

# ONGC's Performance Highlights FY'09

Dated: 24<sup>th</sup> June, 2009

## A. Highlights

- Net declines 3%, from Rs. 16,702 Crore to Rs. 16,126 crore in FY'09 due to the following:
  - Higher subsidy payout of Rs. 28,225 Crore as compared to Rs. 22,001 in FY'08
  - Higher exploration commitment
  - Temporary production set-back
  - Exceptional provisions
  - Higher rig rate
- Dividend: Recommended payout of Rs. 32/- per share (including interim dividend Rs. 18 per share) aggregating to Rs. 6,844 crore (same as last year)
- ONGC's ultimate reserve accretion of 68.90 MTOE from domestic acreages is highest in 18 years.
- Total 28 Discoveries made in FY'09 which include 15 New Prospects (2 Deep waters, 1 Shallow water, 12 Onshore) and 13 New pools.

### Dividend payout during the last five years

Year	PAT	Dividend		Tax on Dividend	Payout %	
		%	Rs. in crore		Including Dividend Tax	Excluding Dividend tax
2004-05	12,983	400*	5,704	745	49.67	43.93
2005-06	14,431	450*	6,417	900	50.70	44.47
2006-07	15,643	310	6,631	930	48.33	42.39
2007-08	16,702	320	6,844	1,163	47.95	40.98
2008-09	16,126	320	6,844	1,163	49.66	42.44

\* pre- bonus

## B. Financials

### B.1 Annual FY'09

- Highest-ever Sales Income (Turnover) Rs. 63,949 Crore (up 6% from Rs. 60,137 Crore in FY'08). The Compounded Annual Growth Rate (CAGR) in Turnover in last 5 years is 14.49 %.
- Excluding trading 64% of the Turnover derived from sale of Crude Oil, 13% from sale of Natural Gas, 14% from sale of Value-Added-Products (VAPs) viz. LPG, Naptha etc. 9%.

- Net Profit of Rs. 16,126 Crore (down 3% from Rs. 16,702 Crore in FY'08), highest-ever subsidy discount of Rs. 28,225 Crore (up 28% from Rs. 22,001 Crore in FY'08). The Compounded Annual Growth Rate (CAGR) in Net Profit in last 5 years is 13.23%.

- ONGC continues to be a zero debt Company.

## **B.2 ONGC Videsh Ltd. (OVL) in FY'09**

- Production of 8.78 MTOE of O+OEG, as compared to 8.80 MTOE in FY'08
- Gross revenue Rs. 18,503 Crore, up 9% over Rs. 16,934 Crore in FY'08
- Profit after tax Rs. 2,853 Crore, up 19% over Rs. 2,397 Crore in FY'08
- OVL has 40 projects spread over 16 countries.

## **B.3 Mangalore Refinery & Petrochemicals Ltd. (MRPL) in FY'09**

- Highest-ever Refinery Crude Thruput 12.59 MMT, up from 12.55 MMT in FY'08
- Capacity utilization of 130%
- Highest-ever Turnover Rs. 42,719 Crore, up 14% from Rs. 37,339 Crore in FY'08
- Profit-after-tax Rs.1,193 Crore, as compared to Rs.1,272 Crore in FY'08

## **B.4 Consolidated Group Results of ONGC**

### **Group consisting of:**

- Oil and Natural Gas Corporation Ltd

### **Subsidiaries:**

- ONGC Videsh Ltd (Consolidated)
- Mangalore Refinery and Petrochemicals Ltd

### **Joint Venture Entities:**

- Petronet LNG Ltd
- Petronet MHB Ltd
- Mangalore SEZ Ltd
- ONGC Mangalore Petrochemicals Ltd
- ONGC Petro Additions Ltd
- ONGC Tripura Power Company Ltd
- ONGC TERI Biotech Ltd

### **Associate:**

- Pawan Hans Helicopters Ltd

- Highest ever Turnover of Rs 109,394 Crore (up 7% from Rs. 101,835 Crore in

FY'08)

- Net Profit of the Group Rs 19,795 Crore (down 0.4% from Rs. 19,872 Crore in FY'08)

#### B.5 Subsidy Impact on Profit (Rs. in crore)

	2008-09	2007-08	2006-07	2005-06	2004-05
Gross Discount	28,225	22,001	17,024	11,956	4,104
Impact on Statutory Levies	4,292	1,942	1,448	1,089	255
Impact on Profit before tax	23,933	20,059	15,576	10,867	3,849
<b>Impact on Profit after tax</b>	<b>15,798</b>	<b>13,241</b>	<b>10,333</b>	<b>7,210</b>	<b>2,553</b>

#### B.6 Highlights of 4th Quarter (Q4 FY'09) results:

- Crude Oil production of 6.48 Million Metric tonnes (MMT) [6.95 MMT in the same period in FY'08] including JVs 0.45 MMT (0.50 MMT).
- Natural Gas production 6.16 Billion Cubic Metres (BCM) [6.14 BCM] including JVs 0.66 BCM (0.79 BCM).
- Sales Turnover Rs 13,815 Crore (down 12% from Rs. 15,728 Crore in Q4 FY'08)
- Net Profit Rs 2,207 Crore (down 16% from Rs. 2,627 Crore)

### C. ONGC Exploration & Production (E&P) Highlights:

#### C.1 Exploration

- Total 28 Discoveries made in FY'09 which include 15 New Prospects (2 Deep waters, 1 Shallow water, 12 Onshore) and 13 New pools.
- ONGC's ultimate reserve accretion of 68.90 MTOE from ONGC operated domestic acreages is highest in 18 years.
- Besides OVL accreted ultimate reserve of 135.08 MTOE
- In place hydrocarbon volume of 284.81 MTOE accreted by ONGC is highest in two decades.
- Reserve Replacement Ratio of 1.44 is the 5th consecutive year of maintaining Positive reserve replacement

#### Reserve Accretion (both In-place & Ultimate) in 2008-09

	Inplace (MTOE)	Ultimate (MTOE)
Domestic	284.81	68.90
JV Domestic	30.85	2.85
OVL	-----	135.08

#### In-Place Reserve Accretion in ONGC-operated domestic fields in last 3 years

Year	O+OEG (MTOE)
2006-07	169.52
2007-08	182.23
2008-09	284.81

### Reserve Replacement ratio of ONGC-operated domestic areas

Year	Ultimate Reserve Accretion (MTOE)	Production MTOE	Reserve Replacement Ratio
2006-07	65.56	48.49	1.35
2007-08	63.82	48.28	1.32
2008-09	68.90	47.85	1.44

## C.2 Production

### Production Performance – FY'09

	FY'09	FY'08
Crude Oil – ONGC (MMT)	25.37	25.94
Crude oil – JVs – (MMT)	1.76	1.99
Total Crude Oil – (MMT)	27.13	27.93
Gas – ONGC (BCM)	22.48	22.33
Gas – JVs (BCM)	2.95	2.79
Total Gas (BCM)	25.43	25.12
Total VAPs ( MMT)	3.32	3.19

## D. Initiatives in FY'09

### Development of discovered fields

Appraisal plan for development of deepwater block KG-DWN-98/2 approved by DGH along with development of PEL acreage KG-OS-DW4. Last year, ONGC had opened up ultra-deepwater province in India by making the first discovery at a water depth of 2,841 metres in NELP block KG-DWN-98/2.

Declaring the audited financial results of ONGC Group for FY'09 to the media on 24th June 2008, soon after the ONGC Board meeting, CMD Mr. R S Sharma outlined the priorities for the future- early monetization of fields, development of marginal fields, and integration for growth through SPVs – OPal, OTPC, MRPL expansion, and overseas ventures.

For further information, please visit our website [www.ongcindia.com](http://www.ongcindia.com)

### Conversion Rates:

INR/1 USD: 45.91 (average for the Year FY'09)

### Listing references (as on 23rd June, 2009):

**ONGC:** BSE – Rs. 1015.00  
NSE – Rs. 1014.95

**MRPL:** BSE – Rs. 85.15  
NSE – Rs. 85.20

