

**ONGC in its 207th Board Meeting
held on 29th July, 2010
approved the financial results for Q1 FY'11**

I.	ONGC Q1FY'11 net down by 24.5 %, due to excessive subsidy discounts
II.	Five new discoveries in Q1FY'11, two more in July' 10
III.	Board approves new 102MW wind power investment in Rajasthan for Rs 650 crore
IV.	MRPL investment for Single Point Mooring off Mangalore coast also approved for Rs 1,044 crore

Dated: 29th July, 2010

I. ONGC in its 207th Board Meeting held on 29th July, 2010 approved the financial results for Q1 FY'11 detailed as under:

A. Financial

Details	Q1 2010-11	Q1 2009-10	% variation	FY 2009-10
Sales Revenue (Rs in Crores)	13,710	14,922	(8.1)	60,205
Net Profit (Rs in Crores)	3,661	4,848	(24.5)	16,768
Subsidy Discounts (Rs in Crores)	5,515	429	1185.5	11,554
Gross Realization (US\$/bbl)	80.80	60.58	33.4	71.65
Net Realization (US\$/bbl)	48.04	58.25	(17.5)	55.94
Gross Realization (Rs/bbl)	3,690	2,948	25.2	3,397
Net Realization (Rs/bbl)	2,194	2,835	(22.6)	2,652

B. Production Performance

Details	Q12010-11	Q12009-10	FY'10
Crude oil - ONGC (MMT)	6.06	6.12	24.67
Crude oil-JVs(MMT)	0.55	0.43	1.79
Total Crude oil (A) (MMT)	6.61	6.55	26.46

Gas -ONGC (BCM)	5.76	5.75	23.11
Gas -JVs (BCM)	0.65	0.64	2.48
Total Gas (B) (BCM)	6.41	6.39	25.59
Total VAPs (C) (MMT)	0.77	0.82	3.40

C. Subsidy Impact on Profit

(Rs in Crore)					
Details	Qtr ended on		For the FY		
	30.06.2010	30.06.2009	2009-10	2008-09	2007-08
Gross Discount	5,515	429	11,554	28,225	22,001
Impact on Statutory Levies	790	63	1,629	4,292	1,942
Impact on Profit Before Tax	4,725	366	9,925	23,933	20,059
Impact on Profit After Tax	3,119	242	6,551	15,798	13,241

II. Five discoveries have been notified during Q1FY'11; two more in July '10 New Prospect Discoveries

Discovery Well	Location	Oil/Gas	Discoveries notified during
Western Onshore Basin			
Well Virgovindpura-3	Vadu Extn-I PML	Gas	May, 2010
Well Karannagar-1	NELP Block CB-ONN-2004/1	Oil	July, 2010
Krishna Godavari Basin- Onland			
Lakshminarsimhapuram-1	1A PEL Block	Oil	May, 2010
West Kesavadasupalem-1	1B PEL Block	Gas	May, 2010
Krishna Godavari Basin- Shallow Offshore			
GS-21-3	Vainateyam PML Block	Gas	July, 2010

New Pool Discoveries

Western Offshore Basin			
GK-28-2	Kutch Offshore Block-I Extn. PEL	Oil	April, 2010
Cauvery Basin- Onland			
Kuthanalur-12	L-II PEL Block	Oil	May, 2010

III. Efforts to explore renewable energy like wind power intensified

Intensifying efforts to explore renewable energy like wind power, ONGC has approved setting up of 102 MW wind farm in Rajasthan augmenting the 51 MW wind power project set up in Gujarat in 2008. The estimated investment for new project is approx Rs 650 crore. The project is expected to be commissioned by September 2011.

IV.Coastal infrastructural facilities for MRPL enhanced

Coastal infrastructural facilities have been enhanced with ONGC Board clearing the installation of SPM (Single Point Mooring) at New Mangalore Port. This will enable MRPL to receive crude in VLCC (very large crude carrier) tankers. The same facility can also be used for receipt of crude for Indian Strategic Petroleum Reserves Limited (ISPRL) being set up by Government of India at Mangalore near the refinery. The estimated cost is Rs 1,044 crore with completion target of April 2012.

Reviewing the quarterly result, Mr. R S Sharma, CMD, ONGC commented that a well defined equitable mechanism for subsidy discounts would ensure much higher commercial values.

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