

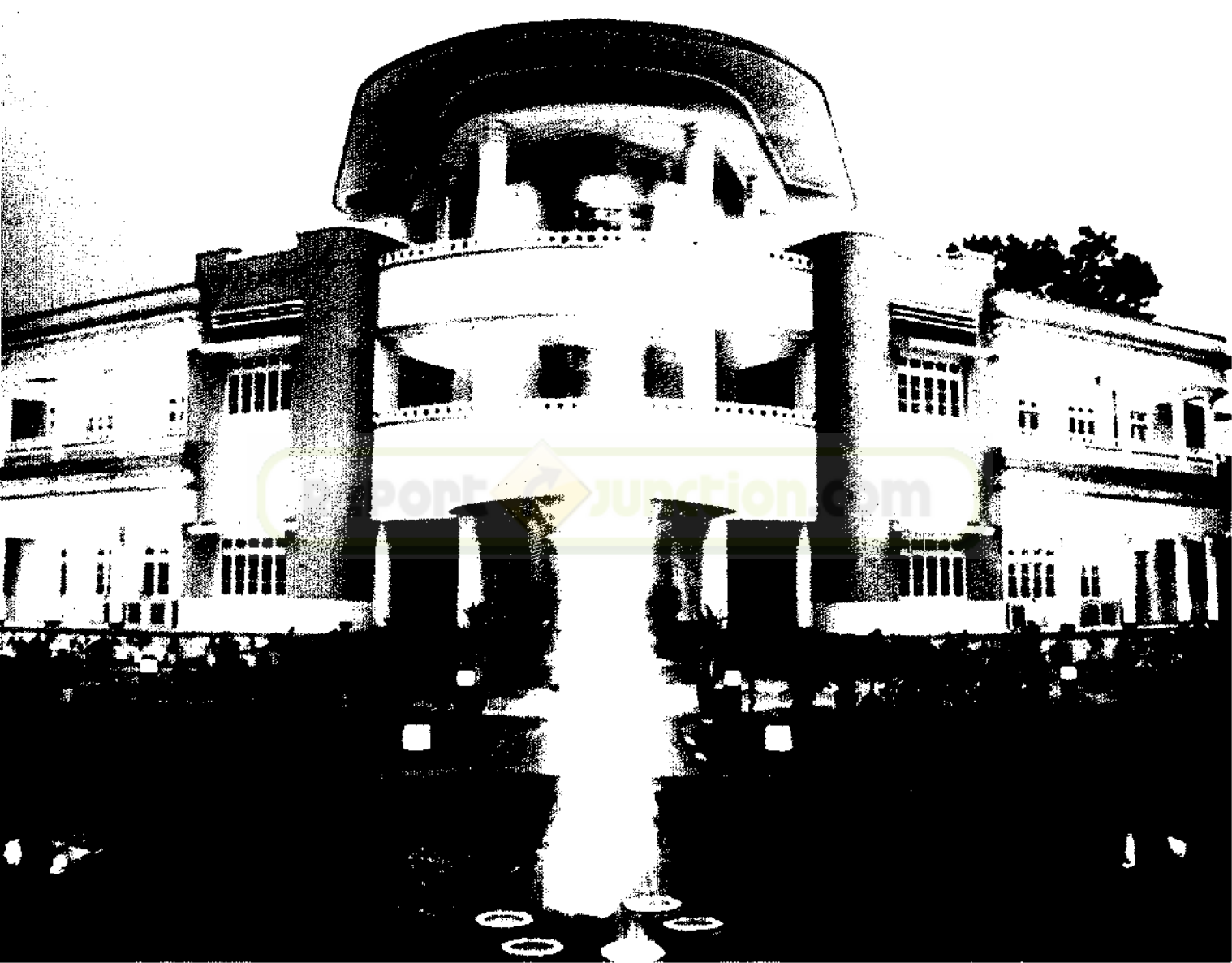
# ANNUAL REPORT 2005 - 06



*Celebrating 50 years of excellence*



**Oil and Natural Gas Corporation Limited**



ONGC Golden Jubilee Museum, Dehradun.



## **A New Vision**

“I would suggest ONGC to give world leadership in management of energy source, exploration of energy sources, diversification of energy sources, technology in underground Coal Gasification and above all finding new ways of tapping energy wherever it is, to meet the ever growing demand of the country.

Let me greet all the members of ONGC on this Golden Jubilee Occasion. My best wishes to the ONGC in their mission of making the nation energy independent before 2030.”

**Dr. A.P.J. Abdul Kalam,**  
President of India  
14<sup>th</sup> August, 2005  
ONGC Headquarters  
Dehradun



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## BOARD OF DIRECTORS

### **Shri R.S. Sharma**

Chairman & Managing Director  
(from 25.05.2006)/  
Director (Finance)

### **Shri Subir Raha**

Chairman & Managing Director  
(upto 24.05.2006)

### **Dr. A.K. Balyan**

Director (Human Resource)

### **Shri N.K. Mitra**

Director (Offshore)

### **Shri A.K. Hazarika**

Director (Onshore)

### **Shri D.K. Pande**

Director (Exploration)  
(from 23.09.2005)

### **Shri Y.B. Sinha**

Director (Exploration)  
(upto 04.05.2005)

### **Shri U.N. Bose**

Director (Technology & Field Services)  
(from 27.09.2005)

### **Shri Nathu Lal**

Director (Technology & Field Services)  
(upto 30.04.2005)

### **Shri Anil Razdan**

(from 20.02.2006)

### **Shri M.S. Srinivasan**

(from 5.12.2005 to 02.01.2006)

### **Shri Ashok Chawla**

(from 05.12.2005)

### **Shri P.K. Deb**

(upto 05.12.2005)

### **Shri Sunjoy Joshi**

(upto 05.12.2005)

### **Shri P.K. Sinha**

(upto 03.03.2006)

### **Shri M.M. Chitale**

### **Shri Rajesh V. Shah**

### **Shri U. Sundararajan**

### **Shri A.M. Uplenchwar**

(from 23.12.2005)

### **Shri N.K. Nayyar**

(upto 05.12.2005)

### **Dr. R.K. Pachauri**

(from 26.06.2006)

### **Shri V.P. Singh**

(from 26.06.2006)

### **Shri P.K. Choudhury**

(from 26.06.2006)

### **Dr. Bakul H. Dholakia**

(from 26.06.2006)



## BOARD OF DIRECTORS



**Shri R.S. Sharma**  
Chairman & Managing Director /  
Director (Finance)



**Dr. A.K. Balyan**  
Director (Human Resource)



**Shri N.K. Mitra**  
Director (Offshore)



**Shri A.K. Hazarekha**  
Director (Onshore)



**Shri D.K. Pande**  
Director (Exploration)



**Shri U.N. Bose**  
Director (Technology & Field Services)



**Shri. Anil Razdan**



Sri Ashok Chawla



Shri M.M. Chitale



Shri Rajesh V. Shah



Shri C. Sundararajan



Shri A.M. Uplenchwar



Dr. R.K. Pachauri



Shri V.P. Singh



Shri P.K. Choudhury



Dr. Bakul H. Dholakia



## REFERENCE INFORMATION

### Registered Office

Jeevan Bharti Bldg., Tower II, 124, Indira Chowk, New Delhi 110 001

### Corporate Office

Tel Bhavan,  
Dehradun 248 003  
Uttaranchal

### Statutory Auditors

M/s K. K. Soni & Co.  
M/s S. Bhandari & Co.  
M/s Brahmaya & Co.  
M/s Lodha & Co.  
M/s S.C. Ajmera & Co.

### Bankers

State Bank of India

### Subsidiaries

ONGC Videsh Limited (OVL)  
Mangalore Refinery & Petrochemicals Ltd. (MRPL)  
ONGC Nile Ganga B.V.  
ONGC Narmada Ltd.  
ONGC Bonny Brahmaputra Ltd.

### Registrar & Share Transfer Agent

M/s Karvy Computershare Private Limited

#### 'KARVY HOUSE'

46, Avenue 4, Street No. 1,  
Banjara Hills,  
Hyderabad 500 034 (A.P.)  
Tel No. 040-23420815/819

105-108, 1<sup>st</sup> Floor  
Arunachal Building  
19, Barakhamba Road  
Connaught Place  
New Delhi 110 001  
Tel No. 011-43528522

### Listed at

Bombay Stock Exchange  
National Stock Exchange

### Depositories

National Securities Depository Ltd.  
Central Depository Services (India) Ltd.

### Company Secretary

Shri S.C. Setia



## NOTICE

Notice is hereby given that the 13<sup>th</sup> Annual General Meeting of the Members of **OIL AND NATURAL GAS CORPORATION LIMITED** will be held on **Tuesday, the 19<sup>th</sup> September, 2006 at 10:30 hrs. at Air Force Auditorium, Subroto Park, New Delhi-110 010**, to transact the following Business:

### Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2006 and Profit & Loss Account for the year ended on 31<sup>st</sup> March, 2006 and the reports of the Board of Directors and Auditors thereon along with Comments of the Comptroller & Auditor General of India.
2. To confirm interim dividend and declare final dividend.
3. To appoint a Director in place of Shri R.S.Sharma, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Dr. A.K. Balyan, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Shri U.N. Bose, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint a Director in place of Shri Ashok Chawla, who retires by rotation and being eligible, offers himself for re-appointment.
7. To fix remuneration of the Auditors.

### Special Business:

#### ITEM No. 8.

To consider, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

#### "RESOLVED THAT-

- (i) Pursuant to Article 147 (1)(a) of the Articles of Association of the Company and recommendation of the Board of Directors, and subject to the guidelines prescribed by the Securities and Exchange Board of India, such other consents or approvals as may be required or applicable in this regard, the consent of the members, be and is hereby accorded to the Board of Directors of the Company (herein after referred to as the Board, which expression shall be deemed to include a Committee thereof), for capitalisation of a sum not exceeding Rs. 712.958 crore as may be determined to be required by the Board, comprising: (i) Rs. 172.566 crore standing to the credit of the Share Premium Account, and (ii) the balance of Rs. 540.392 crore from the General Reserves and accordingly the said sum be capitalised and distributed amongst the holders of the existing equity shares of the Company, whose names stand on the Register of Members/Beneficial Owners on such date as may be fixed by the Board of Directors in that behalf as Record Date, on the footing that they become entitled thereto as capital and not as income and that the same be not paid in cash but be applied on behalf of such shareholders as aforesaid in paying up in full at par 71,29,57,510 new equity shares of Rs.10/- each to be allotted, distributed and credited as fully paid-up amongst the said shareholders in the proportion of one new equity share for every two existing equity shares held by them.
- (ii) the issue and allotment of new equity shares and payment in respect of fractional entitlement, if any, in terms hereof to the non-resident shareholders of the Company, shall be subject to the provisions of the Regulations made under the Foreign Exchange Management Act, 1999.
- (iii) the 71,29,57,510 new equity shares of Rs. 10/- each to be allotted as Bonus Shares, shall be subject to the Memorandum and Articles of Association of the Company and shall rank, in all respects, *pari passu* with the existing equity shares of the Company and shall be entitled to participate in full in any dividend declared after the Bonus shares are allotted.
- (iv) no letter of allotment shall be issued, but the certificate(s) in respect of Bonus Shares shall be issued and delivered within the statutory time limit from the date of allotment in case of physical holdings and in respect of electronic holdings, the Bonus Shares shall be credited to demat accounts of the allottees.



- (v) the Board shall not issue any certificate or coupon in respect of fractional shares, but the total number of such new equity shares representing such fractions shall be allotted by the Board to a nominee, including an officer of the Company, who would hold them as trustee for the equity shareholders entitled to such fractions. Such nominee will as soon as possible sell such equity shares at the prevailing market rate and the net sale proceed of such shares, after adjusting the cost and expenses in respect thereof, be distributed among such members who are entitled to such fractions in proportion of their respective holding and allotment of fractions thereof.
- (vi) the Board of Directors, be and are hereby authorised to take all other steps as may be necessary to give effect to the aforesaid resolution and determine all other terms and conditions of the issue of Bonus Shares as the Board may in its absolute discretion deem fit including settling any question, doubt or difficulty that may arise with regard to or in relation to the issue or allotment of the Bonus Shares."

#### ITEM No. 9.

To consider, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** in accordance with the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956, or any statutory modification(s) or re-enactment thereof, Dr. R.K. Pachauri, who was appointed as an Additional Director pursuant to the provisions of Section 260 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company, subject to retirement by rotation under the Articles of Association of the Company."

#### ITEM No. 10.

To consider, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** in accordance with the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956, or any statutory modification(s) or re-enactment thereof, Shri V.P. Singh, who was appointed as an Additional Director pursuant to the provisions of Section 260 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company, subject to retirement by rotation under the Articles of Association of the Company."

#### ITEM No. 11.

To consider, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** in accordance with the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956, or any statutory modification(s) or re-enactment thereof, Shri P.K.Choudhury, who was appointed as an Additional Director pursuant to the provisions of Section 260 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company, subject to retirement by rotation under the Articles of Association of the Company."

#### ITEM No. 12.

To consider, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** in accordance with the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956, or any statutory modification(s) or re-enactment thereof, Dr. Bakul H. Dholakia, who was appointed as an Additional Director pursuant to the provisions of Section 260 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company, subject to retirement by rotation under the Articles of Association of the Company."

Regd. Office:  
Jeevan Bharati Building,  
Tower-II, 124, Indira Chowk,  
New Delhi-110 001.

By Order of the Board of Directors

  
(S.C. Setia)  
Company Secretary

16<sup>th</sup> August, 2006

The Central Government vide its letter No. 47/263/2006-CL-III dated 27<sup>th</sup> June, 2006 has exempted the Company from attaching the reports and accounts of subsidiary companies with the Annual Report for the year 2005-06.