

CHAPTER-I

PARTICULARS OF ORGANISATION, ITS FUNCTIONS AND DUTIES

THE COMPANY

ONGC VIDESH Limited (OVL), the first Indian company to produce oil and gas from overseas acreages, now has a world wide presence in fifteen countries, with thirty nine oil and gas projects. A wholly owned subsidiary of ONGC, OVL was incorporated as Hydrocarbons India Private Limited on March 5, 1965, and renamed as ONGC Videsh Limited on June 15, 1989. OVL has an authorised and paid-up share capital of Rs. 1,000 Crores.

It functions as the overseas arm of ONGC with the primary business of prospecting for oil and gas acreages abroad, including acquisition of oil and gas fields, exploration, development, production, transportation and export of oil and gas.

VISION

“To be a world class E&P company having an Organisation & Culture committed towards Sustainable Growth & Superior Profitability through pursuit of International Opportunities & Excellence in Execution”

MISSION

“By 2025 contribute 60 MMTPA of Equity Oil and Gas”

OBJECTIVES

- To support India's energy security
- To build a balanced portfolio of exploration, discovered and producing assets in focus countries
- To build a team that excels in performance through assimilation of best practices and technologies
- To be at par with the best international oil and gas companies
- Be the strongest Indian player in the international E&P
- Build collaborative relations with its partners

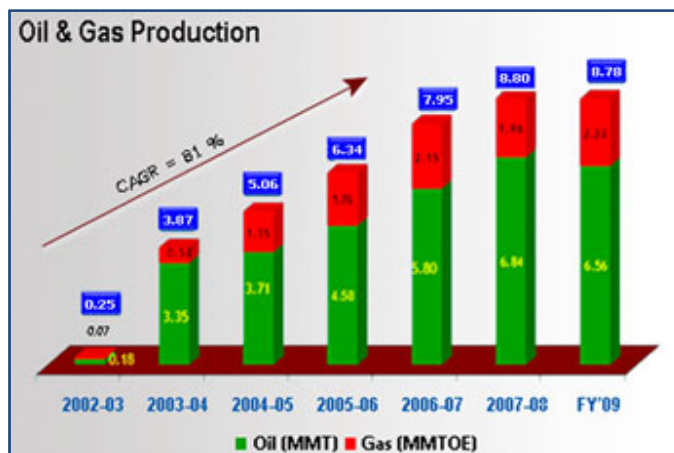
SHAREHOLDING PATTERN

| Name of the Shareholder | (Percentage of Shareholding) |
|-------------------------|------------------------------|
| ONGC | 100 |

PERFORMANCE DURING 2008-09

During 2008-09, OVL's share in production of oil and oil-equivalent gas (O+OEG), together with its wholly-owned subsidiaries ONGC Nile Ganga B.V., ONGC Amazon Alaknanda Limited and Imperial Energy, was 8.776 MMTOE as against 8.802 MMTOE during 2007-08.

OVL's consolidated gross revenue increased by 9.27% from Rs.168,342 million during 2007-08 to Rs.185,035 million during 2008-09 and consolidated net project increased by 17.09% from Rs.23,971 million during 2007-08 to Rs.28,067 million during 2008-09.



The Consolidated Accounts incorporate accounts of ONGC Nile Ganga BV-Consolidated (Subsidiary), ONGC Narmada Limited (Subsidiary), ONGC Amazon Alaknanda Limited-Consolidated (Subsidiary), Jarpeno Limited-Consolidated (Subsidiary) and ONGC Mittal Energy Limited-Consolidated (Jointly Controlled Entity) and form part of the Annual Report and Accounts.

(Rs. in Million)

| Particulars | 2008-09 | 2007-08 | 2006-07 |
|--|-----------------|-----------------|------------------|
| Total Income | 185,035.00 | 169,342.38 | 119,009.55 |
| Expenditure | 131,473.33 | 128,611.98 | 89,741.58 |
| Profit Before Tax | 53,561.67 | 40,730.40 | 29,267.97 |
| Provision for Tax (including Deferred Tax) | 25,031.28 | 16,759.05 | 12,635.10 |
| Profit After Tax | 28,067.01 | 23,971.35 | 16,632.87 |
| Share of Profit /(Loss)- Minority Interest of ONGC | 463.38 | 0.00 | 0.00 |
| Group Profit After Tax | 28067.01 | 23971.35 | 16,632.87 |
| Paid-up Equity Share Capital | 10,000.00 | 10,000.00 | 10,000.00 |
| Net Worth | 115,155.56 | 63,059.03 | 43,735.65 |
| Earning Per Share of Rs. 100 each (Rs.) | 280.67 | 239.71 | 224.44 |

The details of OVL's production of Oil plus Oil-Equivalent Gas (O+OEG), including that of its subsidiaries for the last five years is as below:

| Particulars | 2008-09 | 2007-08 | 2006-07 | 2005-06 | 2004-05 |
|--|----------------|----------------|----------------|----------------|----------------|
| OIL (MMT) (Including Condensate) | 6.556 | 6.840 | 5.804 | 4.584 | 3.714 |
| GAS (BCM) | 2.220 | 1.962 | 2.148 | 1.755 | 1.349 |
| TOTAL (O+OEG) | 8.776 | 8.802 | 7.952 | 6.339 | 5.063 |

The details of balance proven Oil and Gas reserves held by OVL, including that of its subsidiaries is as under:

| Particular | As on 31st March, 2009 | As on 31st March, 2008 | As on 31st March, 2007 |
|-------------------------------------|---------------------------------------|---------------------------------------|---|
| Oil (including Condensate) (In MMT) | 236.747 | 117.651 | 95.744 |
| Gas (In BCM) | 170.019 | 162.817 | 98.886 |
| Total (In MMTOE) | 406.766 | 280.468 | 194.630 |

INTERNATIONAL PRESENCE OF OVL

As on September, 2009, OVL had participation in 40 projects in 16 countries namely Vietnam (4 projects), Russia (2 project), Sudan (3 projects), Iran (1 project), Iraq (1 project), Libya (3 projects), Myanmar (5 projects), Syria (2 projects), Egypt (2 project), Cuba (2 projects), Nigeria Sao Tome Principe JDZ (1 project), Brazil (5 project), Nigeria (2 projects), Colombia (6 project), Congo (1 project) and Venezuela (1 project). Out of 40 projects, OVL is operator in 17 projects and joint operator in 5 projects. OVL is currently producing oil and gas from Greater Nile Oil Project and Block 5A in Sudan, Block 06.1 in Vietnam, Al Furat Project in Syria, Sakhalin-I Project and Imperial Energy in Russia, Mansarovar Energy Project in Colombia, San Cristobal Project in Venezuela and Block BC-10 in Brazil. The Brief details of OVL projects is as under:

1. San Cristobal Project, Venezuela:

During the year, your Company signed an agreement with Corporación Venezolana del Petróleo S.A. (CVP) on 8th April, 2008 and acquired 40% Participating Interest (PI) in San Cristobal Project, Venezuela. San Cristobal project covers an area of 160.18 Sq. Km in the Zuata Subdivision of prolific Orinoco Heavy Oil belt in Venezuela. The project is operated jointly by OVL and PDVSA. The JV Company has been named "Petrólera IndoVenezolana SA"

(PIVSA). PDVSA holds 60% equity in JVC and OVL holds 40% equity through ONGC Nile Ganga (San Cristobal) BV, a wholly owned subsidiary of ONGC Nile Ganga B.V. OVL's share in the production during 2008-09 was 0.671 MMT of oil. The Company has invested approx USD 191.29 million till March, 2009 in the project.

2 Blocks BM-SEAL-4 & BM-BAR-1, Brazil:

Your Company acquired PI in exploration block BM-SEAL-4 and BM-BAR-1 in Brazil in August 2008 through ONGC Campos Limitada, a wholly owned subsidiary of ONGC Nile Ganga B.V. Your Company holds 25% PI in Block BM-SEAL 4 with Petrobras (Operator) holding remaining 75% PI. Your Company also holds 25% PI in Block BM-BAR-1 with Petrobras (Operator) holding 50% PI and Devon holding 25% PI. The projects are currently under exploration Phase. As per current estimates, your Company's share of minimum financial commitment would be about USD 33 million for Block BM-SEAL-4 and USD 68 million for Block BM-BAR-1. Your Company's share of investment was approx USD 1 million till March, 2009 in Block BM-BAR-1.

3 Block AD-7, Myanmar:

Your Company acquired 20% stake in the Block AD-7 in Myanmar from Daewoo. The Assignment Agreement and Joint Operating Agreement for the Block was executed on 23rd October, 2008 and 3rd December, 2008 respectively. Myanma Oil and Gas Enterprise(MOGE), Myanmar approved the Assignment of 20% PI to OVL in the Block on 24th November, 2008. The minimum work commitment and the additional work committed for the Study Period had been completed. After receiving the seismic and drilled well data, the prospectivity of the Block was found to be very low and did not warrant entry in to Exploration Period. Accordingly OVL decided to surrender its Participating Interest from the Block. Your Company's share of investment till the end of study period was approx USD 17 million.

4. Blocks SSJN-7 & CPO-5, Colombia:

During the year, your Company participated in the Bidding Round 2008 in Colombia and was awarded two Blocks i.e. SSJN-7 with 50% PI and CPO-5 with 100% PI. The Block SSJN-7 is operated by Pacific Stratus Energy, Colombia with 50% PI. The Block CPO-5 is operated by your Company. The concession contracts for the Blocks SSJN-7 and CPO-5 were signed on 24th December, 2008 and 26th December, 2008 respectively. Both the blocks are under zero phase for a period of 6 months for environmental / socialization studies, which would be followed by 3 years of first exploration phase. As per current estimates, OVL's share of minimum financial commitment for Blocks SSJN-7 and CPO-5 would be about USD 19 million and USD 34 million respectively.

5. Imperial Energy, Russia:

During the year, your Company completed acquisition of UK listed company Imperial Energy Corporation Plc., an independent upstream oil exploration and production company having its main activities in the Tomsk region of Western Siberia, Russia. The acquisition process was completed on 13th January, 2009 at a total cost of USD 2.1 billion. Imperial's interests comprise of seven blocks in the Tomsk region i.e. Block 69, 70, 74, 77, 80, 85 and 86 with a total licensed area of approximately 16,800 square kilometers. It is a long term asset, with some of the fields having been put on production and continuous exploration and appraisal being carried out. The Production licenses were granted to the Company during 2005 to 2008 and valid till 2028 to 2031. All of the license interests of Imperial are 100 per cent owned except block 74 where the net interest of Imperial is 47.5 per cent. Imperial Energy currently produces oil mainly from two fields with a small quantity from 3 other fields where additional exploratory and appraisal work is ongoing. The Company has its own infrastructure including pipeline network, field processing facilities and connections to the Transneft Russian pipeline system. The Company also has a 100% owned drilling subsidiary with three rigs and a 50% owned frac service company providing hydraulic fracture services. As on 1st April 2009, OVL's share of 2P reserves in the project is 125.705 MMT (O+OEG). OVL's share in the production during 2008-09 was 0.076 MMT of oil. The Company has invested approx USD 2169.66 million till March 2009 in the project.

6. Block 06.1, Vietnam:

Block 06.1 is an offshore Block located 370 km south-east of Vung Tau on the southern Vietnamese coast with an area of 955 sq km. The exploration License for Block 06.1 was acquired by your Company in 1988; later British Petroleum and PetroVietnam were farmed in as partners. Your Company with 45% PI, British Petroleum (Operator) with 35% PI and PetroVietnam, a Vietnamese Government-owned entity with 20% PI, have developed the Lan Tay field in the Block. The field started commercial production in January, 2003. During 2008-09, your Company's share of production from the project was 1.848 BCM of gas and 0.046 MMT of condensate as compared to production of 1.617 BCM of gas and 0.029 MMT of condensate during 2007-08. Your Company's share of the development expenditure was approx USD 214.17 million till 31st March, 2009.

7. Sakhalin-I, Russia:

Sakhalin-1 is a large oil and gas field in Far East offshore in Russia, spread over an area of approx 1,146 sq km. Your Company acquired stake in the field in July, 2001. Your Company holds 20% PI in the field; a subsidiary of Exxon-Mobil as Operator holds 30% PI; Sodeco, a consortium of Japanese companies holds 30% PI and balance 20% PI is held by two subsidiaries of Rosneft, a Russian Government entity. Your Company's net cash sink for investment in this project was approved at USD 1,556 million (excluding carry finance). With the start of exports of Sakhalin -1 crude oil from September, 2006, the project started to generate a positive cash flow. During 2008-09, your Company's share of production was

1.853 MMT of oil and 0.372 BCM of gas as compared to 2.234 MMT of oil and 0.345 BCM of gas during 2007-08.

8. Exploration Block-8, Iraq:

Your Company is the sole licensee of Block-8, a large onland exploration Block in Western Desert, Iraq spread over 10,500 sq km. The Exploration & Development Contract (EDC) for the Block was signed on 28th November, 2000. The contract was ratified by the Government of Iraq on 22nd April, 2001 and was effective from 15th May, 2001. Though the work relating to archival, reprocessing and interpretation of the existing seismic data was completed, due to prevailing conditions in Iraq, your Company notified the force majeure situation to the Ministry of Oil, Iraq in April, 2003. Recently, your Company was informed that Government of Iraq had decided to re-negotiate the Block-8 contract in line with the provisions of the new oil & gas law which is expected to be promulgated soon. Accordingly, Block-8 contract is being renegotiated with the Government of Iraq. The Company has invested approx USD 1.60 million till 31st March, 2009 in the project.

9. Exploration Block A-1, Myanmar:

Block A-1 presently extends over an area of 2,129 sq km of Rakhine Coast in Arakan offshore in north-western Myanmar. Your Company acquired stake in the Block in April, 2002. Your Company holds 20% PI in the Block, GAIL (India) Limited holds 10% PI, Daewoo International Corporation of Korea as the operator holds 60% PI and KOGAS of Korea holds the balance 10% PI. Commercial quantity of natural gas has been discovered in two of the fields, Shwe and Shwe Phyu, in the Block. The Shwe and Shwe Phyu field appraisals have been completed by the consortium and the Initially In-Place reserves certified by an independent firm for the Shwe and Shwe Phyu gas fields are 3.83 TCF. So far, a total of 17 wells have been drilled in the block, out of which 9 wells have been gas bearing. FDP preparation of Shwe and Shwe Phyu gas fields is currently in progress. Your Company's share of investment in the Block is currently estimated at about USD 116 million, out of which approx USD 60.64 million has been invested till 31st March, 2009.

10. Farsi Offshore Exploration Block, Iran:

Farsi is an offshore exploration Block spread over 3,500 sq km in Persian Gulf Iran with a water depth of 20-90 meters. The contract for the Block was signed on 25th December, 2002. Your Company holds 40% PI as operator and the remaining PI is held by Indian Oil Corporation Limited (40% PI) and Oil India Limited (20% PI). Pursuant to the discovery of gas made by the Consortium led by your Company, it had submitted a commerciality report to National Iranian Oil Company (NIOC), Iran on 23rd December, 2007. NIOC Board of Directorate approved the Commerciality of the Farzad 'B' area on 18th August 2008. The draft Master Development Plan (MDP) has been submitted to Iranian Offshore Oil Company (IOOC), which has been designated by NIOC for development of Farzad 'B' in April 2009 and is under finalisation. Development Service Contract of Farzad 'B' Gas Field is under negotiation by the Consortium with NIOC/IOOC. Your Company's share of investment was USD 35.03 million till 31st March, 2009.

11. Exploration Block NC-189, Libya:

Block NC-189, measuring an area of 2,088 sq km is located in west-central part of the Sirte Basin in Libya. Your Company acquired stake in the onland Block in June, 2003. Your Company holds 49% PI in exploration Block NC-189 in Libya with Turkish Petroleum Overseas Company (TPOC), a subsidiary of National Oil Company of Turkey, holding the remaining 51% PI with operatorship. So far, two exploratory wells were drilled in this Block. Both of these wells were plugged and abandoned as dry well. Presently, the third commitment well is under drilling. Your Company's share of investment in the exploration phase is currently estimated at about USD 47 million, out of which approx USD 30.04 million has been invested till 31st March, 2009.

12. Exploration Block-XXIV, Syria:

Block-XXIV, measuring about 3,853 sq km is an onland Block located in the central eastern part of Syria. The contract for the Block was signed on 15th January, 2004 and was effective from 29th May, 2004. Your Company holds 60% PI in the Block with IPR Mediterranean Exploration Ltd. (Operator) holding the remaining 40% PI. During the initial exploration period of three years till 31st March, 2008, the consortium acquired seismic data and drilled two exploratory wells which were not successful. Subsequently, permission was sought for entering into 1st extension period of two years which was granted w.e.f. 29th November, 2007. During the first Exploration Extension Phase, 349 sq km of 3D seismic acquisition in Wadi Dawara Area and reprocessing of 697 sq km of Al Waleed 3D area had been completed. The well Rashid-1 had been drilled during March-April 2009 and flowed naturally and tested for seven days. The discovery in the well had opened up a big area for further exploration with high potential. The development of this field has been proposed to be taken up after approval of commercial discovery and development lease from Syrian Petroleum Company. Your Company's share of investment in the exploration phase is estimated at about USD 31 million, against which approx USD 20.90 million has been invested till 31st March, 2009.

13. Block 5A, Sudan:

Block 5A is located in the prolific Muglad basin in Sudan and spread over an area of about 20,917 sq km. Your Company acquired stake in the Block from OMV Aktiengesellschaft, Austria on 12th May, 2004. Your Company holds 24.125% PI in the Block along with Malaysian National Oil Company, Petronas (67.875% PI) and Sudanese Government Company, Sudapet (8% PI). The Block is jointly operated by White Nile Petroleum Operating Company (WNPOC) a consortium of Petronas and Sudapet. Thar Jath, Mala and Mala Satellites fields have been put on production in Block 5A. Further, extensive exploration is also going on in the Block. Your Company's share of production from the Block, during the year 2008-09 was 0.285 MMT of oil as against 0.294 MMT for the year 2007-08. The Company has invested approx USD 450 million till 31st March, 2009.

14. Block 5B, Sudan:

Block 5B is located in the prolific Muglad basin in Sudan and spread over an area of about 20,120 sq km. Your Company acquired stake in the Block from OMV Aktiengesellschaft, Austria on 12th May, 2004. Your Company held 23.5% PI in the Block along with Malaysian National Oil Company, Petronas (39% PI), Sudanese Government Company, Sudapet (13% PI) and Swedish oil company Lundin Petroleum AB (24.5% PI) as partners. The Block was jointly operated by White Nile Petroleum Operating Company (WNPOC) a consortium of Petronas and Sudapet. The consortium had acquired seismic data in the Block and drilled three wells, however, all three wells proved dry. The First Commitment Period of the Block expired on 1st May 2009 and in view of the results of the integrated geological studies, the Consortium decided to relinquish the Block 5B to Government of Sudan. Your Company's share of investment in the Block was approx USD 89.50 million up to First Commitment Period.

15. North Ramadan Block, Egypt:

North Ramadan Block (Block 6) is an offshore Block located in the Gulf of Suez with an area of about 290 sq km. The contract for the Block was signed on 8th August, 2005. Your Company holds 70% PI in the Block with the remaining 30% PI being held by IPR Energy Red Sea Inc (IPR). Your Company and IPR will jointly develop the Block with IPR taking the lead during exploration phase. The consortium had made a discovery of oil in two of the three wells drilled in the Block so far. Permission for entering into 1st Extension of Exploration Phase effective from 8th February, 2009 till 7th August, 2010 has been granted by EGPC which includes drilling of one commitment well. Your Company's share of investment up to the first exploration extension phase of three years would be about USD 62 million, against which approx USD 42.67 million has been invested till 31st March, 2009.

16. Block 81-1, Libya:

Block 81-1 measuring 1,809 sq km is an onshore exploration Block located in Ghadames Basin in south-west Libya. The Exploration and Production Sharing Agreement (EPSA) for the Block is effective from 10th December 2005. Your Company holds 100% PI with operatorship in the Block. The interpretation of the existing seismic data has been completed. Further, 811 LKM of new 2D data and 502 sq. km of 3D data has been acquired. Presently reprocessing of the data is being carried out for further interpretation. Your Company's estimated investment during exploration phase would be approx USD 43 million, out of which approx USD 21.20 million has been invested till 31st March, 2009.

17. Block A-3, Myanmar:

Block A-3, the adjacent block of Block A-1, covers presently an area of 3441 sq km with bathymetry up to 1,500 meters in the Rakhine offshore. Your Company acquired 20% PI in the Block on 24th March, 2006. Your Company is participating in the Block along with Daewoo International Corporation who is the Operator with 60% PI, GAIL and KOGAS with 10% PI each. Acquisition and Interpretation of 1000 Sq Km of 3D Seismic data and drilling of well Thandar#1 was completed during 2008-09. So far six exploratory wells were drilled in this Block out of which three are gas bearing. Commercial quantity of natural gas has been discovered in one field viz., Mya and a combined development of Block A-1 and A-3 gas fields has been envisaged and FDP preparation of Mya gas field is in progress. The initially in-place reserves certified by an independent firm for the Mya Gas field are 1.52 TCF. Your Company's share of investment is currently estimated at about USD 80 million, out of which approx USD 52.48 million has been invested till 31st March, 2009.

18. Blocks 25, 26, 27, 28, 29, 35A and 36, Cuba:

Blocks 25, 26, 27, 28, 29, 35A and 36 are deep water offshore exploration Blocks located in Cuba's Exclusive Economic Zone (EEZ) with an area of approx 11,231 sq km. The agreement for acquisition of 30% PI in the Blocks from Repsol-YPF of Spain was signed on 23rd May, 2006. The other partners in the Blocks are Repsol-YPF with 40% PI as operator and Norsk Hydro with 30% PI. The consortium has entered into fourth exploration period having a commitment of drilling of one well. Your Company's share of investment in the Blocks as per current estimates would be about USD 32 million, against which the Company has invested approx USD 20.17 million till 31st March, 2009.

19. Block 127, Vietnam:

Block 127 is an offshore deepwater Block, located at water depth of more than 400 meters with 9,246 sq km area in Vietnam. The PSC for the Block was signed on 24th May, 2006. Your Company holds 100% PI in the Block with Operatorship. Your Company has acquired 1,150 sq km 3D seismic data in the Block and the interpretation of the seismic data has been completed. Location for drilling of exploration well has been identified and the well programme is being prepared. Your Company's investments during the 3-year first exploration period would be about USD 107 million, against which the Company has invested approx USD 29.62 million till 31st March, 2009 in the Block.

20. Block 128, Vietnam:

Block 128 is an offshore deepwater Block, located at water depth of more than 400 meters with 7,058 sq km area in Vietnam. The PSC for the Block was signed on 24th May, 2006. Your Company holds 100% PI in the Block with Operatorship. Your Company has acquired 1650 sq km 3D seismic data in the Block and the interpretation of the seismic data has been completed. Location for drilling of exploration well has been identified and the well programme is being prepared. As per current estimates, your Company's investment during the 3-years first exploration period would be about USD 81 million, against which the Company has invested approx USD 35 million till 31st March, 2009 in the Block.

21. Block 34 and 35, Cuba:

Blocks 34 and 35 are deep water offshore exploration Blocks located in Cuba's Exclusive Economic Zone (EEZ) with an area of approx 4,300 sq km. The PSC for the Blocks was signed on 10th September, 2006. Your Company holds 100% PI in the Blocks with Operatorship. Acquisition, processing and interpretation of 2D seismic data have been completed. 3D Seismic data acquisition and processing has also been completed. Currently 3D Seismic data interpretation is in progress. As per current estimates, your Company's investment would be about USD 47 million during the 24-month first exploration period, against which the Company has invested approx USD 38.96 million till 31st March, 2009.

22. Contract Area 43, Libya:

The Contract Area 43 in Libya consists of four blocks measuring total area of 7,449 sq km and located in Cyrenaica offshore in the Mediterranean Sea. The Block boundaries extend from the coastline to the water depth of about 2,200 meters. The Exploration and Production Sharing Agreement (EPSA) for the Block was signed on 5th March, 2007. Your Company holds 100% PI in the Contract Area with operatorship Environment Impact Assessment (EIA) studies have been completed and tender for 2D and 3D seismic data acquisition and processing has been awarded. As per current estimates, your Company's investment would be about USD 41 million during the exploration phase, against which the Company has invested approx USD 10.82 million till 31st March, 2009.

23. Pipeline Project, Sudan:

An agreement was signed by your Company with the Ministry of Energy & Mining, Government of Sudan (GOS) on 30th June, 2004, for financing & construction of a 12", 741-km multi-product pipeline from Khartoum refinery to Port Sudan. The project was executed at a base lump sum price of USD 194 million and was completed 2 months ahead of the scheduled 16 months completion period. The pipeline was handed over to GOS in October, 2005. Oil India Limited, the other partner in the project, has 10% PI in the project. Seven half-yearly repayments till now have been received by your company from GOS. M/s Dodsall has filed arbitration against OVL for its claim of USD 25.48 million for this project. Your company in turn has also initiated the process of arbitration proceedings against MEM, Government of Sudan.

24. Block NEMED, Egypt:

Your Company acquired 33% Participating Interest (PI) in the North East Mediterranean Deepwater Concession (NEMED), in Egypt Mediterranean Sea. The acquisition was completed on 23rd June, 2007 with effective date of PI holding as 1st October, 2006. The concession at present measures about 20,750 sq km. The other partners in the Block are

Shell with 51% PI as operator and Petronas with 16% PI. The third phase of exploration period of three year for the Block started in March 2008. Four wells were drilled in the second exploration phase out of which two wells produced hydrocarbons and two wells went dry. The discovered volume of Gas Initially In Place (GIIP) has been estimated to be approx 1.4 TCF. As per current estimates, OVL's investment during exploration phase would be about USD 380 million, against which the Company has invested approx USD 231.12 million till 31st March, 2009.

25. Blocks RC-8, RC-9 and RC-10, Colombia:

Your Company acquired exploration blocks RC-8, RC-9 and RC-10 in deepwater offshore Colombia on 18th September, 2007. In block RC-8, your Company as operator holds 40% PI with Ecopetrol and Petrobras holding 40% PI and 20% PI respectively. In blocks RC-9 and RC-10, your Company and Ecopetrol hold 50% PI each with your Company as operator in RC-10 block and Ecopetrol as operator in RC-9 block. The contracts for the Blocks were signed on 30th November, 2007. The blocks RC-8, RC-9 and RC-10 extend over an area of 2,770 sq km, 2,120 sq km and 2,680 sq km respectively with water depths of 70 to 1,500 meters in offshore Colombia. As per current estimates, your Company's share of minimum financial commitment for all the three Blocks during Phase I of the exploration program would be about USD 7.42 million, against which the Company has invested approx USD 0.45 million till 31st March, 2009.

26. Blocks AD-2, AD-3 and AD-9, Myanmar:

Your Company acquired three offshore deepwater exploration Blocks i.e. AD-2, AD-3 and AD-9 on 23rd September, 2007 in Myanmar. Your Company is the operator with 100% PI in all the three Blocks. The Blocks have been awarded on the basis of mutual understanding and cooperation between India and Myanmar in the hydrocarbon sector. The blocks AD-2, AD-3 and AD-9 extend over an area of 8,100 sq km, 9,900 sq km and 7,800 sq km respectively with water depths of 1,500 to 3,000 meters in the Rakhine Coast in Myanmar. The exploration period spread over four phases extends to 5 years for AD-2; and 7 years for AD-3 and AD-9. 2D Seismic and G-M data acquisition and processing has been completed and interpretation of seismic and G-M data is in progress for evaluation of these Blocks. The investment of your Company on account of minimum work commitment in the three Blocks for all exploration phases taken together would be about USD 150 million, against which the Company has invested approx USD 23.89 million till 31st March, 2009.

27. MTPN Block, Congo:

Your Company acquired 20% PI in offshore exploration Block MTPN in Congo from ENI under a swap arrangement between ENI and ONGC. Effective date of PI holding is 1st August, 2006. Other partners in the Block are ENI with 40% PI as operator and Exxon Mobil with 40% PI. The Block covers an area of approx 1436.5 sq km after relinquishments. The current license period is valid up to 31st December, 2009. One exploratory well is scheduled to be drilled in the third quarter of 2009-10. Your Company's share of minimum expenditure

as per current estimates would be about USD 18 million against which the Company has invested approx USD 3.79 million till 31st March, 2009.

SUBSIDIARY / JOINT VENTURE COMPANIES-

1. ONGC Nile Ganga BV (ONGBV)

Greater Nile Oil Project (GNOP), Sudan:

Greater Nile Oil Project (GNOP), Sudan is located in the Muglad Basin, around 700 km South-West of the Capital Khartoum and consist of onland blocks 1, 2 & 4 spread over 49,500 sq km. Your Company holds 25% stake in the project through its subsidiary company ONGC Nile Ganga BV (ONGBV) which was acquired on 12th March, 2003 with investment of USD 669 million towards cost of acquisition of the project. Other partners in this project are China National Petroleum Corporation (40% PI), Petronas Carigali Overseas Sdn Berhad, a subsidiary of the Malaysian National Oil Company, Petronas (30% PI) and Sudapet, the National Oil Company of Sudan (5% PI). ONGBV's share in oil production from GNOP was 2.443 MMT during 2008-09 as compared to production of 2.981 MMT of oil in 2007-08.

Al Furat Project, Syria:

ONGBV and Fulin Investments Sarl, a subsidiary of China National Petroleum Company International (CNPCI), hold 33.33% to 37.5% PI in four Production Sharing Contracts (PSCs) comprising 36 producing fields in Syria. The acquisition was completed on 31st January, 2006 which was effective from 1st July, 2005. The project is being managed through a Dutch joint venture company, named Himalaya Energy Syria B.V. (HESBV), wherein ONGBV and Fulin Investments Sarl, hold 50% shareholding each. Syria business of ONGBV is structured as separate class business (Class C shares). ONGBV (Class C business) has been funded by your Company and OMEL, in the ratio of 55:45. Your Company had advanced approx USD 223 million towards cost of acquisition, part of which had been returned by ONGBV to OVL and OMEL. In respect of balance amount advanced by your Company and OMEL, on 4th April, 2008, ONGBV has issued 26,000 Class C ordinary Shares i.e. 14,300 shares to your Company and 11,700 shares to OMEL of face value Euro 1 per share at issue price of Euro 4,000 per shares for aggregate issue consideration of Euro 104 million. At the time of Class C share issue, OMEL held 13.07% share in ONGBV through Class C ordinary Shares which are entitled only and exclusively to the results of the business relating to Al Furat Project, Syria. ONGBV has subsequently repurchased 18000 class C shares in 3 tranches in January, March and June 2009 and the current holding of OMEL in ONGBV is 5.03%. Your Company continues to hold 100% interest in other businesses of ONGBV. The fields are operated by Al Furat Petroleum Company (AFPC), jointly owned by Syrian Petroleum Company, the National Oil Company of Syria, and Shell, the other partner in the fields. OVL's share in the production of crude oil during 2008-09 was 0.812 MMT of oil as compared to production of 0.951 MMT of oil in 2007-08.

3.1.3 Block BC-10, Brazil:

Block BC-10 is a deepwater offshore Block located in the Campos Basin approximately 120 km southwest from the city of Vitoria off the coast of Brazil with a water depth of around 1800 meters spread over 600 sq km. ONGBV acquired 15% PI in the project on 25th April, 2006 through its wholly owned subsidiary ONGC Campos Ltda. Other partners in the Block are Shell with 50% PI as Operator and Petrobras with 35% PI. As per current estimates, OVL's net cash outflow in this project till first oil production from the project was estimated to be approx USD 548 million. The Block is currently being developed using sub-sea wells which connects via sub-sea manifolds, flowlines, and risers to a Floating Production, Storage and Offloading Vessel (FPSO). Out of 10 wells planned for phase-1, drilling of five wells (4 producer & 1 gas injector) has been completed. The oil production from the project commenced on 12th July 2009 with approx 5,500 bopd from one well. More wells are in the process of being tied to flow the oil from the field.

3.1.4 Blocks BM-S-73 and Block BM-ES-42, Brazil:

ONGBV holds 100% PI in the deepwater offshore Blocks BM-S-73 and BM-ES-42 in Brazil through its wholly owned subsidiary ONGC Campos Ltda. The blocks BM-S-73 and BM-ES-42 are spread over an area of 160 sq km and 725 sq km respectively with water depths of around 200 meters and 1,500 meters respectively. OVL's share of investment in the first exploration phase is currently estimated at about USD 137 million in respect of block BM-S-73 and USD 145 million in the block BM-ES-42. 3D Seismic Survey is currently in progress in both these Blocks.

3.1.5 San Cristobal Project, Venezuela:

ONGBV holds 40% PI in San Cristobal Project through its wholly owned subsidiary ONGC Nile Ganga (San Cristobal) BV. Other details about the Block have been mentioned at Para 1.1 above.

3.1.6 Blocks BM-SEAL-4 & BM-BAR-1, Brazil:

ONGBV holds 25% PI each in Blocks BM-SEAL-4 & BM-BAR-1 in Brazil through its wholly owned subsidiary ONGC Campos Ltda. Other details about the Block have been mentioned at Para 1.2 above. Further ONGC Nile Ganga (Cyprus) Ltd. has been incorporated for financing of your Company's share of investment in Nigerian Blocks of OMEL.

2 ONGC Narmada Limited – Wholly owned Subsidiary

3.2.1 Block-2, Nigeria-São Tomé & Príncipe, JDZ:

Block-2 is a deep water exploration Block located in Nigeria-São Tomé & Príncipe Joint Development Zone (JDZ) with an area of approx 1,034 sq km. ONGC Narmada Limited (ONL), Company's 100% subsidiary incorporated in Nigeria, holds 13.5% PI in the Block. Other partners in the Block include Sinopec (28.67% PI), Addex Petroleum (14.33% PI), ERHC Energy Inc. (22% PI), Equator Exploration (9% PI), Amber (5% PI), Foby (5% PI) and A & Hatman (2.5% PI) with Sinopec as the Operator. Operator has acquired license of 3D seismic data and working on interpretation of data and a well is planned to be drilled in 2009. ONL's share of investment, inclusive of the carry obligations to A & Hatman, till March, 2009 was approx USD 18.04 million.

3.3. ONGC Amazon Alaknanda Limited – Wholly owned Subsidiary

3.3.1 Mansarovar Energy Project, Colombia:

Mansarovar Energy Colombia Limited (MECL), Colombia is a 50:50 joint venture comprising a wholly owned subsidiary of your Company i.e. ONGC Amazon Alaknanda Limited (OAAL) and a subsidiary of Sinopec International Petroleum Exploration and Production Corporation (SIPC). MECL's assets constitute a 100% interest in the light oil Velasquez fee mineral property and a 50% interest in the Nare and Cocorna association contracts (Cocorna association contracts under arbitration) where the Colombian national oil company, Ecopetrol S.A. (Ecopetrol) holds the remaining 50%. MECL also owns 100% of the Velasquez-Galan pipeline, which runs 189 km from the Velasquez property to Ecopetrol's Barrancabermeja refinery. The acquisition was done on 20th September, 2006 which was effective from 1st April, 2006. Your Company had invested USD 437.50 million towards cost of acquisition. During 2008-09, your Company's share of production was 0.370 MMT of oil as compared to production of 0.351 MMT of oil in 2007-08.

3.4 Jarpeno Limited – Wholly owned Subsidiary

During the year your Company has acquired a UK listed company Imperial Energy Corporation Plc., through its wholly owned subsidiary Jarpeno Limited. Other details about this Project have been mentioned at Para 1.5 above.

3.5 JOINT VENTURE COMPANY – ONGC MITTAL ENERGY LIMITED

Your Company along with Mittal Investments Sarl (MIS) promoted ONGC Mittal Energy Limited (OMEL), a joint venture company incorporated in Cyprus. Your Company and MIS hold 98% shares of OMEL in the ratio of 51(OVL): 49(MIS) with 2% shares held by SBI Capital. OMEL holds PI in the AFPC Syrian Assets through ONGBV, exploration Blocks OPL 279 and OPL 285 in Nigeria. 7.1 Block OPL 279, Nigeria: OPL 279 is a deepwater offshore exploration Block in Nigeria with an area of 1,125 sq km. The effective date of the PSC was 23rd February, 2007. Currently, OMEL through its wholly owned subsidiary company OMEL Exploration & Production Nigeria Ltd. Holds 45.5% PI in the Block. Other partners in the Block are EMO, a

local Nigerian company with 40% PI and TOTAL with 14.5% PI. The Block is operated by OMEL. As per terms of the agreement, EMO is carried by other participants in their respective share of participation. OMEL's share of investment, inclusive of the carry obligations to EMO, till March, 2009 was approx USD 134.10 million.

3.5.1 Block OPL 279, Nigeria:

OPL 279 is a deepwater offshore exploration Block in Nigeria with an area of 1,125 sq km. The effective date of the PSC was 23rd February, 2007. Currently, OMEL through its wholly owned subsidiary company OMEL Exploration & Production Nigeria Ltd. Holds 45.5% PI in the Block. Other partners in the Block are EMO, a local Nigerian company with 40% PI and TOTAL with 14.5% PI. The Block is operated by OMEL. As per terms of the agreement, EMO is carried by other participants in their respective share of participation. OMEL's share of investment, inclusive of the carry obligations to EMO, till March, 2009 was approx USD 134.10 million.

3.5.2 Block OPL 285, Nigeria:

OPL 285 is a deepwater offshore exploration Block in Nigeria with an area of 1,167 sq km. The effective date of the PSC was 23rd February, 2007. Currently, OMEL through its wholly owned subsidiary company OMEL Energy Nigeria Ltd. holds 64.33% PI in the Block. Other partners in the Block are EMO, a local Nigerian company with 10% PI and TOTAL with 25.67% PI. The Block is operated by OMEL. As per terms of the agreement, EMO is carried by other participants in their respective share of participation. OMEL's share of investment, inclusive of the carry obligations to EMO, till March, 2009 was approx USD 71.03 million.

3.5.3 Block 11-12, Turkmenistan:

OMEL had 30% PI in an exploration Block 11 & 12, Offshore Turkmenistan in the Caspian Sea from Maersk Oil. Covering an area of 5,663 sq km, the Block was located close to discovered and producing fields. The other partners in the Block were Wintershall, a German company with 34% PI as operator and Maersk Oil, a Denmark company with 36% PI. Subsequent to farm-in by OMEL, the well Darta Deniz-1 was drilled in the Block and was found devoid of hydrocarbons. Due to limited hydrocarbon potential, the Block 11-12 was surrendered after the Phase-1 period. OMEL's share of investment was approx USD 27.43 million till 31st March, 2009.

The other details of the OVL projects is available on the company website www.ongcvidesh.com

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