ONGC investing Rs 83,000 crore in 25 projects; cumulative Oil & Gas gain over 180 million tons

New Delhi, 15th August, 2019

Energy major Oil and Natural Gas Corporation Limited (ONGC) is investing around 83,000 crore rupees on 25 major projects. ONGC Chairman and Managing Director (CMD) Mr Shashi Shanker said this while addressing ONGC employees on the 73rd Independence Day. “15 of these projects currently under execution will directly contribute to Oil and Gas production”, said Mr. Shanker. “The cumulative Oil and Gas gain from these projects is expected to be over 180 Million Metric tons of Oil equivalents (MMtoe) in their life cycle.”

ONGC CMD Shashi Shanker hoisting the National Tricolor at ONGC headquarters
Dehradun
ONGC is looking at an encouraging Production outlook for Natural Gas. The national explorer is envisaging a Gas output of over 32 Billion Cubic Meters (BCM) by Fiscal 2024 (FY-24). ONGC CMD Mr Shashi Shanker said in his address which was webcast from Headquarters Dehradun to 30,000+ employees across 38 work locations of ONGC. The Directors of ONGC were also present on the occasion.

Pitching for an transformative approach to the energy business, the ONGC CMD talked about the ambitious ‘Energy Strategy 2040’, which will help ONGC achieve:
- Three times revenue distributed across E&P, Refining, Marketing and other businesses.
- Four times current Profit-after-Tax (PAT), with 10% contribution from non-Oil and Gas business
- 5~6 times current market capitalization

Speaking on ONGC’s business performance, Mr Shanker said that the company has registered an impressive performance in FY-19. He mentioned that ONGC has earned the highest ever revenue of Rs 1,09,655 Crores – an increase of 29% from the last fiscal. ONGC has also bagged a Record net profit of Rs 26,716 crore, an increase of 34%.

ONGC CMD mentioned that ONGC Videsh has recorded the highest ever production of 14.83 MMtoe of O+OEG during FY-19. In downstream refining, MRPL achieved highest ever throughput of 16.43 MMT with a utilization of 109.5%. Newly acquired HPCL (ONGC subsidiary) has also achieved the highest ever sales volume of 38.7 MMT with a domestic sales growth of 4.7% over historical high.

Thankfully acknowledging the progressive steps taken by the Ministry of Petroleum and Natural Gas for incentivising production in the country’s Exploration & Production (E&P) sector, Mr Shanker said, “The Petroleum & Natural Gas Ministry has announced several enabling policies which, I am sure shall bring in positive changes in India’s oil & gas sector.”

The CMD said that ONGC is also focused on people-connect and engagement with society and the company’s CSR programs reflects it. In FY-19 ONGC has spent Rs 615 Crore in CSR initiatives. Significant focus of the initiatives was on national campaigns of the government like Swachh Bharat, Education, Health & Nutrition and others.
Supporting Prime Minister Narendra Modi’s call for a domestic solar revolution, ONGC had launched a nation-wide Solar Chulha Challenge. Mr Shanker said that through this initiative and with the help of IIT Mumbai, 86 Solar PV cooking stoves were installed at Bacha and Jamthi in Betul district of Madhya Pradesh. The entire village of 74 households has been benefitted at Bacha village. The ONGC CMD stressed on the critical role of corporates in their environment-responsiveness of business.

The 73rd Independence Day was celebrated at all the 38 domestic work centers of ONGC as well as its 40 overseas projects in 21 countries. Apart from hoisting the national tricolor, the offices of the national oil company held programs to spread the spirit of national independence and patriotism among the masses.

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