ONGC

Performance Highlights

Y/E March (Rs cr)	1QFY11	4QFY10	% chg (qoq)	1QFY10	% chg (yoy)
Total Operating Income	13,823	16,002	(13.6)	15,136	(8.7)
EBITDA	8,193	9,418	(13.0)	9,758	(16.0)
EBITDA Margin (%)	*59.3*	*58.9*	*0.4*	*64.5*	*(5.2)*
Adj. PAT	3,661	3,776	(3.1)	4,848	(24.5)

Source: Company, Angel Research

ONGC registered lower-than-expected set of numbers for 1QFY2011 on account of lower-than-expected crude and natural gas production coupled with decline in net realisation on a yoy basis. **On account of likely fuel reforms going ahead, we maintain our Accumulate view on the stock.**

Operating profit below estimates; DD&A in line with expectation: For 1QFY2011, ONGC registered top-line and bottom-line decline of 8.7% and 24.5% yoy, respectively. Operating income declined by 8.7% yoy to Rs13,823cr (Rs15,136cr) during the quarter on account of the lower crude oil sales. Crude oil sales volume declined to 5.3MMT (5.4MMT), lower than our estimate of 5.9MT. Gross realisations were in line with our expectations and net realisations were lower than our estimates on account of lower-than-anticipated crude oil sales during the quarter. During the quarter, the company shared a subsidy burden of Rs5,516cr (Rs429cr). Hence, net realisations stood at US $48.0/bbl (US $58.2/bbl). EBITDA during the quarter stood at Rs8,193cr (Rs9,758cr), registering a decline of 16% yoy. Adjusted for the new subsidy sharing mechanism, EBITDA was lower than our estimate of Rs9,060cr. Depreciation, depletion and amortisation cost (DD&A) cost declined marginally by 2.0% yoy to Rs3,114cr (Rs3,179cr), which was in line with our estimates. Other income during the quarter declined by 48.3% yoy to Rs407cr (Rs788cr). Net profit during the quarter declined by 24.5% yoy to Rs3,661cr (Rs4,848cr), which was lower than our estimate of Rs4,325cr.

Outlook and Valuation: ONGC reported weak set of numbers for the current quarter. However, the performance is likely to improve in the coming quarters on account of full impact of the gas price hike, coupled with decline in subsidy burden with deregulation of petrol prices and increase in diesel prices. After the APM price hike and the pricing reforms in auto fuels, we believe that the risk-reward ratio is now favourable, with limited downside from current levels. Moreover, chances of further reforms in the oil sector have strengthened. Thus, we maintain an Accumulate on the stock, with Target Price of Rs1,356.

Key Financials (Consolidated)

Y/E March (Rs cr)	FY2009	FY2010E	FY2011E	FY2012E
Net Sales	104,588	101,760	117,551	124,021
% chg	*8.1*	*(2.7)*	*15.5*	*5.5*
Net Profit	19,795	19,404	24,505	26,372
% chg	*(0.4)*	*(2.0)*	*26.3*	*7.6*
OPM (%)	41.3	43.7	44.9	46.1
EPS (Rs)	92.5	90.7	114.6	123.3
P/E (x)	13.4	13.7	10.8	10.1
P/BV (x)	2.9	2.6	2.2	2.0
RoE (%)	23.4	20.0	22.2	20.8
RoCE (%)	24.5	19.4	23.3	23.3
EV/Sales (x)	2.4	2.4	2.0	1.9
EV/EBITDA (x)	5.8	5.5	4.5	4.1

Source: Company, Angel Research

ACCUMULATE

CMP	Rs1,243
Target Price	Rs1,356
Investment Period	12 Months

Stock Info	
Sector	Oil & Gas
Market Cap (Rs cr)	265,765
Beta	0.6
52 Week High / Low	1346/1221
Avg. Daily Volume	180284
Face Value (Rs)	10
BSE Sensex	17,868
Nifty	5,368
Reuters Code	ONGC.BO
Bloomberg Code	ONGC@IN

Shareholding Pattern (%)	
Promoters	74.1
MF / Banks / Indian FIs	19.9
FII / NRIs / OCBs	4.3
Indian Public / Others	1.7

Abs. (%)	3m	1yr	3yr
Sensex	1.8	16.1	17.1
ONGC	18.7	13.1	37.4

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Exhibit 1: 1QFY2011 Performance

Y/E March (Rs cr)	1QFY2011	4QFY2010	% chg (qoq)	1QFY2010	% chg (yoy)	FY2010	FY2009	% chg (yoy)
Total Operating Income	13,823	16,002	(13.6)	15,136	(8.7)	61,983	64,548	(4.0)
Total operating expenditure	5,630	6,584	(14.5)	5,378	4.7	24,491	32,650	(25.0)
EBITDA	8,193	9,418	(13.0)	9,758	(16.0)	37,491	31,897	17.5
EBITDA Margin (%)	59.3	58.9		64.5		60.5	49.4	
Other Income	407	469	(13.2)	788	(48.3)	2,220	4,221	(47.4)
Depreciation	3,114	4,448	(30.0)	3,179	(2.0)	14,659	12,085	21.3
Interest	3	56	(95.1)	6	(54.8)	69	119	(42.3)
PBT	5,483	5,383	1.9	7,361	(25.5)	24,984	23,915	4.5
PBT Margin (%)	39.7	33.6		48.6		40.3	37.0	
Total Tax	1,822	1,607	13.4	2,513	(27.5)	8,216	7,832	4.9
% of PBT	33.2	29.8		34.1		32.9	32.7	
PAT	3,661	3,776	(3.1)	4,848	(24.5)	16,768	16,083	4.3
Exceptional items	-	-		-		-	43	
Adj. PAT	3,661	3,776	(3.1)	4,848	(24.5)	16,768	16,126	4.0
PAT Margin (%)	26.5	23.6		32.0		27.1	25.0	

Source: Company, Angel Research

Exhibit 2: Segmental Performance

Y/E March (Rs cr)	1QFY11	4QFY10	% chg (qoq)	1QFY10	% chg (yoy)	FY10	FY09	% chg (yoy)
Segment revenue								
Offshore E&P	10,906	12,338	(11.6)	11,331	(3.8)	46,865	45,457	3.1
Onshore E&P	2,962	3,883	(23.7)	3,847	(23.0)	15,336	19,091	(19.7)
Unallocated	-	-		-		-	-	
Total revenue	13,868	16,221	(14.5)	15,179	(8.6)	62,201	64,548	(3.6)
EBIT								
Offshore E&P	4,836	4,593	5.3	5,345	(9.5)	19,564	18,810	4.0
EBIT (%)	44.3	37.2		47.2		41.7	41.4	
Onshore E&P	320	616	(47.9)	1,456	(78.0)	4,258	1,805	135.9
EBIT (%)	10.8	15.9		37.8		27.8	9.5	
Unallocated	-	-		-		-	-	
Total EBIT	5,157	5,209	(1.0)	6,801	(24.2)	23,822	20,615	15.6
EBIT (%)	37.2	32.1		44.8		38.3	31.9	
Less: Interest payment	3	56	(95.1)	6	(54.8)	69	119	(42.3)
Less: Other unallocable exp. net of income	(329)	(230)	43.0	(566)	(41.9)	(1,231)	(3,419)	(64.0)
PBT before extraordinary items	5,483	5,383	1.9	7,361	(25.5)	24,984	23,915	4.5
Extraordinary gain	-	-		-		-	66	
PBT	5,483	5,383	1.9	7,361	(25.5)	24,984	23,981	4.2

Source: Company, Angel Research

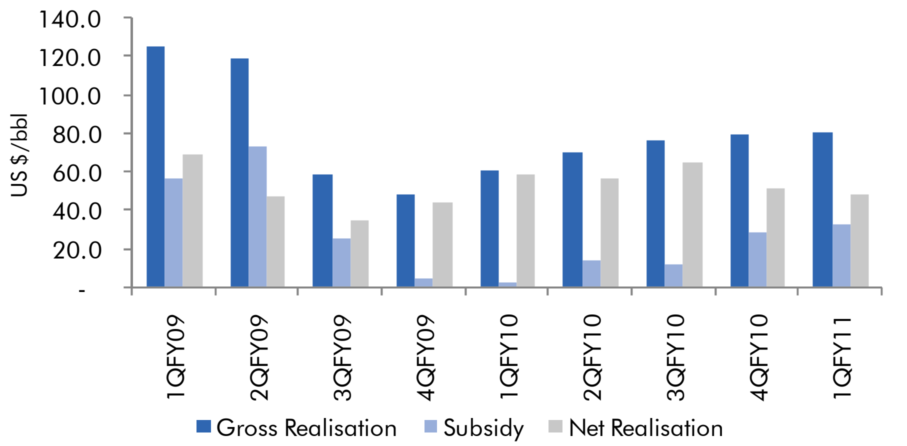
Exhibit 3: 1QFY2011 Actual v/s Estimates

(Rs cr)	Estimates	Actual	*Variation (%)*
Total Operating Income	15,154	13,823	*(8.8)*
EBITDA	9,060	8,193	*(9.6)*
EBITDA Margin %)	*59.8*	*59.3*	*(0.5)*
PBT	6504	5,483	*(15.7)*
Adj. PAT	4,325	3,661	*(15.3)*

Source: Company, Angel Research

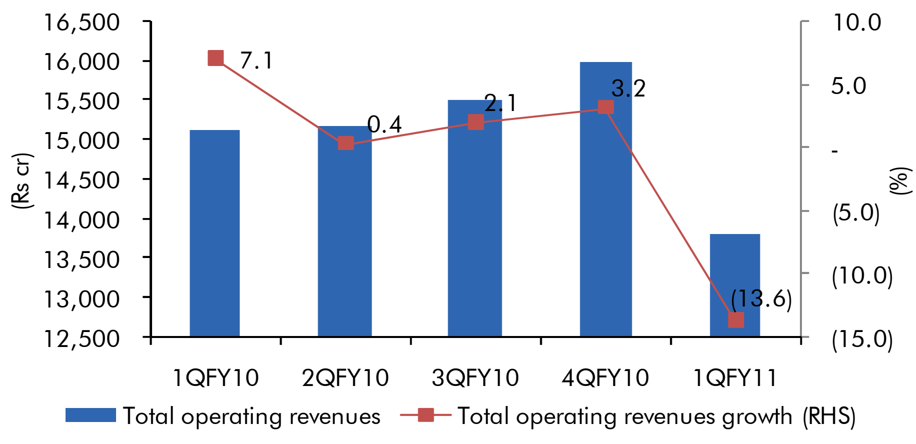
Net crude realisation at US $48.0/bbl: ONGC's top-line registered a decline of 8.7% yoy growth to Rs13,823cr (Rs15,136cr) primarily on account of the increase in subsidy burden on a yoy basis coupled with lower crude oil sales during the quarter. ONGC's top-line was higher than our expectation of Rs15,154cr. ONGC's gross realisations from crude oil sales stood at US $80.8/bbl (US $60.6/bbl). During the quarter, the company shared subsidy burden of Rs5,516cr (Rs429cr). Hence, net realisations stood at US $48.0/bbl (US $58.2/bbl), down 17.5% yoy. Gross realisations was in line with our expectations, though net realisations stood lower than our estimates on account of the lower-than-anticipated crude oil production during the quarter. Crude oil sales volume declined to 5.3MMT (5.4MMT), lower than our estimate of 5.9MT. Crude oil sales were lower by 6% qoq at 5.3MT (5.7MT). This was despite the relatively flat production numbers at 6.6MT on the qoq basis. Thus, the inventory built-up due to production disruption in the refineries was the prime reason for the lower sales to production ratio. Gas sales volume rose to 5.15BCM (5.11BCM).

Exhibit 4: ONGC - Crude realisations



Source: Company, Angel Research

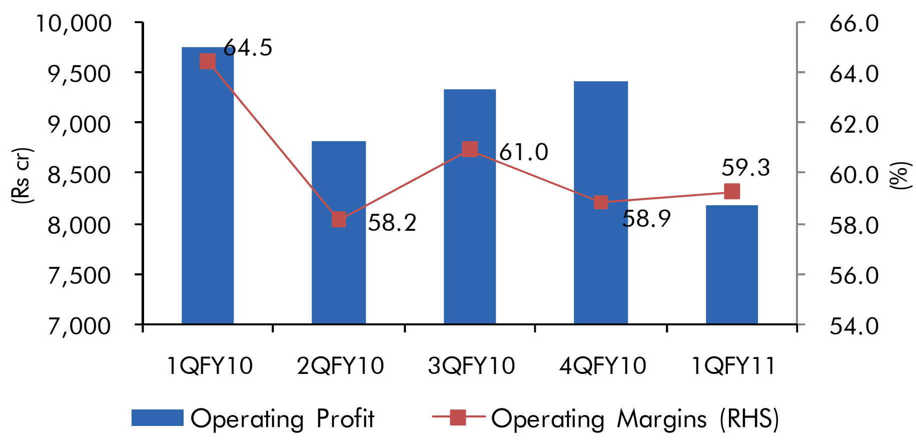
Exhibit 5: Operating revenue growth trend



Source: Company, Angel Research

EBITDA lower than estimated: EBITDA for 1QFY2011 came in lower than our estimate on account of increase in the subsidy burden during the quarter coupled with lower crude oil sales. EBITDA during the quarter stood at Rs8,193cr (Rs9,758cr), registering a decline of 16% yoy. Adjusted for the new subsidy sharing mechanism, EBITDA was lower than our estimate of Rs9,060cr. During the quarter, the company shared a subsidy burden of Rs5,516cr (Rs429cr). OPM declined by 519bp yoy to 59.3% (64.5%) on account of the lower net crude oil realisations.

Exhibit 6: Operating performance trend

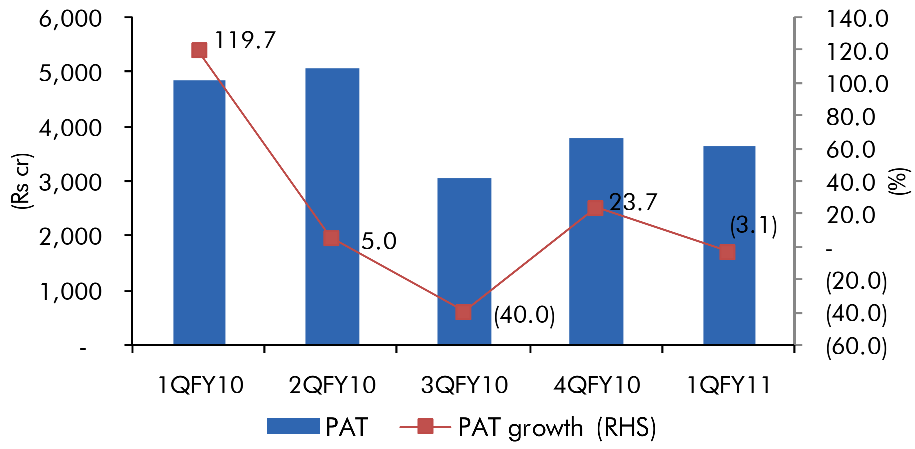


Source: Company, Angel Research

DD&A cost increases; Other income declines: Depreciation, depletion and amortisation cost (DD&A) cost declined marginally by 2.0% yoy to Rs3,114cr (Rs3,179cr), which was in line with our estimates. Other income during the quarter declined by 48.3% yoy to Rs407cr (Rs788cr).

PAT decreases by 24.5% yoy: Net profit during the quarter declined by 24.5% yoy to Rs3,661cr (Rs4,848cr), which was lower than our estimate of Rs4,325cr. This was mainly because of lower-than-expected crude oil and natural gas sales.

Exhibit 7: PAT growth trend



Source: Company, Angel Research

Investment Arguments

Oil sector reforms provide re-rating trigger: ONGC's stock performance is strongly correlated with the reforms in the Indian oil and gas sector. The government has recently increased the price of the APM gas and has brought it on par with the KG-D6 gas prices. The increase in the APM gas prices has added around Rs18.9/share on an annualised basis to ONGC's earnings. ONGC is likely to report earnings growth of more than 16.6% over FY2010-12E as against a decline of (1.2%) over FY2008-10. Improved earnings trajectory is likely to provide the require boost to development efforts in the form of EOR and IOR to increase the production of gas from the ageing fields. Similarly, the reforms in diesel regulations and clarity over the subsidy sharing mechanism are further likely to improve the profitability and earnings visibility of ONGC.

Strong exploratory portfolio and improving business fundamental: ONGC is India's premier exploration company with 45% of the India's NELP acreage (prospective blocks). However, given the higher focus on the nomination block, the company has not been able to deliver good exploratory results. However, we expect the company's focus to increase in the NELP block over the next 2-3 years. ONGC has drilled only 13 NELP blocks and has established commercial prospects in the same, which implies potential for future discoveries and reserve accretion. Thus, increased focus on the NELP block could result in reserve and valuation upside from current levels.

Outlook and Valuation

ONGC reported weak set of numbers for the current quarter. However, the performance is likely to improve in the coming quarters on account of full impact of the gas price hike, coupled with decline in subsidy burden with deregulation of petrol prices and increase in diesel prices. On account of the above-mentioned factors, we expect the current year's quarterly standalone net profit run-rate to improve to around Rs5,500cr.

The biggest variable impacting the company's stock price is the announcement associated with the subsidy sharing mechanism. ONGC's stock price registered gains post the announcement of petrol price deregulation. However, post the announcement of the subsidy sharing mechanism some weakness has been witnessed in the stock. The key rationale for the same being uncertainty related to the subsidy-sharing mechanism. The government has yet again resorted to ad-hoc subsidy sharing mechanism, wherein it is likely to bear 50% of the total subsidy burden, while the upstream companies would bear 33%. However, there is not clarity over the sharing of the balance 17% subsidy burden. If the government were to increase the upstream share of the subsidy burden, it could adversely impact ONGC. Thus, there remains some uncertainty over the subsidy sharing mechanism. Moreover, the Kirit Parikh's Committee recommendation for the upstream matrix of subsidy burden has not been accepted by the government, which keeps uncertainty for the upstream companies.

However, despite the uncertainties on the near-term subsidy sharing mechanism, we believe that given the government's intent to gradually deregulate the diesel prices, coupled with the increase in the APM gas price, the risk-reward ratio is now favourable with limited downside from current levels. Moreover, the chances of further reforms in the oil sector have strengthened. At Rs1,243, the stock is currently trading at 10.1x FY2012E EPS of Rs123.3. **We maintain an Accumulate on the stock, with a Target Price of Rs1,356**, valuing the stock at 11x FY2012E revised EPS of Rs123.3/share, translating into an upside of 9.1% from current levels.

Exhibit 8: Key Assumptions

Particulars	FY2011E	FY2012E
Standalone Gross realisations (US $/bbl)	76.9	76.9
Standalone Net realisations (US $/bbl)	55.4	57.8
Sale of crude oil (MMT)	25.9	27.3
Natural gas Production (BCM)	25.9	26.0
OVL (O+OEG sales) (MMT)	8.4	8.7
GRMs for MRPL (US $/bbl)	4.0	4.5

Source: Company, Angel Research

Exhibit 9: Angel EPS forecast v/s consensus

	Angel Forecast	Bloomberg Consensus	*Variation (%)*
FY2011E	114.6	114.9	*(0.3)*
FY2012E	123.3	126.2	*(2.3)*

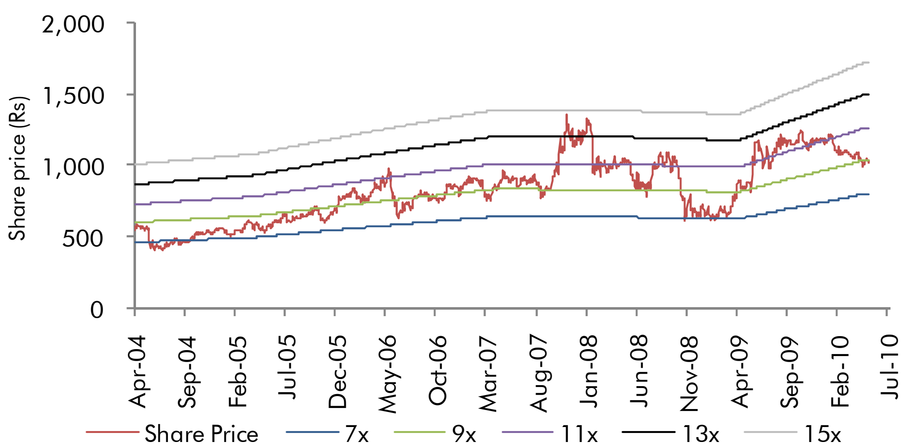
Source: Company, Angel Research

Exhibit 10: Recommendation Summary

Company	Reco	CMP (Rs)	Target Price (Rs)	*Upside (%)*	Mkt Cap (Rs cr)	FY2012E P/BV (x)	FY2012E P/E (x)	FY09-12E CAGR in EPS (%)	FY2012E RoCE (%)	FY2012E RoE (%)
Cairn India	Reduce	335	315	*(6.0)*	63,551	1.6	7.3	121.7	25.4	22.6
GAIL	Buy	438	580	*32.4*	55,584	2.4	12.4	16.8	22.4	20.9
GSPL	Accumulate	106	120	*12.8*	5,982	2.7	12.6	56.7	19.9	22.9
Gujarat Gas	Neutral	306	-	*(0.0)*	3,925	3.5	15.0	17.7	28.0	25.8
IGL	Accumulate	301	317	*5.4*	4,209	3.5	13.6	21.4	32.6	28.3
ONGC	Accumulate	1,243	1,356	*9.1*	265,765	2.0	10.1	10.0	23.3	20.8
Petronet LNG	Under Review	90	-	-	6,783	2.3	11.9	3.1	15.0	20.6
RIL	Buy	1,010	1,260	*24.8*	330,187	1.7	11.6	24.0	13.8	16.1
Shivvani Oil	Under Review	435	-	-	2,016	1.2	6.8	13.2	14.4	18.9

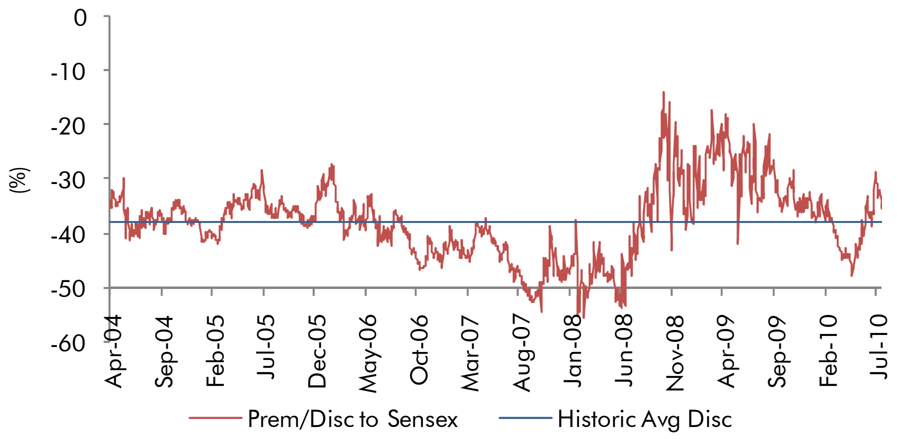
Source: Company, Angel Research

Exhibit 11: One-year forward P/E band



Source: Company, Angel Research

Exhibit 12: Premium/Discount in ONGC (P/E) v/s Sensex (P/E)



Source: Company, Angel Research

Profit & Loss Statement (Consolidated)

Y/E March (Rs cr)	FY07	FY08	FY09	FY10E	FY11E	FY12E
Total operating income	**82,262**	**96,782**	**104,588**	**101,760**	**117,551**	**124,021**
% chg		*17.7*	*8.1*	*(2.7)*	*15.5*	*5.5*
Total Expenditure	46,067	55,527	61,364	57,321	64,762	66,860
Net Raw Materials	18,263	25,070	28,975	25,339	27,381	26,181
Other Mfg costs	17,179	18,419	17,678	17,015	21,277	22,944
Personnel	2,380	1,328	1,162	1,407	1,411	1,860
Other	8,245	10,710	13,549	13,560	14,694	15,875
EBITDA	**36,195**	**41,255**	**43,225**	**44,439**	**52,789**	**57,161**
% chg		*14.0*	*4.8*	*2.8*	*18.8*	*8.3*
(% of Net Sales)	*44.0*	*42.6*	*41.3*	*43.7*	*44.9*	*46.1*
Depreciation& Amortisation	11,968	13,888	15,430	18,739	18,493	18,824
EBIT	**24,227**	**27,367**	**27,794**	**25,700**	**34,295**	**38,337**
% chg		*13.0*	*1.6*	*(7.5)*	*33.4*	*11.8*
(% of Net Sales)	*29.5*	*28.3*	*26.6*	*25.3*	*29.2*	*30.9*
Interest & other Charges	418	894	1,774	556	296	349
Other Income	4,739	4,541	5,072	5,298	4,200	3,100
(% of PBT)	*16.6*	*14.6*	*16.3*	*17.4*	*11.0*	*7.5*
Recurring PBT	**28,548**	**31,014**	**31,093**	**30,441**	**38,199**	**41,089**
% chg		*8.6*	*0.3*	*(2.1)*	*25.5*	*7.6*
Adj. related to prior period (Net)	1,275	93	(11)	-	-	-
Extraordinary Expense/(Inc.)	(475)	-	(66)	-	-	-
PBT (reported)	**27,747**	**30,921**	**31,169**	**30,441**	**38,199**	**41,089**
Tax	9,845	10,700	11,009	10,714	13,284	14,316
(% of PBT)	*35.5*	*34.6*	*35.3*	*35.2*	*34.8*	*34.8*
PAT (reported)	**17,902**	**20,221**	**20,160**	**19,728**	**24,915**	**26,773**
Add: Share of earnings of associate	10.2	2.1	9.9	7.8	9.9	9.9
Less: Minority interest (MI)	142	351	375	332	420	410
PAT after MI (reported)	**17,770**	**19,872**	**19,795**	**19,404**	**24,505**	**26,372**
ADJ. PAT	**18,245**	**19,872**	**19,861**	**19,404**	**24,505**	**26,372**
% chg		*8.9*	*(0.1)*	*(2.3)*	*26.3*	*7.6*
(% of Net Sales)	*22.2*	*20.5*	*19.0*	*19.1*	*20.8*	*21.3*
Basic EPS (Rs)	**83.1**	**92.9**	**92.5**	**90.7**	**114.6**	**123.3**
Fully Diluted EPS (Rs)	**83.1**	**92.9**	**92.5**	**90.7**	**114.6**	**123.3**
% chg		*11.8*	*(0.4)*	*(2.0)*	*26.3*	*7.6*

Balance Sheet (Consolidated)

Y/E March (Rs cr)	FY07	FY08	FY09	FY10E	FY11E	FY12E
SOURCES OF FUNDS						
Equity Share Capital	2,139	2,139	2,139	2,139	2,139	2,139
Preference Capital	-	-	-	-	-	-
Reserves& Surplus	64,575	75,948	90,085	100,980	116,727	134,091
Shareholders Funds	**66,714**	**78,087**	**92,224**	**103,119**	**118,866**	**136,230**
Minority Interest	832	1,145	1,411	1,735	2,146	2,546
Total Loans	1,601	944	6,559	7,100	7,400	7,750
Deferred Tax Liability	8,112	8,738	9,223	10,379	10,679	11,029
Liability for abandonment cost	15,186	12,932	17,145	17,145	17,145	17,145
Total Liabilities	**92,444**	**101,846**	**126,562**	**139,478**	**156,235**	**174,699**
APPLICATION OF FUNDS						
Gross Block	137,145	149,493	169,748	203,470	222,770	244,770
Less: Acc. Depreciation	83,436	93,825	105,955	124,694	133,787	143,711
Net Block	**53,710**	**55,668**	**63,794**	**78,777**	**88,983**	**101,060**
Capital Work-in-Progress	11,030	14,423	24,758	12,300	14,500	14,000
Goodwill	3,062	2,578	11,404	11,404	11,404	11,404
Investments	**3,583**	**4,482**	**3,480**	**3,480**	**3,480**	**3,480**
Current Assets	38,840	47,534	50,715	59,499	65,161	71,664
Cash	20,676	25,056	22,596	30,433	35,757	41,403
Loans & Advances	6,736	7,068	13,264	13,264	13,264	13,264
Other	11,429	15,411	14,855	15,802	16,139	16,997
Current liabilities	18,296	23,513	28,239	26,633	27,944	27,559
Net Current Assets	**20,545**	**24,022**	**22,476**	**32,867**	**37,217**	**44,105**
Mis. Exp. not written off	514	674	651	651	651	651
Total Assets	**92,444**	**101,846**	**126,562**	**139,478**	**156,235**	**174,699**

Cash Flow Statement (Consolidated)

Y/E March (Rs cr)	FY07	FY08	FY09	FY10E	FY11E	FY12E
Profit before tax	28,548	31,014	31,093	30,441	38,199	41,089
Depreciation	7,864	9,078	8,779	18,739	9,093	9,924
(Incr)/ Decr in Misc Exp	(148)	(180)	1	-	-	-
Change in Working Capital	2,689	2,415	2,355	(2,515)	723	(1,492)
Less: Other income	(2,115)	(2,903)	(3,238)	(5,298)	(4,200)	(3,100)
Direct taxes paid	(8,520)	(10,508)	(10,244)	(9,558)	(12,984)	(13,966)
Cash Flow from Operations	28,318	28,915	28,746	31,810	30,832	32,454
(Inc.)/ Dec. in Fixed Assets	(13,566)	(16,814)	(21,639)	(21,264)	(21,500)	(21,500)
(Inc.)/ Dec. in Investments	(2,212)	(1,260)	902	-	-	-
(Inc.)/ Dec. in loans and adv.	35	(1)	(1,951)	-	-	-
Other income	1,356	2,078	3,365	5,298	4,200	3,100
Cash Flow from Investing	(14,387)	(15,996)	(19,323)	(15,967)	(17,300)	(18,400)
Issue of Equity	703	166	-	-	-	-
Inc./(Dec.) in loans	(661)	(598)	4,968	541	300	350
Dividend Paid (Incl. Tax)	(7,695)	(7,822)	(8,103)	(8,547)	(8,508)	(8,758)
Others	5,291	(285)	(8,748)	-	-	-
Cash Flow from Financing	(2,361)	(8,538)	(11,883)	(8,006)	(8,208)	(8,408)
Inc./(Dec.) in Cash	11,570	4,380	(2,460)	7,838	5,324	5,646
Opening Cash balances	9,106	20,676	25,056	22,596	30,433	35,757
Closing Cash balances	20,676	25,056	22,596	30,433	35,757	41,403

Key Ratios

Y/E March	FY07	FY08	FY09	FY10E	FY11E	FY12E
Valuation Ratio (x)						
P/E (on FDEPS)	15.0	13.4	13.4	13.7	10.8	10.1
P/CEPS	10.7	9.2	8.9	7.0	7.1	6.8
P/BV	4.0	3.4	2.9	2.6	2.2	2.0
Dividend yield (%)	2.5	2.6	2.6	2.7	2.8	2.9
EV/Sales	3.0	2.5	2.4	2.4	2.0	1.9
EV/EBITDA	6.8	5.9	5.8	5.5	4.5	4.1
EV/Total Assets	2.7	2.4	2.0	1.7	1.5	1.3
Per Share Data (Rs)						
EPS (Basic)	83.1	92.9	92.5	90.7	114.6	123.3
EPS (fully diluted)	83.1	92.9	92.5	90.7	114.6	123.3
Cash EPS	117	135	140	178	174	184
DPS	31	32	32	34	35	36
Book Value	310	362	428	479	553	634
Dupont Analysis (%)						
EBIT margin	29.5	28.3	26.6	25.3	29.2	30.9
Tax retention ratio	65.7	65.7	64.8	64.8	65.2	65.2
Asset turnover (x)	1.2	1.3	1.2	1.0	1.0	1.0
ROIC (Post-tax)	22.5	24.4	20.1	15.7	19.6	19.8
Cost of Debt (Post Tax)	-	-	-	-	-	-
Leverage (x)	-	-	-	-	-	-
Operating ROE	22.5	24.4	20.1	15.7	19.6	19.8
Returns (%)						
ROCE (Pre-tax)	28.3	28.3	24.5	19.4	23.3	23.3
Angel ROIC (Pre-tax)	40.8	44.9	39.6	29.4	34.1	34.2
ROE	29.0	27.7	23.4	20.0	22.2	20.8
Turnover ratios (x)						
Asset Turnover (Gross Block)	0.6	6.8	6.6	5.5	5.5	5.3
Inventory / Sales (days)	24	25	24	24	22	20
Receivables (days)	21	22	25	27	25	25
Payables (days)	89	99	109	123	107	105
Working capital cycle (ex-cash) (days)	18	(2)	(2)	4	6	6
Solvency ratios (x)						
Net debt to equity	(0.3)	(0.3)	(0.2)	(0.2)	(0.2)	(0.2)
Net debt to EBITDA	(0.5)	(0.6)	(0.4)	(0.5)	(0.5)	(0.6)
Interest Coverage (EBIT/Interest)	58.0	30.6	15.7	46.2	115.9	109.9

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Disclosure of Interest Statement	**ONGC**
1. Analyst ownership of the stock	No
2. Angel and its Group companies ownership of the stock	Yes
3. Angel and its Group companies' Directors ownership of the stock	No
4. Broking relationship with company covered	No

Note: We have not considered any Exposure below Rs 1 lakh for Angel, its Group companies and Directors.

Ratings (Returns) :	*Buy (> 15%)*	*Accumulate (5% to 15%)*	*Neutral (-5 to 5%)*
	Reduce (-5% to 15%)	Sell (< -15%)	