.631	0.771
	Closing	14.970	15.530	4.721	4.683	19.691	20.213
PIVSA, Venezuela	Opening	11.766	12.688	-	-	11.766	12.688
	Addition	-	(0.030)	-	-	-	(0.030)
	Ded/Adj	-	(0.001)	-	-	-	(0.001)
	Production	0.800	0.894	-	-	0.800	0.894
	Closing	10.966	11.765	-	-	10.966	11.765
BLOCK-24, SYRIA	Opening	1.804	1.813	-	-	1.804	1.813
	Addition	-	-	-	-	-	0.000
	Ded/Adj	-	-		-	-	0.000
	Production	0.001	0.010	-	-	0.001	0.010
	Closing	1.803	1.803	-	-	1.803	1.803
BLOCK-A1 & A3, Myanmar	Opening	-	-	10.297	10.297	10.297	10.297
	Addition	-	-	-	-	-	0.000
	Ded/Adj	-	-	-	-	-	0.000
	Production	-	-	-	-	-	0.000
	Closing	-	-	10.297	10.297	10.297	10.297
Carabobo - 1, Venezuela	Opening	-				-	
	Addition	0.023				0.023	
	Ded/Adj	-			-		
	Production	0.001				0.001	
	Closing	0.022				0.022	
ACG, Azerbaijan	Opening	-				-	
	Addition	9.656				9.656	
	Ded/Adj	-			-		
	Production	0.010				0.010	
	Closing	9.646				9.646	
Total Out side India	Opening	98.304	104.566	95.079	98.343	193.383	202.909
	Addition	10.161	(0.042)	0.055	(0.732)	10.216	(0.772)
	Ded/Adj	0.003	-	0.001	-	0.004	0.001
	Production	4.343	6.221	2.837	2.532	7.180	8.754
	Closing	104.119	98.303	92.296	95.079	196.415	193.383

46.2 Company's share of Proved Developed Reserves on the geographical basis is as under:

	Details	Crude Oil (MMT)		Gas (Billion Cubic Meter)		Total Oil Equivalent (MTOE) (note 46.2.1)	
		As at 31.03.13	As at 31.03.12	As at 31.03.13	As at 31.03.12	As at 31.03.13	As at 31.03.12
A. In India							
Offshore	Opening	153.50	158.76	114.690	120.549	268.19	279.31
	Addition	22.70	11.27	15.431	13.649	38.13	24.92
	Production	15.58	16.54	19.867	19.508	35.45	36.04
	Closing	160.62	153.50	110.254	114.690	270.87	268.19
Onshore	Opening	148.73	150.77	110.364	110.749	259.09	261.52
	Addition	11.57	7.37	4.933	5.451	16.50	12.82
	Production	9.49	9.41	5.287	5.836	14.78	15.25
	Closing	150.81	148.73	110.010	110.364	260.81	259.09
Total in India	Opening	302.23	309.54	225.055	231.297	527.28	540.83
	Addition	34.27	18.64	20.364	19.101	54.63	37.74
	Production	25.07	25.95	25.154	25.343	50.22	51.29
	Closing	311.43	302.23	220.264	225.055	531.69	527.28
B. Outside India							
GNOP, Sudan	Opening	6.707	7.831	-	-	6.707	7.831
	Addition	1.203	0.200	-	-	1.203	0.200
	Ded/Adj	4.530	-	-	-	4.530	0.000
	Production	0.596	1.324	-	-	0.596	1.324
	Closing	2.784	6.707	-	-	2.784	6.707
GPOC, Sudan	Opening	-	-	-	-	-	-
	Addition	-	-	-	-	-	-
	Ded/Adj	(4.530)	-	-	-	(4.530)	
	Production	-	-	-	-	-	-
	Closing	4.530	-	-	-	-	4.530
Block 5A, Sudan	Opening	2.599	2.467	-	-	2.599	2.467
	Addition	-	0.306	-	-	-	0.306
	Ded/Adj	-	-	-	-	-	0.000
	Production	-	0.174	-	-	-	0.174
	Closing	2.599	2.599	-	-	2.599	2.599
Sakhalin-1, Russia	Opening	9.122	10.620	10.794	11.288	19.916	21.908
	Addition	5.638	-	0.019	-	5.657	-
	Ded/Adj	(0.001)	-	-	-	(0.001)	-
	Production	1.370	1.498	0.650	0.494	2.020	1.992
	Closing	13.391	9.122	10.163	10.794	23.554	19.916
Block 06.1, Vietnam	Opening	0.626	0.663	4.963	6.985	5.589	7.648
	Addition	0.009	-	3.555	-	3.564	-
	Ded/Adj	-	-	-	-	-	-
	Production	0.037	0.036	2.104	2.023	2.141	2.059
	Closing	0.598	0.627	6.414	4.962	7.012	5.589
AFPC, Syria	Opening	2.332	2.835	-	-	2.332	2.835
	Addition	-	-	-	-	-	-
	Ded/Adj	-	-	-	-	-	-
	Production	0.126	0.503	-	-	0.126	0.503
	Closing	2.206	2.332	-	-	2.206	2.332

	Details	Crude Oil (MMT)*		Gas (Billion Cubic Meter)		Total Oil Equivalent (MTOE) (note 46.2.1)	
		As at 31.03.13	As at 31.03.12	As at 31.03.13	As at 31.03.12	As at 31.03.13	As at 31.03.12
BC-10, Brazil	Opening	1.437	1.931	0.155	0.443	1.592	2.374
	Addition	0.480	(0.044)	(0.006)	(0.273)	0.474	(0.317)
	Ded/Adj	-	-	(0.001)	-	(0.001)	-
	Production	0.291	0.450	0.012	0.015	0.303	0.465
	Closing	1.626	1.437	0.138	0.155	1.764	1.592
MECL, Columbia	Opening	3.371	3.240	-	-	3.371	3.240
	Addition	0.181	0.692	-	-	0.181	0.692
	Ded/Adj	-	-	-	-	-	-
	Production	0.552	0.561	-	-	0.552	0.561
	Closing	3.000	3.371	-	-	3.000	3.371
IEC, Russia	Opening	5.391	4.793	-	-	5.391	4.793
	Addition	-	1.369	1.202	-	1.202	1.369
	Ded/Adj	-	-	-	-	-	-
	Production	0.560	0.771	0.071	-	0.631	0.771
	Closing	4.831	5.391	1.131	-	5.962	5.391
PIVSA, Venezuela	Opening	1.019	1.901	-	-	1.019	1.901
	Addition	1.440	0.012	-	-	1.440	0.012
	Ded/Adj	(0.001)	-	-	-	(0.001)	-
	Production	0.800	0.894	-	-	0.800	0.894
	Closing	1.660	1.019	-	-	1.660	1.019
Carabobo - 1, Venezuela	Opening	-				-	
	Addition	0.023				0.023	
	Ded/Adj	-			-		
	Production	0.001				0.001	
	Closing	0.022				0.022	
ACG, Azerbaijan	Opening	-				-	
	Addition	4.277				4.277	
	Ded/Adj	-			-		
	Production	0.010				0.010	
	Closing	4.267				4.267	
BLOCK-24, SYRIA	Opening	0.050	0.000	-	-	0.050	-
	Addition	-	0.060	-	-	-	0.060
	Ded/Adj	-	-	-	-	-	-
	Production	0.001	0.010	-	-	0.001	0.010
	Closing	0.049	0.050	-	-	0.049	0.050
Total out side India	Opening	32.654	36.281	15.912	18.716	48.566	54.997
	Addition	13.251	2.595	4.770	(0.273)	18.021	2.322
	Ded/Adj	-	-	(0.001)	-	(0.001)	-
	Production	4.343	6.221	2.837	2.532	7.180	8.753
	Closing	41.562	32.655	17.846	15.911	59.408	48.566

50. Some balances of Trade/Other Receivables, Trade/Other Payables and Loans & Advances are subject to confirmation/ reconciliation. Adjustments, if any, will be accounted for on confirmation/ reconciliation of the same, which will not have a material impact.

51. Figures in parenthesis as given in these Notes to Financial Statement relate to previous year.

Electronic Clearing Services (ECS) Request Form

The Company extends the ECS facility to the shareholders so as to enable them to receive dividend through electronic mode to their bank. This facility will be available in the following centres: Ahemdabad, Bangalore, Bhubaneswar, Chandigarh, Chennai, Delhi, Guwahati, Hyderabad, Jaipur, Kanpur, Kolkata, Mumbai, Nagpur, Patna, Thiruvananthapuram, Agra, Allahabad, Amritsar, Aurangabad, Baroda, Bhopal, Calicut, Cochin, Coimbatore, Dehradun, Erode, Gorakhpur, Gwalior, Hubli, Indore, Jabalpur, Jalandhar, Jammu, Jamshedpur, Jodhpur, Kohlapur, Lucknow, Ludhiana, Madurai, Mangalore, Mysore, Nasik, Panjim, Pune, Raipur, Rajkot, Salem, Shimla, Surat, Trichur, Trichy, Udaipur, Varanasi, Vijyawada, Vishkhapatnam. Those who wish to avail the facility may fill up the ECS form given below and send the same to the Share Transfer Agent of the Company - M/s Karvy Computershare Private Limited in case of shares held in physical form and to their respective Depository Participant in case of shares held in Electronic/Demant form.

Electronic Clearing Services (ECS) Request form
(Note: If you are already receiving through ECS, please ignore this form)

SHAREHOLDERS IN PHYSICAL FORM	SHAREHOLDERS IN DEMAT FORM
Karvy Computershare Pvt. Ltd Unit - ONGC, 17-24, Vittal Rao Nagar Madhapur, Hyderabad – 500 081 Andhra Pradesh – India Tel: 040-44655152 Fax: 040-23420814	To be sent to your Depositary Participant (DP)

Dear Sir,

Subject : ECS Mandate/ Bank form for Dividend Payment

I the undersigned, shareholder of Oil And Natural Gas Corporation Limited (ONGC), wish to opt for ECS facility for payment of dividend. The following is a confirmation of my details and I hereby confirm my choice to opt for payment of dividend payable to me by a physical dividend warrant/demand draft, on account of any circumstances beyond the control of ONGC, that may affect payment of dividend through ECS.

1) For shares held in physical form

   Folio No:

2) For shares held in electronic form

   [Shareholders holding shares in electronic form should forward this form to their respective Depositary Participant (DP)].

   DP ID

   Client ID

3) Name & Address:

4) Bank Particulars:

Bank Name:
Branch Name & Address:
Account No. (as appearing in cheque book):
Account Type:
9 digit MICR code as appearing on the cheque:

Proxy Form

Oil And Natural Gas Corporation Limited

Registered Office: Jeevan Bharati Bldg., Tower- II, 124 Indira Chowk, New Delhi - 110001

D.P ID*		Folio No.	
Client ID*		No. of share(s) held	

I/We…………………………………………………………………….. of ....being a member(s) of OIL AND NATURAL GAS CORPORATION LIMITED hereby appoint Mr./Ms……….. of……...................................or failing him/ her ……...…....……..……of ………….as my /our proxy to vote for me/us on my/our behalf at the 20th Annual General Meeting of Oil And Natural Gas Corporation Limited to be held on Wednesday, 25th September, 2013 at 10.00 A.M. or at any adjournment thereof.

Affix revenue stamp of `1

Signed this …………………….day of……………………2013.

*Applicable for investor holding share(s) in electronic form.

Note: The proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the scheduled time of the aforesaid meeting.

Attendance Slip

Oil And Natural Gas Corporation Limited
Jeevan Bharati Bldg., Tower- II, 124 Indira Chowk, New Delhi - 110001

Please fill in this attendance slip and hand it over at the entrance of the meeting venue.

D.P ID*		Folio No.	
Client ID*		No. of share(s) held	

I certify that I am a member/proxy for the member of the Company.

I hereby record my presence at the 20th Annual General Meeting of the Oil And Natural Gas Corporation Limited held on Wednesday, 25th September, 2013 at 10.00 A.M. at NDMC Indoor Stadium, Talkatora Garden, New Delhi.

Members/Proxy's name in Block Letters   Signature of Member/Proxy

*Applicable for investor holding Share(s) in electronic form.