



Oil and Natural Gas Corporation Ltd

Annual Results FY'18

Media Interaction

31st May, 2018
New Delhi

ONGC A Vertically Integrated Energy Company



➤ No.1 E&P Company – A Maharatna

- Oil Production ~ 35 MMT
- Gas Production ~ 29 BCM

Domestic + Overseas



➤ Vertically Integrated – Refining & Marketing

- MRPL & HPCL – Over 35 MMT of refining capacity
- Extensive Network - Over 15,000 Retail Outlets



➤ Redefining Value Chain through Petrochemicals

- OPaL – One of the Largest Dual Feed Crackers in the World
- OMPL – World-class Aromatic Petrochem Complex



➤ Beyond E&P

- OTPC – UNFCCC-certified 726.6 MW Gas-based Power Plant
- Petronet LNG – Co-founder of India's largest LNG importer
- Renewables – 153 MW Wind Power and 10 MW Solar Capacity

Presentation Overview

1	Exploration
2	Drilling
3	Production
4	Growth Pursuits
5	Unconventional
6	Financials
7	Overseas operations
8	Refining
9	Integration Projects
10	ONGC Group
11	Responsible Corporate

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Exploration



- 12 Hydrocarbon Discoveries
 - Six Onshore
 - Six Offshore



- Monetized - Two Onshore Discoveries



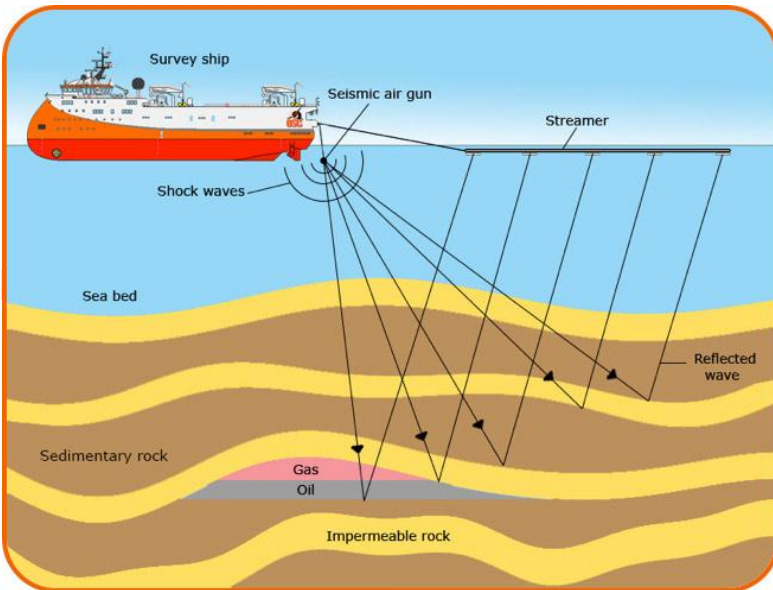
- Accreted - 67.83 MMtoe of 2P Reserves



- Reserve Replacement Ratio of 1.48 - Greater than 1 for twelfth consecutive year



- Competitive Finding Cost



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Drilling



- Drilled 503 Wells during 2017-18 – Highest in last 27 years



- Highest number of exploratory wells (119) drilled in last 6 years
- 8 in Deepwater, 45 in Shallow-water and 66 in Onshore



- Drilling cost per meter reduced by 7% (in Offshore)



- 37 Rigs deployed in offshore – Ambitious drilling plan for Deepwater in FY'19 (24 wells)

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Production



➤ Crude Oil Production (Standalone)

- Standalone increased from 22.25 MMT in FY'17 to 22.31 MMT in FY'18 (Increase of 0.3%)



➤ Natural Gas Production (Standalone)

- Standalone increased from 22.09 BCM in FY'17 to 23.48 BCM in FY'18 (Increase of 6.3%)



- O+OEG increased from 44.34 MMtoe in FY'17 to 45.79 MMtoe in FY'18 (increase of 3.3%)



- Value Added Product (VAP) increased from 3.24 MMT in FY'17 to 3.39 MMT in FY'18 (increase of 4.6%)



- Gas Flaring reduced from 2.4 % to 1.9%



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➤ Aggressive Investment in Upstream

- E&P Spends of Rs 148,937 Cr from FY'14 to FY'18
- Intensified Domestic Exploration Program



➤ 31 Mega Projects

- 18 Development and 13 Infrastructure Projects - Investment more than Rs. 86,000/- Crore
- Envisaged lifecycle Gains of 70 MMT (Oil) and 126 BMC (Gas)



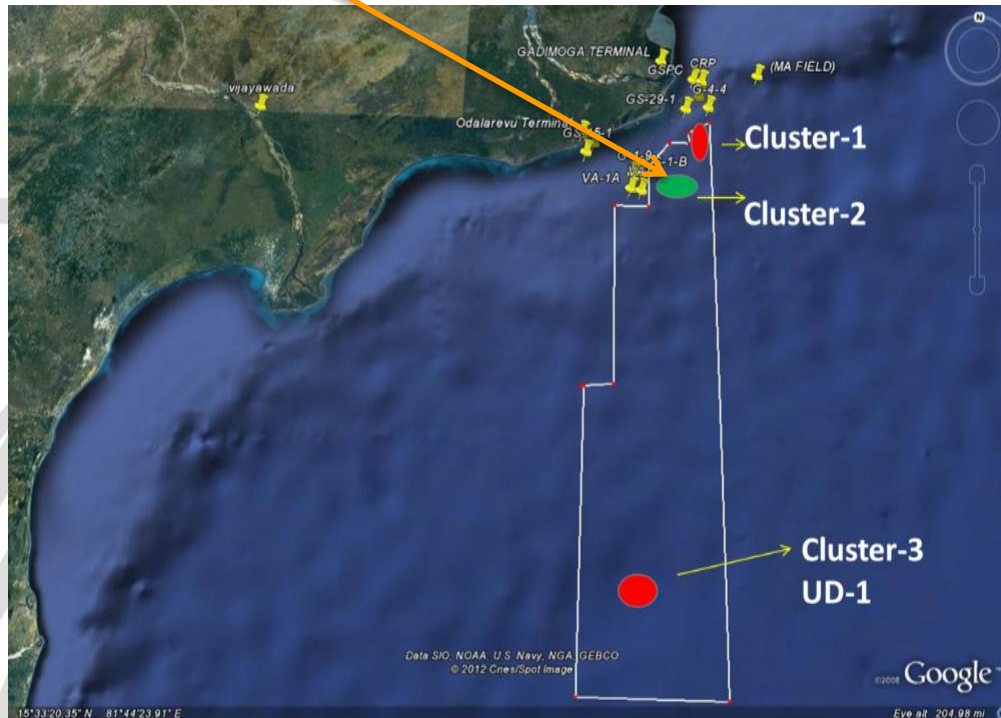
➤ Highest ever investment in a single project (\$5.07 bn)

- Development of KG-DWN-98/2 Cluster-II

KG-DWN-98/2 Cluster-II

- KG-DWN-98/2 development being taken up with an investment of US\$ 5,076 million

Cluster-2 being developed first



Peak oil: 78,000 bopd
Peak Gas: 15.57 mmscmd

Cumulative production
Oil: 25.87 MMT
Gas: 45.49 BCM

4 Deep/Ultradeep water rigs deployed

Project kicked off on 08.04.2018 with
spudding of first well

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Unconventional



- CBM (Coal Bed Methane)
 - Four Blocks – Bokaro, North Karanpura, Jharia, Raniganj
 - Bokaro – Development scheme under implementation
 - 141 wells planned in Bokaro (5 already drilled)
 - 68 wells planned in North Karanpura (drilling to start in June'18)



- Shale Gas
 - 23 assessment wells drilled – 2 (Assam), 3 (Cauvery), 4 (KG), 14 (Cambay)
 - Encouraging results in Cambay and KG Basin



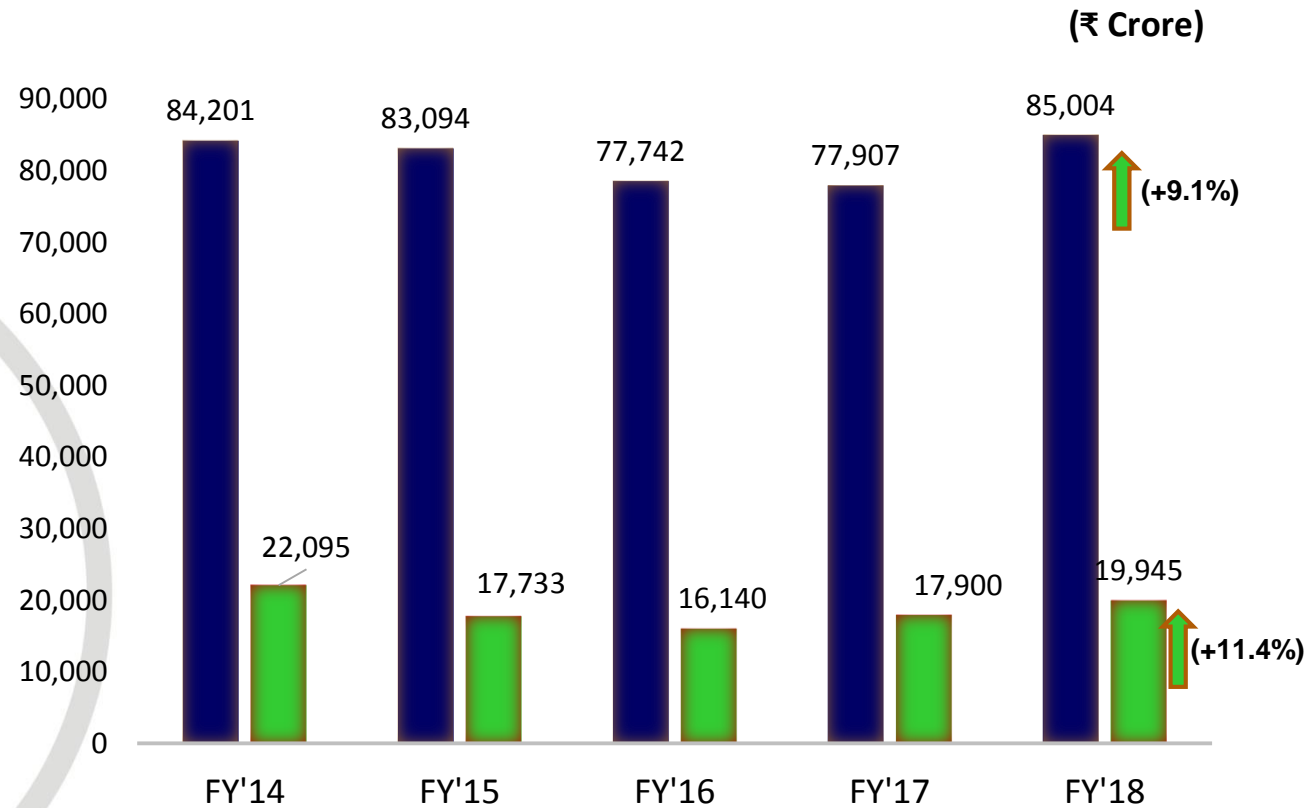
- Gas Hydrate
 - NGHP-3 firmed up; Pilot testing planned in KG Deep water
 - Dedicated Gas Hydrate R&D Centre set up at Panvel

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ONGC : Financials

💧 Gross Revenue ₹ 85,004 Crore

💧 PAT ₹ 19,945 Crore

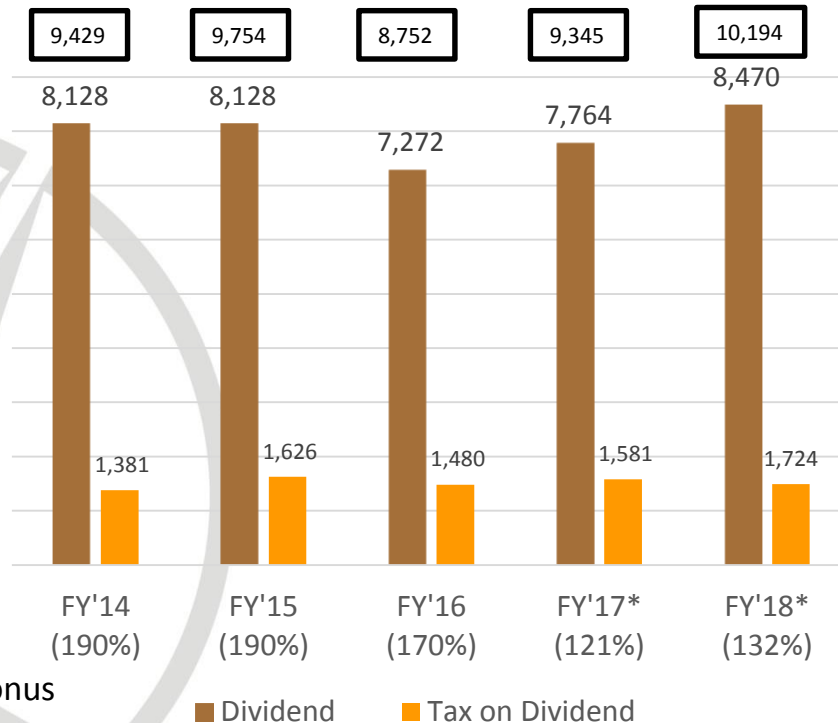


ONGC - Dividend

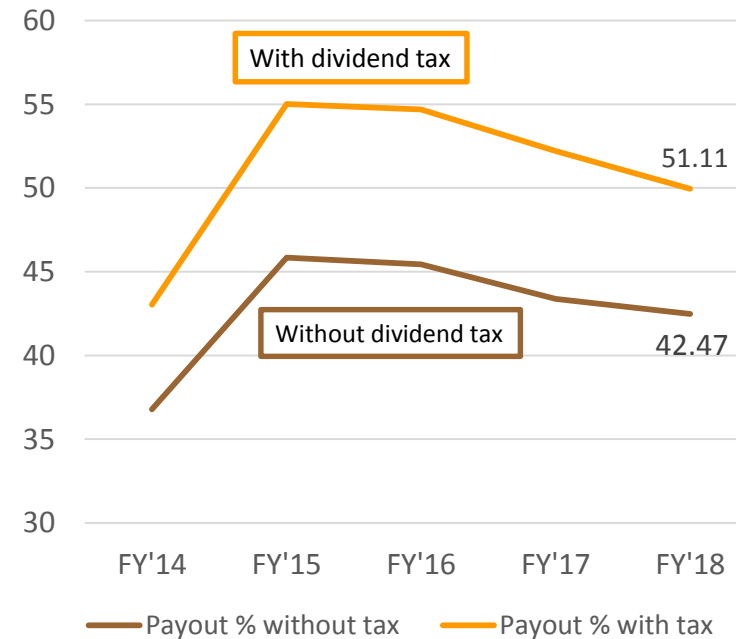
FY'18: Dividend 132 percent*; total dividend payout ₹ 8,470 Crore

Plus Dividend Tax of ₹ 1,724 Crore

Dividend (₹ Crore)



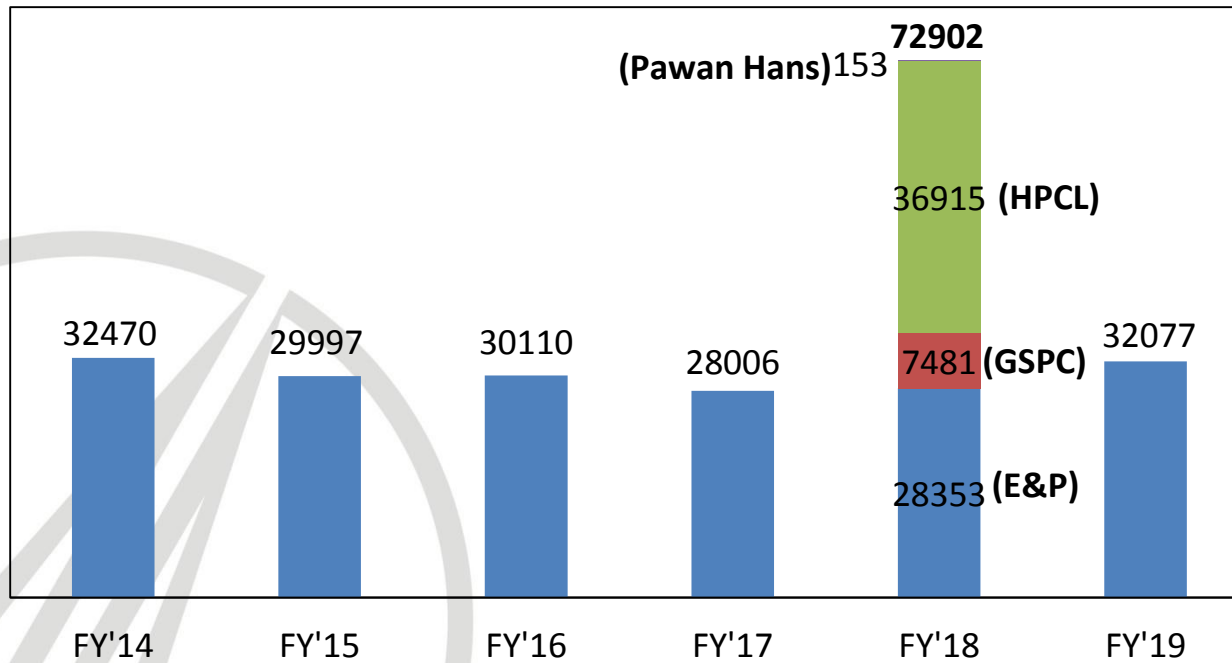
Dividend pay-out ratio (%)



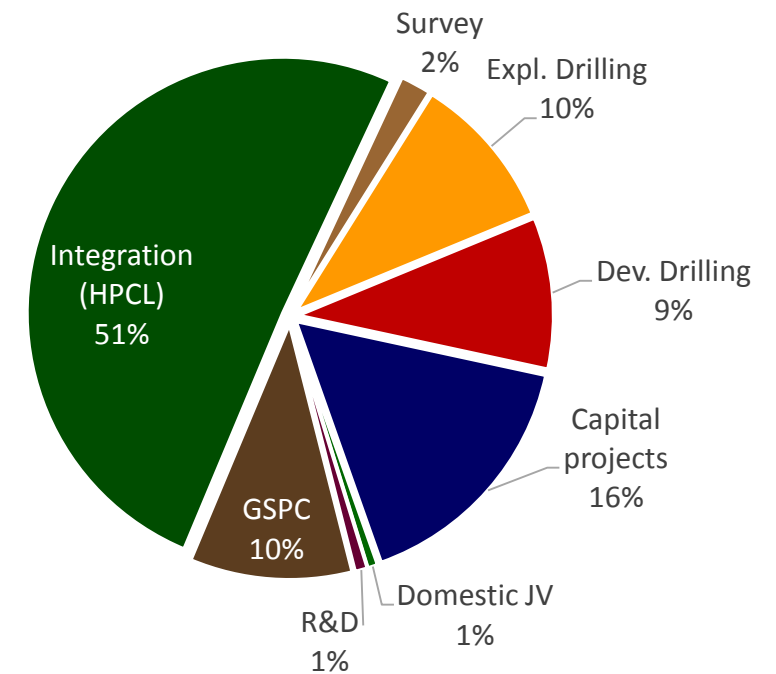
ONGC: CAPEX

₹ 193,485 Crore Capex in last 5 years

(in Rs Cr)



Capex FY'18: ₹ 72,902 Crore



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- ▶ ONGC Videsh Ltd., a wholly owned subsidiary of ONGC



- ▶ Overseas investment US\$ 28.36 billion till FY'18
- ▶ 2P Reserves of 711 MMtoe as on 01.04.2018

Global Footprint

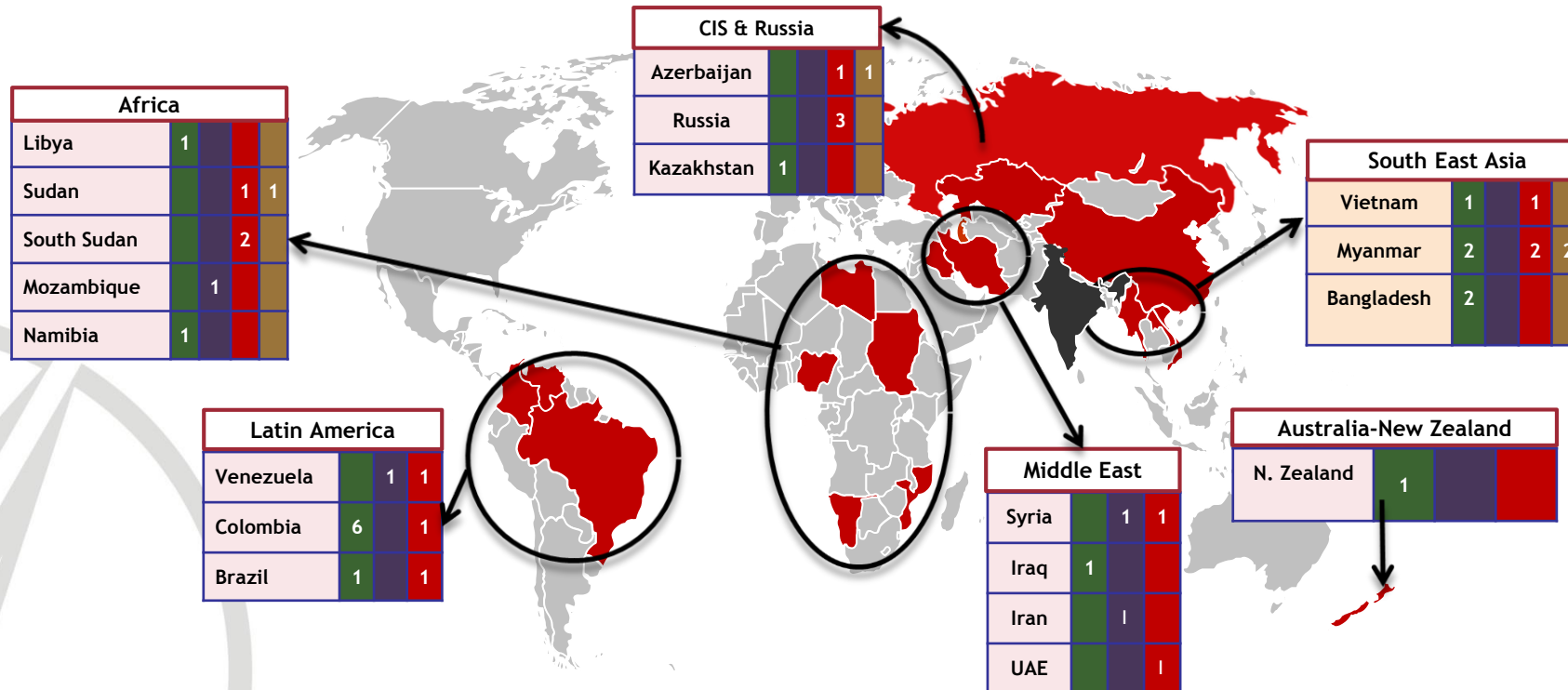
41 projects in
20 countries

Producing:
15

Discovered/
Develop: 4

Exploration:
18

Pipeline: 4

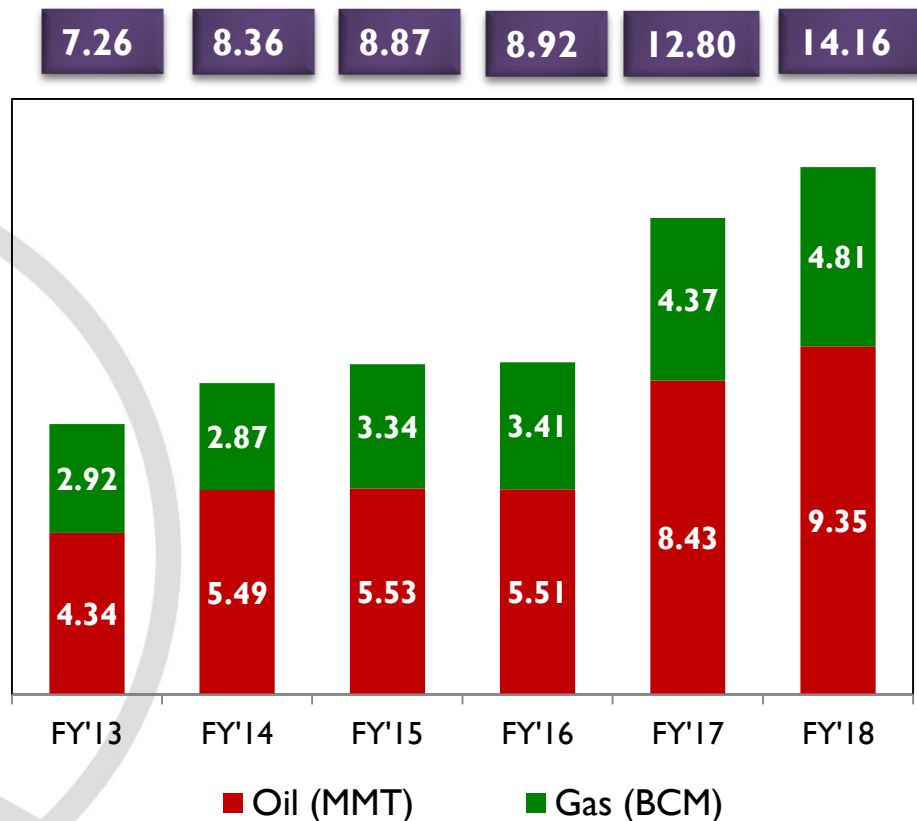


Latest Acquisition: 4% PI in Lower Zakum Concession, Abu Dhabi

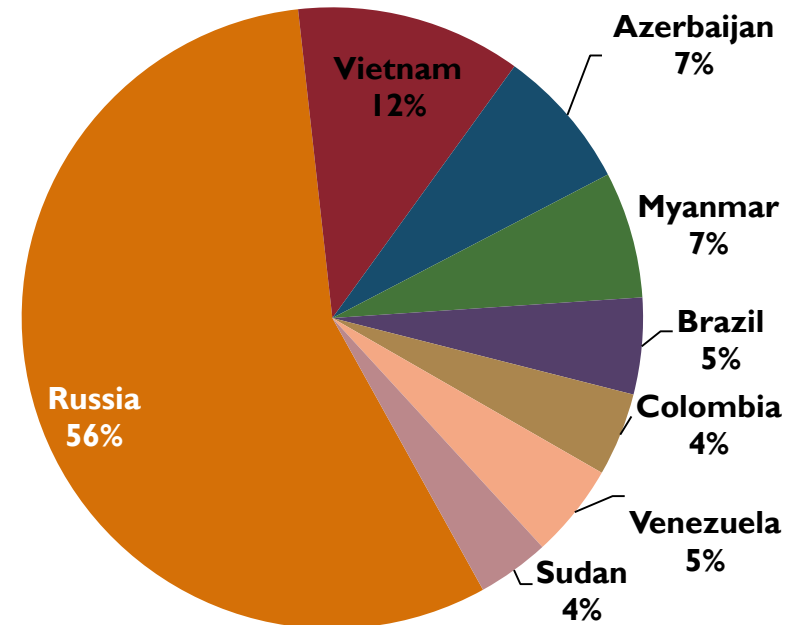
ONGC Videsh: Overseas Production

FY'18: Highest-ever production of 14.16 MMtoe (increase of 11%)

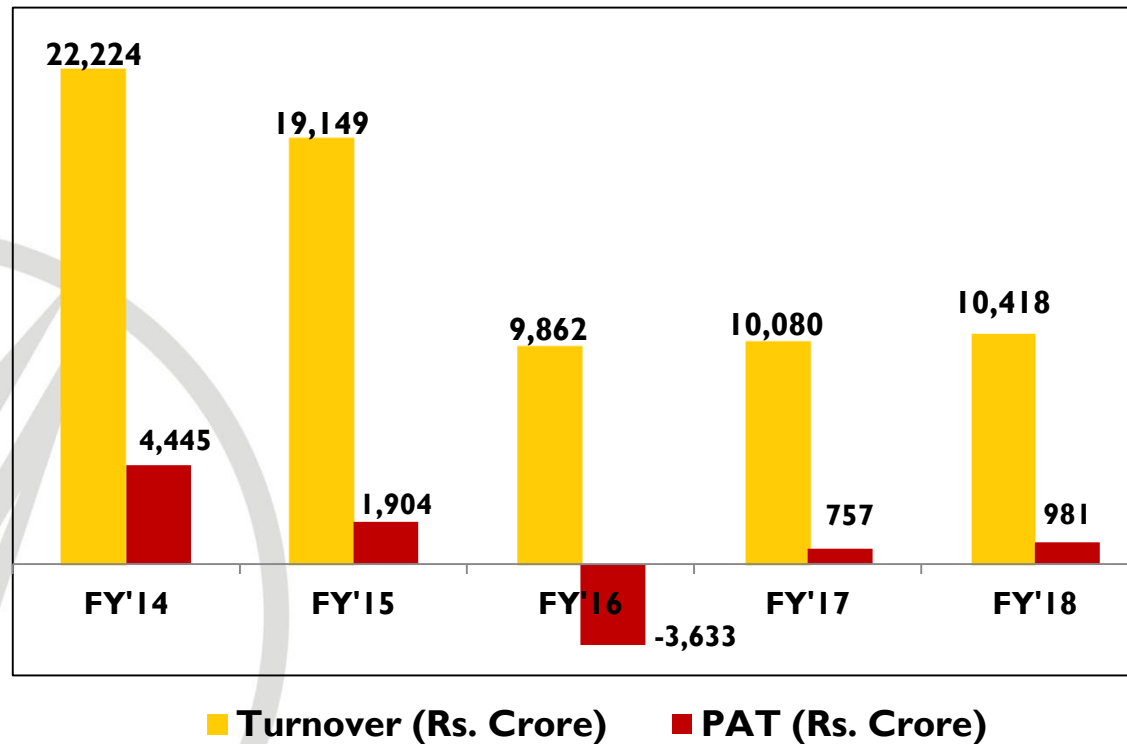
Incremental production mainly from Vankorneft & Zakum Concession project in UAE during the year.



FY'18: Country wise production



Total Income & PAT (₹ Crore)



Dividend proposed: ₹ 2.00 per share for FY'18 (previous year: ₹ 1.40 per share) excluding dividend distribution tax.

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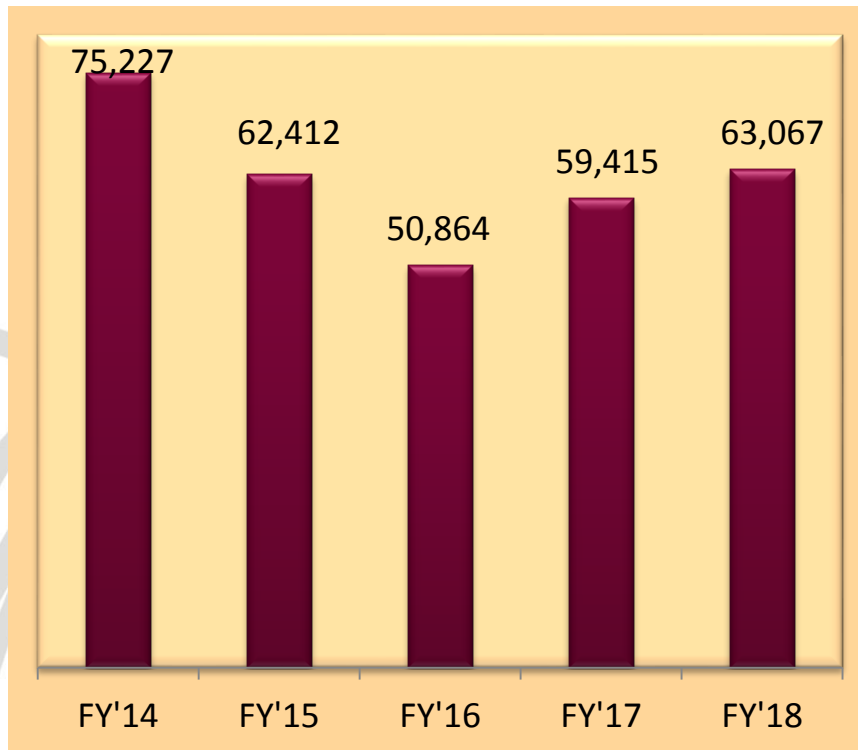
Highest-ever throughput of 16.31 MMT during FY'18



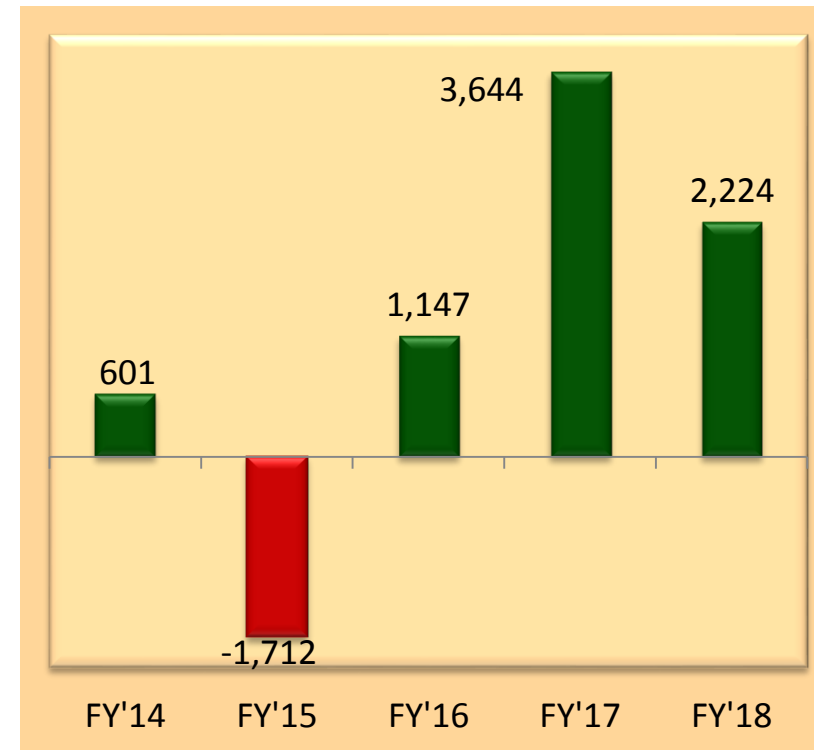
- Highest-ever production of
 - Poly-propylene (264 TMT)
 - LPG (858 TMT)
 - Diesel (6,565 TMT)

MRPL - Financials

Turnover



Profit after Tax (PAT)



Dividend FY'18: MRPL recommended a Dividend of 30% (₹ 3 per share) amounting to ₹ 525.78 Crore (ONGC's share ₹ 376 Crore)

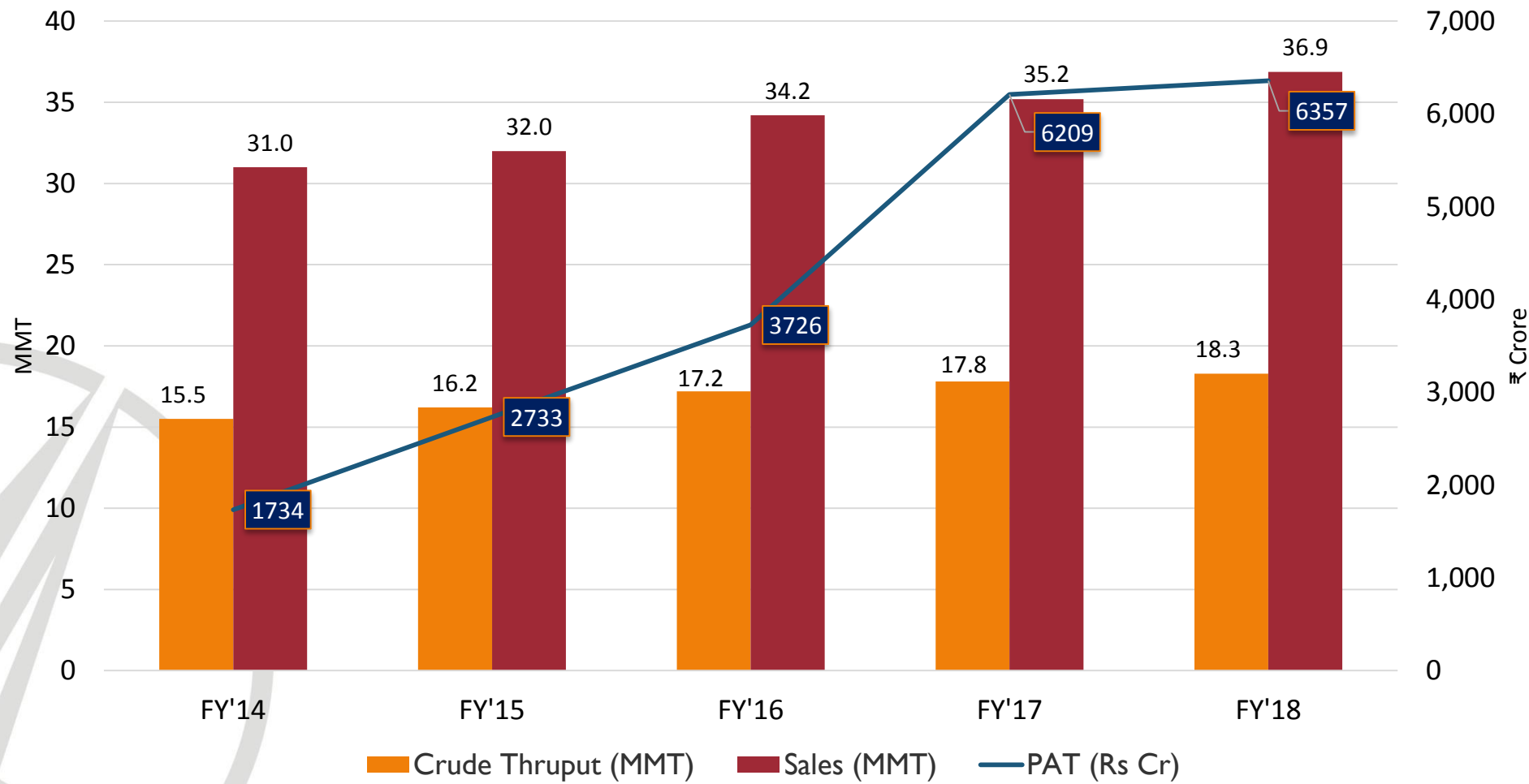
ONGC acquired 51.11% equity stake of GoI in HPCL in Jan'2018



- Retail Outlets – 15,062
- LPG Distributors – 4,849
- SKO / LDO Dealerships – 1,638
- CNG Facility at retail outlets – 231
- Lube Distributors – 213
- CFAs – 115
- LPG Customers – 6.93Crore

SKO – Superior Kerosene Oil, LDO – Light Diesel Oil, CNG – Compressed Natural Gas
CFA – Clearing and Forwarding Agency (for lubes) , LPG – Liquefied Petroleum Gas

HPCL – Physical and Financial



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ONGC Petro Additions Ltd. (OPaL)



1.1 MMTPA Feedstock integration project of ONGC
(Utilizing C2, C3 and C4 gas feed and Naphtha produced by ONGC)



Hon'ble Prime Minister dedicated
OPaL to the nation on 7th March 2017

**Largest Dual feed cracker in South
Asia and 2nd largest in the world**

- Plant is running at 72% capacity
- Expected to operate above 80% capacity in FY'19
- Project likely to be EBITDA positive in FY'19



Aromatic Petrochemical Complex producing Paraxylene & Benzene



Equity Structure: MRPL-51%;
ONGC-49%

Highlights

- FY'18 Revenues: ₹5,561 Crore
- FY'18 EBITDA: ₹291 Crore
- 78% of products exported - establishing a niche presence in the International market

726.6 MW (363.3x2) Combined Cycle Gas Turbine (CCGT) thermal power plant

- ▶ Meets 35% power requirement of all the North Eastern states.
- ▶ First dividend paying standalone gas based power generation company in India
- ▶ CERC certification obtained



Financials FY'18

- Total Income: ₹1,285.28 Crore
- Net Profit (PAT): ₹125.13 Crore
- Interim Dividend of 5% and Final Dividend of 4%

Mangalore – Hassan – Bengaluru JV pipeline (362.36 Km) transporting products from MRPL to OMCs hinterland of Karnataka

Equity structure: ONGC (32.72%), HPCL (32.72%), Banks (34.56%)



Operational since Jan'2004

Project cost: ₹ 640 Crore

Financials FY'18

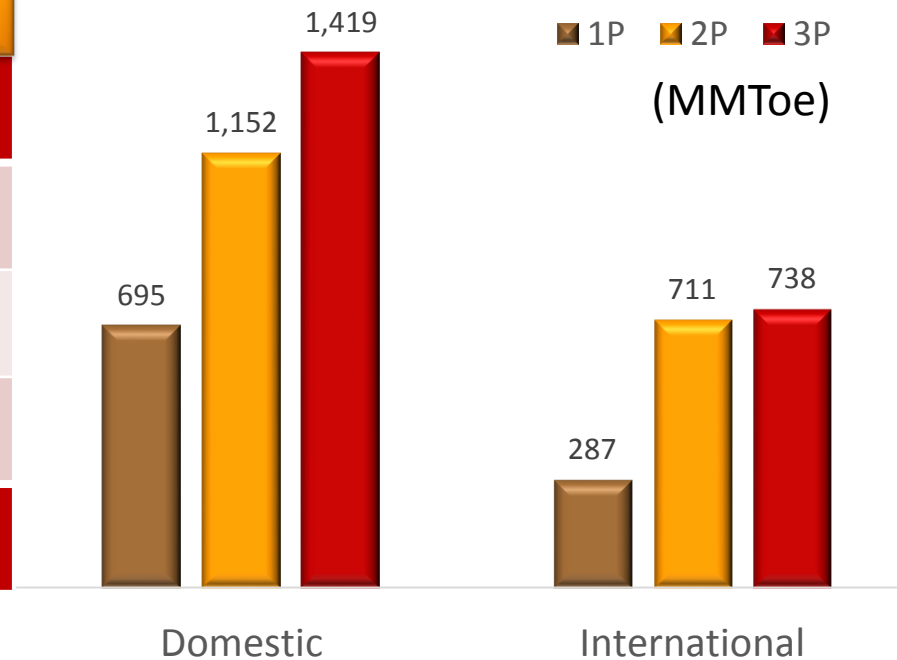
- Total Income: ₹171.13 Crore (₹ 170.2 Crore in FY'17)
- Net Profit (PAT): ₹83.57 Crore (₹ 80.94 in FY'17)

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ONGC Group: Reserves 1st April 2018

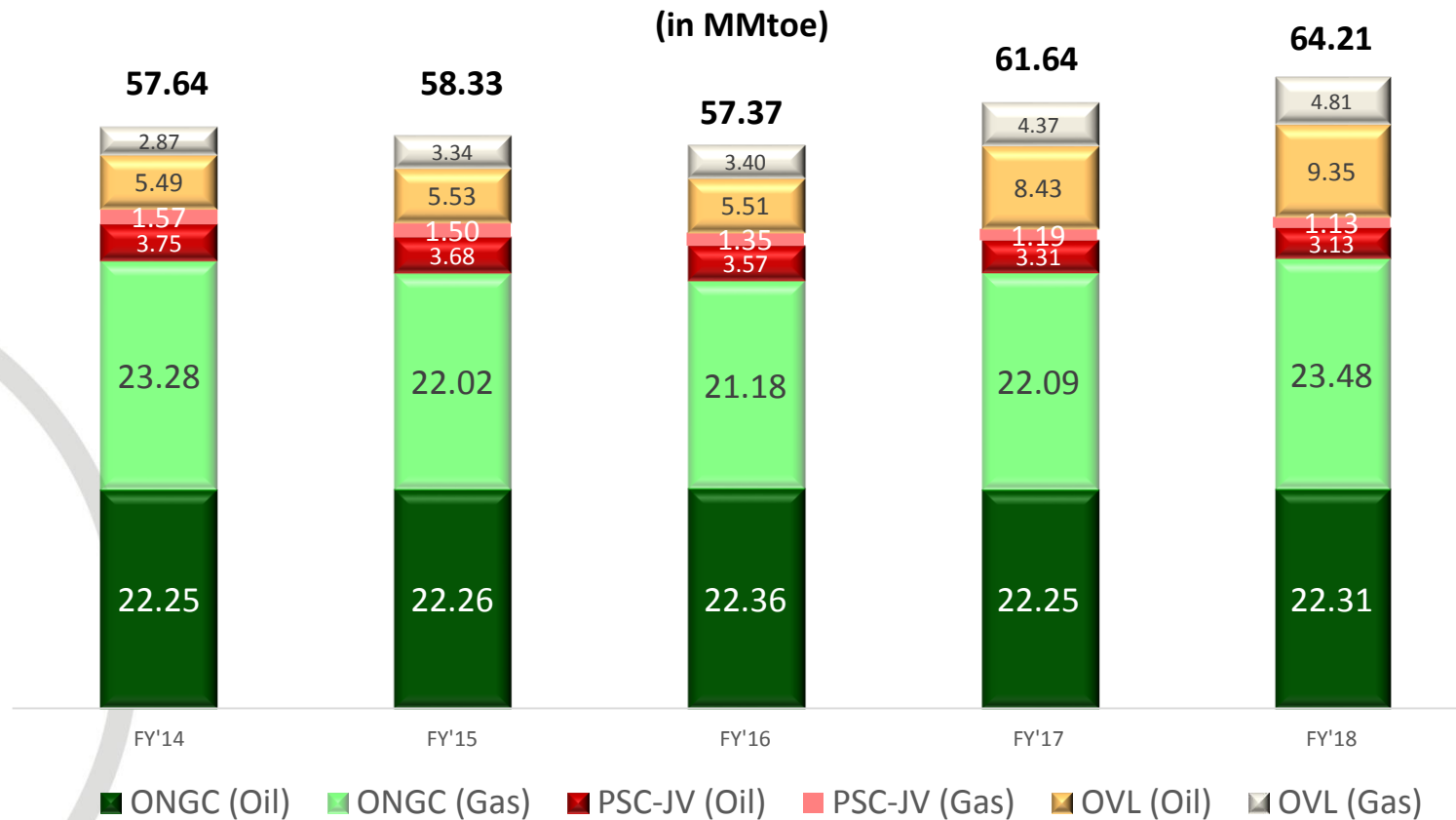
2P Reserves = 1,863.45 MMTon

Reserves (2P)			
Mton	Oil	Gas	Total
ONGC	459.22	6,77.51	1,136.73
PSC JV	9.58	5.78	15.36
OVL	332.61	378.75	711.36
Total	801.41	1,062.04	1,863.45



ONGC Group: O+OEG Production, FY'18

FY'18: Production increased by 4.2% compared to FY'17



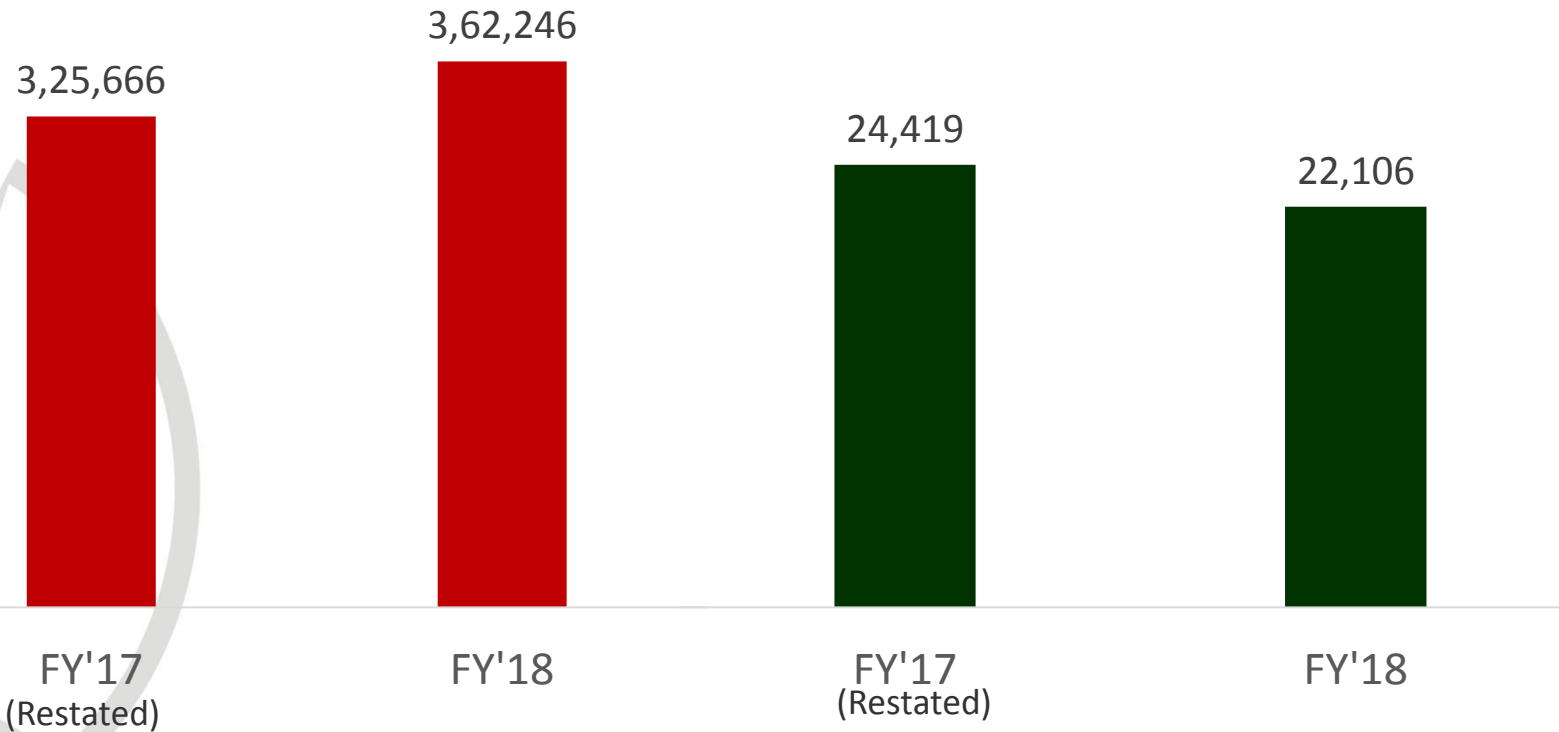
ONGC Group: Financials, FY'18

ONGC Group Revenue increased by 11% during FY'18

Turnover

PAT

₹ Crore



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ONGC launches Start-up

₹ 100 crore start-up fund launched on 14th August 2016 to foster, nurture and incubate new ideas related to oil and gas sector.



- Agreement with IIT Bombay/ SINE and IIM Lucknow for incubation and professional support to the Start-ups.
- MoUs signed with 5 Start Ups
- Evaluation of 2nd round ongoing

- Launched “ONGC Innovation Challenge” on innovate.mygov.in website
- 5 Challenge areas for public participation for solutions/ideas
- Prize awarded in Data Computation and analytics category.

ONGC's Solar Chulha Initiative

- ▶ Hon'ble PM exhorted ONGC to take up a challenge of developing an energy efficient electric cooking stove.
- ▶ A nationwide Solar Chulha Challenge was launched:
 - ▶ Around 1550 applications received.
 - ▶ An expert panel comprising of eminent scientists, chaired by Dr. Anil Kakodkar, former Chairman, Atomic Energy Commission constituted
 - ▶ Six participants were called for demonstration of the concepts in April' 18.
 - ▶ The top three entries awarded Rs. 10 Lakhs, Rs. 5 Lakhs and 3 Lakhs respectively alongwith two appreciation awards of Rs. 1 Lac each by hon'ble Minister P&NG.

Ministry of Petroleum & Natural Gas
Government of India

START-UP FUND

Innovation is life. When there is no innovation, there is stagnation

Design, Innovate & Create

Solar Chulha to fuel every Indian Kitchen
An initiative for Startup India

In line with Prime Minister Narendra Modi's vision to promote solar energy, all entrepreneurs, scientists and researchers are invited to come up with innovative ideas to design and develop 'Solar Chulha'.

SUCCESSFUL INNOVATORS

- On successful demonstration and testing of performance of a few units, about 1000 units may be initially procured for demonstration in different regions.
- Financial support may be provided for fabrication of 1000 units.

TIME FRAME

- Interested applicants may please register on or before 1st December 2017 at the below mentioned website.

For details log on to: <https://startup.ongc.co.in>

Cash Award for Top 3 Designs

1. ₹10 Lakh	2. ₹5 Lakh	3. ₹3 Lakh
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ONGC assigned lead role for Upstream Sector in GOI's flagship program "Make in India Campaign",



"Purchase Preference linked with Local Content" (PP-LC) Policy conceived by ONGC formally launched across all Oil & Gas PSU.

Feasibility Study for 'Petroleum Economic Zone' conducted on behalf of MoPNG.

Identification of items to initiate product development program to reduce the import content in procurement.

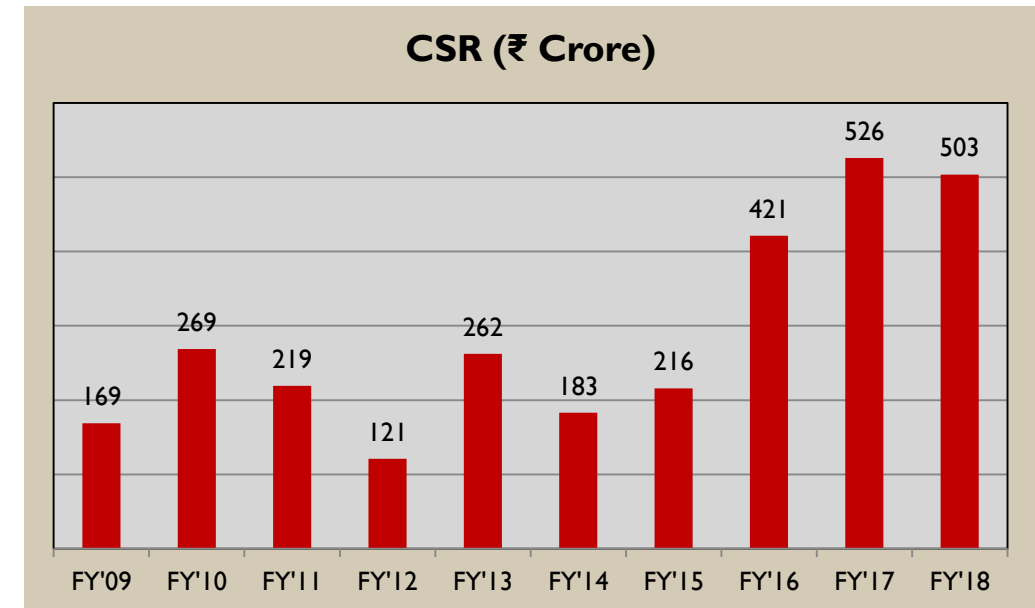
Caring society

Few Focus Areas



Women empowerment	Education, Employment
Health care – Remote areas	Swachh Bharat Kosh
Environment protection	Promotion of artisans
Clean Ganga Project Water management	Infrastructure development.
Promoting sports	Slum area development
Promoting down trodden	PM's National Relief fund
Benefits to Armed Forces/ War widows	Preservation to National Heritage

CSR Expenditure ₹ 2,559.93 Crore in last 10 years



ONGC pursuing major projects - setting up Educational Institutes, Hospitals

Thank You