

Q3 2011 Earnings Call – ONGC

Dt- 28 Jan'11

Operator

Ladies and gentlemen, good day and welcome to the ONGC Results Conference Call, hosted by JM Financial Institutional Securities Private Limited. As a reminder, for the duration of the conference, all participant lines are in the listen-only mode. And there will be an opportunity for you to ask questions at the end of today's presentation. Please note that this conference is being recorded. At this time, I would like to hand the conference over to Mr. Mehul Thanawala of JM Financial. Thank you, and over to you sir.

Mehul Thanawala, Vice President, JM Financial Institutional Securities

Thank you, Vivian. And good evening to all of you. Thank you for joining us on the call of ONGC results. On behalf of JM Financial, let me take this opportunity to welcome all of you to the third quarter FY '11 earnings call of ONGC. We have with us the management team of ONGC, led by Mr. D.K. Sarraf, the Director of Finance. And I would like to hand over now to Mr. D.K. Sarraf, the Director of Finance. And take it over from here, sir.

D.K. Sarraf, Director of Finance

Thank you very much. I am D.K. Sarraf. And I would -- to begin this, I would read the written statement which I fully self prepared and then we can take question-and-answers. Good evening, ladies and gentlemen, I welcome you all in this ONGC earnings call for Q3 FY '11. On right here are my colleague Mr. Ghasolia, Mrs. Priti Mathur, Mr. Vijayarangan, Mr. Nelson of Investor Relations Cell; and I also have my colleague from OEM, Mr. -

Before, I give you a small -- I will tell you just for the third quarter of this system, making the income statement, hence all of you maybe aware that Government of India has decided to guidance 5% of it's holdings in ONGC through an FPO, which is likely to reach the market in the month of March 2011. The lead managers and the legal advisors for this FPO have already been appointed by the Government of India in the Department of -.

The -- meeting with the lead managers will already being held on a 24 of this month. I have been informed by the legal advisors to be - that we are on the regulations and strict restrictions of the January 14th, then always the end of FPO. As such we will not be in a position to either make futuristic statements or entertain structures, all our future plannings, et cetera, and therefore we would be restricting our cost debt to more on the results from the third quarter and nine months ending December 31st, 2010. I would also request you to widely appreciate this position and restrict your question relating to the third quarter -

The financial results of the quarter three of this fiscal 2010-11, have been taken on this order by the ONGC Board of Directors today that is on 28th of January, 2011 that it is a profit of the results. The company has earned net profit, profit after-tax of Rs. 7,083 crores during this quarter as against Rs. 3,054 crores during the forthcoming quarter that is the third quarter of 2009-10, an increase of Rs. 4,029 crores, which amounts to an increase of 131.9%. our profit after-tax for nine months ending December 31st, 2010 is Rs. 60,133 crores, as against 12,991 crores, during nine months ending December 2009, which amounts to an increase of 34.2%. That increase in -- got contributed, mainly by the higher sales of crude oil, as well as gas, which is on a combined basis amounts to 2,803 crores, increase of other income by the way of increase of surplus from -- which is 1,898 crores and this was approximate to an order from the Ministry of Petroleum.

In fact, in around 43 regions for Q3 and Q2 of this fiscal, we have already made an disclosure that though we -- are there, but since they have started other issues, which virtually sorted out before we do -- that accounts approximate for in the last quarter. Quarters, a decrease of guidance at 10, that also contributed to higher profit, during this quarter, which is about 1,190 crores. This increase in -- was partly outraged by increase in -- to -- of 787 crores, increase in operating expenditure to be filled up 268 crores, and of course as with provision for income debt, which is 1,899 crores. All this comparing together themselves in Q3 of the last fiscal to Q3 of this fiscal.

Our share of subsidies towards under-recoveries of oil and marketing companies during Q3 this year stood at 4,222 crores, at against 3,497 crores in Q3 of last fiscal. It has approximately impacted our PAT by Rs. 2,404 crores, after accounting for investment -- and income tax. But for these under-recoveries adjustments, the profit after-tax for Q3 of this fiscal would have gained 9,487 crores at against Rs. 5,045 crores in the corresponding quarter of previous year. The increase of Rs. 670 crores in dividend and interest income in comparison to the previous year of this same quarter or a growth of reversion of interest, although -- amounted to Rs. 460 crores last year and also interest income on the deposits we paid 67 crores and deposit in -- funds -- 157 crores, so all that has increase of our other income, led into dividend and interest to be a trend of 670 crores.

Our gross sales revenue for Q3 of this fiscal was higher by 3,291 crores, which is about 21.4% at 18,648 crores during the third quarter, at against 15,355 crores in the forthcoming quarter previous years, mainly due to price variations of 925 crores against 1,560 crores and value-added product 479 crores and positive quantity variations, upto 618 crores and negative quality variation of Rs. 94 crores. Let me also tell you that the increase in revenue due to pricing tax 1,561 crores, is because effective from June 2010, government has increase the price of -- to \$2 per mmBtu, including the royalties.

-- during this quarter was \$89.13 per barrel, at against \$76.66 per barrel in the same period last year, an increase of 16.27 crores or 16.27% rather. After giving results by subsidies to -- oil and marketing companies, the net realization for crude oil in this quarter was \$64.79 per barrel as against \$57.69 per barrel in the same period last year, an increase of 12.26%. This increase in net realization in US dollar terms was partially offset by changing of Indian rupees, vis-à-vis of US dollars, during the quarter three of this fiscal. Exchange rate of rupee on \$6 stood at 44.86, roughly 46.64 in the third quarter of last fiscal year. Thus, the post discount relationship for crude oil in rupee term stood at Rs. 2,906 per barrel in the current quarter, against Rs. 2,619 per barrels in the corresponding quarter last year, an increase of 8.07%. So, that means the difference between 12.26% restricted by 0.6% is the impact, which is due to changing of

rupees.

Other operating income increased by 2,040 crores in Q3 of this fiscal, from 188 crores, which is called significant increase, roughly to 2,228 crores during this quarter. This increase is mainly on an -- of 1,898 crores from -- as far as order of -- So, this year we also disclosed and it is more to the accounts this you'll be seeing tomorrow in the newspapers. Interest in diesel income has increased by 670 crores from a negative of 11 crores in Q3 of last fiscal to 659 crores in Q3 of this fiscal.

Let me first explain you that why there was a negative income last fiscal. In the first quarter and second quarter, we had volume for interest receivables, from -- which is a 100% subsidiary, and all the group will be 460 crores in the first two quarters. In -- that low interest would be charge from OVL, effective from 1st of August, 2009, and hence the interest reversal is around be Rs. 2,460 crores approximately, because in the Q3 of last fiscal. Because of this reversal of interest the interest income within last -- during Q3 of last fiscal was a negative number. And with the current number of 659 crores during Q3 of this fiscal, there is an increase of 670 crores of increase in interest and -- income.

And further, the rate of interest on size estimation funds has also increased from 5% in third quarter of last fiscal to 8.5% in the current fiscal, and an increased amount of Rs. 167 crores that we accounted for, during the current quarter. The rate of interest on deposits with based and other PSUs had also increased, this has also - increased other income. The operating expenses for Q3 of this fiscal has increased by 180 crores to Rs. 3,223 crores from Rs. 3,043 crores during the Q3 of last fiscal. And I would say that this increase of 180 crores over a base of 3,223 crores is quite small and reasonable.

DD&A cost for the current quarter stood at 3,641 crores at against 4,676 crores during Q3 of last fiscal. It decrease up 22.1%. However, DD&A cost for the nine months period of the current fiscal stood at 11,155 crores at against 10,211 crores in the nine months of last fiscal, an increase of 90.2%. There is an increase of Rs. 156 crores in cyclical expenses has increase up Rs. 224 crores in depreciation in the current quarter, as compared to the corresponding quarter last fiscal, which is mainly on account of addition of facilities in the Rajasthan block, where we post 30% participating interest. And -- both business at least, though there is an decrease of 1,119 crores on quarter-to-quarter basis. However, there is an increase of 477 crores on nine months-to-nine months basis.

Other expenses has also decreased by Rs. 594 crores during nine months basis, and this is mainly because of just 2D and the 3D survey, that acquisition was done.

During Q3 of the current fiscal, this -- nearly to 3,949 crores, as compared to Rs. 3,161crores, an increase of Rs. 718 crores. One of the main reasons for increase in -- phase on two land from Rajasthan block which is 546 crores compared to a pricing of 164 crores and other partners in India is getting 23%, as we do the transaction and the amount was 382 crores.

Further, increase in royalty on gas, amounting to Rs. 163 crores, as this was on account of increasing debt clients from June 2010. In terms of physical performance, there is 6.1% increase in oil production at \$7.02 million tonnes in the third quarter, as opposed to \$6.62 crores million tonnes in the forthcoming quarter last year, because of increase in production from -- However, gas production was lower at 1.6% at 6.353 billion cubic meter into quarter, roughly 6.459 billion cubic meter in the same quarter -- because of shutdown of now a platform. This is I think why we think of the third quarter to be near of fiscal 2010-11. We will be very happy to take questions from you, but again to remind you that the -- will be beginning, we try to some time your questions and participants on quarterly --. Thank you. And the myself and the team members will try to answer your questions. Thank you.

Questions And Answers

Operator

Thank you, sir. [Operator Instructions]. The first question is from the line of Probal Sen from IDFC Securities. Please go ahead.

Probal Sen

Good evening, gentlemen. Congratulations on a good set of numbers. I had a couple of questions on the quarterly divestiture, working on guidance -- One was, what was the kind of CapEx that was incurred in this quarter and the number of registered? The other question was around the site restoration fund, if you can just kindly explain the reason for the sharp increase that has happened in 3Q over the year, as well as on QoQ basis? And lastly on the gas - account, just wanted to know, does this payout indicate the payout for the whole year or is there something more that will perhaps come in the last quarter of the year? That's all from my side. Thank you.

D.K. Sarraf, Director of Finance

Yeah. I'll take your last three questions first and then I will hand over to one of my team members, who will explain the number of CapEx in the quarter. The deposit which we raised under site restoration fund -- of India, and they are supposed to give us interest rates, which is applicable on the last day of this fiscal year.

Probal Sen

Okay.

D.K. Sarraf, Director of Finance

And that the last year, we -- and that interest would be -- so when we support, we are accounting roughly too. We keep on accounting the rate of interest, which is there on last quarter, and keep on updating this. So, here, we are doing quarter one and quarter two the applicable rate of interest, highest rate of interest -- rate of India 6%. So 6% constitute cost in the first two quarters. Now these statements of India quarterly rate has gone up to 8.5%. So now 8.5% for three quarters all in quarterly -- 6% for two quarters and single -- have been done largely also. So -- what I told you on --.

Analyst

Okay.

D.K. Sarraf, Director of Finance

I think I am clear.

Analyst

Fair enough. Thanks. That's okay.

D.K. Sarraf, Director of Finance

Yeah on -

Analyst

Yeah.

D.K. Sarraf, Director of Finance

ONGC has been making resolutions to about for a number of years and that continues indirectly but it was coming from ONGC. Because some of the gas what we could and vice versa. So all those adjustments for without if we this maintain by gain. Ministry of Petroleum and Natural Gas issued directly about -- which were more than 2,000 crores at that time should be and obviously those serving to infect ONGC. And obviously whole of come from --. But the Ministry also said that to retain about 400 crores for any future contingency. Though including to the quarter, we have been with money from who were noticeably exact with them and given to us and it was received in cash it was self deposit and it was not leading, it has seen because it has on CapEx

Analyst

CapEx figures are yet to come or will it take some more time?

D.K. Sarraf, Director of Finance

This CapEx figures which bounced for Q3, they time but what I can tell you is very, very self done that's we have already shared with you our CapEx estimate exceeded on budget and our budget we are almost on the trend to --. But at the end of the system there is the capacity firm that is very significant.

Analyst

Fair enough, sir. Thanks. Any data on the number of -- in terms of exclusion or is that also?

Corporate Participant

Yeah. Number of it is available and presented to you.

Corporate Participant

Yeah hi. Well to come on to your question number of wells, this quarter three we drilled 96 wells in all which included 50 shallow water and 78 on that front.

Analyst

Aright. So 60 deep water wells, 50 shallow water and the balance would be on shore wells.

Corporate Participant

Yeah. This is the summation of the development as well as the --. Now coming to your question on the exploratory wells in particular, we also drill 29.

Analyst

29 exploratory wells?

Corporate Participant

Yes. Thanks a lot.

Analyst

Thank you. Thank you very much that's all from my side thanks a lot

Operator

The next question is from the line of Mr. Nipun Sharma from Mirae Asset. Please go ahead.

Nipun Sharma

Hi, good evening. Thanks for the presentation. Just a very quick follow-up question on the exploration wells. I was hoping you guys could kindly break that up into deep water, shallow water, offshore and onshore. And second question is if you could kindly share the overseas productions performance in the third quarter if that's available.

Corporate Participant

Third quarter performance production? This is like only from -- observed -- has found that total but for nine months from April to December 2010. In December from April to December 2010.

Nipun Sharma

And what's the status have been oil and gas please?

D.K. Sarraf, Director of Finance

Oil is 5.041 and gas is 2.023.

Nipun Sharma

Perfect. Thank you very much sir.

D.K. Sarraf, Director of Finance

And as number of

Priti Mathur, General Manager, ONGC

Yeah as regard to breakup of because of exploratory wells, well the total number of deep water wells was three this quarter. The shallow water wells were seven, and the on land the total were 19.

Nipun Sharma

Perfect. Thank you very much.

D.K. Sarraf, Director of Finance

You're welcome.

Operator

Thank you. Mr. Nipun Sharma do you have any further questions?

Nipun Sharma

No thank you.

Operator

Thank you. Next question is from the line of Amit Rastogi from Please go ahead.

Analyst

Good evening sir and congratulations for a good set of numbers. I have only two questions. One is on the royalty. Your royalty has come down during the quarter despite higher realizations both in basically -- also will have realized higher --. Can you just throw some light on this how come royalty is slightly lower?

D.K. Sarraf, Director of Finance

Royalty is not lower. I will give you the royalty on oil and gas separately and -- separately.

Analyst

Sir that is the royalty on oil and gas is already given basically 1,700 crores on crude oil. is the numbers on crude oil and that's lower from 1,037 crores in the second quarter.

D.K. Sarraf, Director of Finance

I'm not very clear with your question. asking on quarter-on-quarter right?

Analyst

Yeah.

Corporate Participant

In terms of rupees our have come down from 2,918 per barrel to per barrel.

Analyst

Okay.

Corporate Participant

So the domestic two largest rising sections it has come down.

Analyst

Okay. So how much is the royalty you have paid on part of

D.K. Sarraf, Director of Finance

I will tell this number. The royalty which we have paid from the loss this quarter but that is 382 Crores

Analyst

382 Crores for the quarter. And so how much is the ?

Corporate Participant

both are which are being on their own

D.K. Sarraf, Director of Finance

Yeah, yeah right. And sir you have not -- any appraisal in the deep water because I think you have given total wells in deep water is three. And the total exploration wells is again three in deep water. So no appraisal wells being drilled in this.

Corporate Participant

Just give -

Corporate Participant

These wells which we have shown. The events which we have drilled and exploratory well two of them are appraisal wells. One of them is an exploratory well.

Analyst

Okay, so two of them is appraisal and one is exploratory. Sir any clarity on when you'll file FDP field development plan for KG offshore blocks.

Corporate Participant

I think this question we would not like to reply.

Analyst

Okay then. Thanks a lot. That's all from my side.

Corporate Participant

Somebody is blocking us.

Analyst

Thank you.

Operator

Thank you. [Operator Instructions]. The next question is from the line of Yogesh Patil from -- Capital Market. Please go ahead.

Analyst

Good evening sir. My question is related to the total group sales to the total group production ratio. If we compare this ratio with quarter third FY11 with the previous quarter of quarter second FY11 which has substantially come down from the 86% to 83%. And so can you throw some light on this?

Corporate Participant

This ratio cannot be compared on a quarter-to-quarter basis because and you would be aware that there are two we have more -- effects. One is the pipeline and other is --. So as -- is concerned we are even -- to meet -- quarter and a month come to. But this when we come through the sales values and -- thus a substantial amount of -- and then we will get. I am not saying, I am not confirming that it is possible that some of the data which is produced in each quarter has been in the currently said will it be next quarter that is in January. 60 possible but I cannot confirm -- I don't have the data with me. So if it is so, then it would be for growth in stock but did you see how -- basis the go there constant.

Analyst

Yes sir, yes. And second question regarding sir, geographically which are the areas the company is focusing more in terms of our current exploration activities?

Corporate Participant

In terms of our current exploration activities in India?

Analyst

In domestic sir.

Corporate Participant

Domestic, we have ministry blocks till add all the basis the earning exploration is also both shallow water as well as deep water. Kaveri basin also shallow water, deep water as well as all guys we are doing exploration. And place are between the exploration in the next couple of weeks would be different. This is our schedule to go there for deep water and probably that to also we have exploratory and Gujarat and so on. -- here in front in there is a couple of exploratory division in the region.

Analyst

Okay sir. Thank you. Thank you for taking my question.

Operator

Thank you. The next question is from the line of Aryan Sharma from B&K Securities. Please go ahead.

Analyst

Hi, Mr. Sarraf good evening.

D.K. Sarraf, Director of Finance

Good evening.

Analyst

Congratulations on the excellent results that you come out despite the higher subsidy burden being set by ONGC. And also I would like to compliment you for the excellent -- the data that you have given to all the analyst. I think this is one of the very detailed one which I would like to -- to all colleagues that's such a detailed one is very useful. Now I have, sir I have two questions.

D.K. Sarraf, Director of Finance

-- in fact it is our session to - data as it is visible to the -- and we believe very sincerely that with the - of supply of data, while - analyst that will be as well in the - as ultimately only reason because we raise value for ourself and we would continue to give our endurance

in future also. Yeah,

Analyst

Thank you very much, I would welcome that. Now I have two questions, one is I find that the Bombay High production it was being said that the decline would be -. So what is the status so for the production from Bombay High is concerned, as the decline has been - the state or it has been brought down compared to what it was earlier? And what was the sort of production in this quarter from the Bombay High?

D.K. Sarraf, Director of Finance

Yes Arvind, I don't have -- I believe that - to get me the number. But in general I can that volumes -- the decline as of the -- and I think in the -- that the overall production is slightly increasing and which is because of the special effort in the - in some -- as well as production from some of the partners

Priti Mathur, General Manager, ONGC

Well, hi. We just have the final figure for the year, current year. And of course we can get back to as how the production has spend quarter-to-quarter.

Analyst

Yeah.

Priti Mathur, General Manager, ONGC

But cumulative till April, from April to December this year,

Analyst

Yeah.

Priti Mathur, General Manager, ONGC

Well we have produced 8.053 MMT.

Analyst

Okay. How does it compares with the previous nine months?

Priti Mathur, General Manager, ONGC

Just hold on, please let me just check. Previous - would you, may I give you the month wise figures so it will give you some trend.

Analyst

Okay.

Priti Mathur, General Manager, ONGC

Well, just a minute. December was 1.464.

Analyst

Yeah.

Priti Mathur, General Manager, ONGC

November 1.409.

Analyst

Yeah.

Priti Mathur, General Manager, ONGC

October 1.451, September 1.39 August 1.434, July 1.61 they're going backwards right? 1.431 in June and May 1.401. So more or less you can see a steady production level?

Analyst

Yeah. It is consistent 1.4.

Priti Mathur, General Manager, ONGC

Around 1.4 you could say that.

Analyst

Okay. Now the second part of the question which is that I find that there has been a lower production so far as the LPG is concerned, naphtha is concerned and the -- is concerning in the current quarter?

Corporate Participant

Yes.

Analyst

So what are the regions for the lower production of these products?

Corporate Participant

This was due to at least plant and there was one excluding covers in one plant. So production of value added products which is LPG, naphtha and C2G3 is one -- for significantly as one region. And the is decrease in gas production region and should be decrease in production also in another region because of this production of LPG and C2G3 decreased.

Analyst

Now that has been set right?

Corporate Participant

Yeah this is all so -- the problem is --.

Analyst

Okay. So the next quarter we would be back to the -- ?

Corporate Participant

I do not know whether you statements or not. So that will not answer -- further notice time.

Analyst

Okay. Thank you sir very much. Thank you very much.

Operator

Thank you. The next question is from the line of Jainfrom IIFL. Please go ahead.

Analyst

Hello. Good evening sir. Just wanted to check on this and if I just calculate realization for the gas, it is under revenue and the volumes driven decline in on a sequential basis and gas realization. Could you just production?

Corporate Participant

We have two type of gas, one is green from the nominated loss and there is a increase production here in contract. The nominated loss as we height would post assume is improved IT also. So for IT will be once level of 4.52 net of the royalties it would be 3.8277 and may be due.

Analyst

Okay.

Corporate Participant

And this is the and --tell you of about -- we produce is -- as it is at the -- gas addition or from a -- nominated block would -- ratio of about and visualization should have come down. Similarly for gas production from our -- joint venture most of the -- all of the debt is under long term contract. So we will go -- that we price our -- should come down if you have to -- I mean you can -- that we can handle that problem. But tom me there appears to be no reason that why we -gears should come down.

Analyst

Alright, I will get back.

Corporate Participant

This is -- just -- that because of exchange rate because all this is in terms of U.S. dollars so in terms of we got Rupee strengthen therefore we -- and let me tell you exchange rate during second quarter was Rs. 46.50 and then between third quarter is 44.86. So there is substantial decrease in the exchange rate it comes to about 3.6%.

Analyst

Okay. Actually even in -- this thing such that my number -- working was showing a decline I will actually get back on this.

Corporate Participant

I think you can separately talk to our Investor Relations side.

Analyst

Thanks a lot sir.

Operator

Thank you. The next question is from the line of Sanjay Mookim from Credit Suisse. Please go ahead.

Sanjay Mookim

Good evening, sir. I just had a follow-up question on the number you've said for the royalty at the Rajasthan field, this 372 crores you mentioned was the 70% or 300% number?

D.K. Sarraf, Director of Finance

That was 382 crores, right?

Sanjay Mookim

Yes.

D.K. Sarraf, Director of Finance

And that was the 70%.

Sanjay Mookim

That was the 70%. and for the other 30%, can you just provide?

D.K. Sarraf, Director of Finance

Other 30% we did for -- our sale is 153.91 crores.

Sanjay Mookim

Okay. Thank you very much.

Operator

Thank you. [Operator Instructions]. The next question is from the line of Vidyadhar from DSP Merrill Lynch. Please go ahead.

Vidyadhar Ginde

Yeah. Good evening, sir. Just wanted to ask you on the status of this deepwater rigs, which we were expecting in late 2010, quarter rigs?

Corporate Participant

One week has already been mobilized to the balance sheet of numbers, 2010. And we have -- at the end of this, which is also supposed to come at the same time. But it is not just reporting and we fear that has made to come across.

Vidyadhar Ginde

Pardon me.

Corporate Participant

As we really fear, whether it will be able to come across.

Vidyadhar Ginde

So basically, out of two rig we made the set one?

Corporate Participant

Yeah.

Vidyadhar Ginde

Okay. Thanks.

Operator

Thank you. The next question is from the line of Niraj Mansingka from Edelweiss Capital. Please go ahead.

Niraj Mansingka

Good evening, gentlemen. My question is relative to the tax rate. If you see the last three quarters, the tax rate has been slightly varying last quarter, but if you add that deferred tax and the current tax rates, it was around 36% this quarter at 33.4. I wanted to have understand two questions. One, why does it varies to a extent of 3% range? Secondly, with the incremental production from new blocks like C-series, do you get tax benefits? And are there more tax benefits in any of the new production that's coming in on the oil sites?

D.K. Sarraf, Director of Finance

First of all, let me take this net-net problem. I have not made the working, as what you are saying. But I have seen some working yesterday evening. And what I noticed was the current tax and the deferred tax rates -- deferred tax equaled together to PBT is almost same as the -- tax rates. And -- tax rate has been constant during the year, obviously, so -there is not any problem. And one moment, the tax rate is 33.24, 31.15 and 32.89 during the third quarter, and for nine months, it was nearly 32.40%.

Niraj Mansingka

Okay.

D.K. Sarraf, Director of Finance

And your second question, can you repeat it?

Niraj Mansingka

Are there new some tax benefits on the new production -- incremental new production that has dig for some marginal fees, which will be starting?

D.K. Sarraf, Director of Finance

This new -- is a gas field, and I don't think that they will get any tax benefit on this production.

Niraj Mansingka

And anything on the crude oil that is coming in, will you qualify it for the tax benefit on that?

D.K. Sarraf, Director of Finance

-- benefit will get in crude oil production, provided in this pending block, and this is a block, which is also being provided now under income tax basis.

Niraj Mansingka

Okay. Thank you.

Operator

Thank you. The next question is from the line of Avadhoot Sabnis from RBS. Please go ahead.

Avadhoot Sabnis

Yeah. Sir, what is the production share from the Rajasthan JV, included in the total production numbers, for the production and the sales volume?

Operator

Sir, excuse me Mr. Sabnis, I am sorry, sir, but we are not able to hear you clearly.

Avadhoot Sabnis

What is the production share from the Rajasthan JV included in total production and in total sales volume, oil?

D.K. Sarraf, Director of Finance

Avadhoot, I think the number, we are not ready right away, but that we have seen better to report any cost, if we get any cost, we can get you this number.

Avadhoot Sabnis

And sir, I think you mentioned the total royalty paid for the third quarter, if I add up to 82 crores and 63.4, it was around 446 crores for this quarter. Could you give me the figure for first and second quarter as well?

D.K. Sarraf, Director of Finance

This is especially Rajasthan?

Avadhoot Sabnis

Yeah.

D.K. Sarraf, Director of Finance

I will give you an -- for 70%, and then 30% you can take it from the --. For first quarter, it was 120 crores; second quarter it was 325 crores; and in the third quarter it was 382 crores, which totals to 848 crores. And -- we don't have 828 crores or 30% basis is 355 crores.

Avadhoot Sabnis

Okay. Thanks a lot.

D.K. Sarraf, Director of Finance

And while we take our other questions, if possible we'll get you to the another questions answer.

Avadhoot Sabnis

Thank you, sir.

Operator

Thank you. Your next question is from the line of Amit Rustogi from Antique. Please go ahead.

Amit Rustogi

Sir, a follow-up question. Can you give us the production numbers from C-series, how much it has contributed in the last quarter and how much it is producing right now in the gas field?

D.K. Sarraf, Director of Finance

All our colleagues are marketing head, and we exactly don't have this numbers. But we exactly...

Corporate Participant

For C-series, it's 20%.

Amit Rustogi

Okay. Thanks a lot, sir.

Operator

Thank you. [Operator Instructions]. The next question is from the line of Sanket Dhake from Span Capital. Please go ahead.

Sanket Dhake

Yes. Hi. Good evening, sir. Sir, are you on target of your FY '11 and FY '12 production?

D.K. Sarraf, Director of Finance

Yeah. Can you repeat the question?

Sanket Dhake

Sir?

Corporate Participant

Yeah. Just a minute.

Sanket Dhake

Can you just give your international oil and gas purchase?

D.K. Sarraf, Director of Finance

Yeah, international oil and gas commercial orders given for nine months was 205.0%?

Corporate Participant

Yeah, yeah.

D.K. Sarraf, Director of Finance

Yes, approximately 0.23.

Sanket Dhake

And -- oil and gas equivalents are -- in LIC?

D.K. Sarraf, Director of Finance

Yes, obviously.

Sanket Dhake

Okay. Thank you.

Operator

Thank you.

D.K. Sarraf, Director of Finance

Yes. I think I fully -- oil purchase target to recruit.

Corporate Participant

Hi. Where the targets are concerned, hello?

Analyst

Yes, hello.

Corporate Participant

Can you hear me, please? Yeah. Where the targets are concerned, we had a target of 37 MMT for the current quarter year, as against the MOU, which we signed with the Government of India. And against that the actual, that has actually been produced as on date till Q3, is 20.479. So, if we take this asking rate on to the -- so that's a projection, I will not talk about.

Analyst

Okay.

Corporate Participant

Let me also add here that the MOU, which we signed from the Government of India is -- of the company, and sometimes the equity really I think very soft target, which we take for ourselves or rather the government take for ourselves.

Analyst

Well, due to your -- given your target as an 27.7.

Corporate Participant

Yes, 27. That's a MOU target.

Analyst

Okay. And for FY '12, 28, is there any substantial change or marginal change?

Corporate Participant**Operator**

Mr. Rakesh, can you use the handset, sir?

Analyst

Yes, I am using it. Hello?

Corporate Participant

Yes, just be on the line. 28.175 is a good question, and which is perhaps for 2011-12.

Analyst

Yes. And for the gas? Hello?

Corporate Participant

25.45.

Analyst

Okay. So there is no change from the Q2 target you have given? Hello?

Corporate Participant

Yeah. I'll tell you, because I am right on the Tripura Power Plant?

Analyst

Tripura?

D.K. Sarraf, Director of Finance

Yeah, Tripura Power Plant is could be executed, so that it's been executed by 40-60, ONGC is not Power Corporation. And ONGC has got 50% stake in the company. 0.5% is with the Government of Tripura and 26% is with the -

Analyst

Okay.

D.K. Sarraf, Director of Finance

23.05% is yet to be signed up, as this company in -- plants, power generation plants, amounts to 726.6 megahertz. And it's location called Palatan in Tipura is most probably ordered -- has been ordered for the -

Corporate Participant

Interest against the deposit.

D.K. Sarraf, Director of Finance

Okay. We targeted for commission on time, -- to be commissioned by December 11, and second we will file March '12 as per the project report.

Analyst

Okay. Thanks a lot.

Operator

Thank you. [Operator Instructions]. As there are no further questions in the queue, I would like to hand the conference over to Mr. Mehul Thanawala.

Mehul Thanawala, Vice President, JM Financial Institutional Securities

Hello?

Operator

Yes, Mr. Thanawala.

Mehul Thanawala, Vice President, JM Financial Institutional Securities

Yes. Before I think just one question from our side, can you throw some light on the discoveries that has been made during the quarter?

D.K. Sarraf, Director of Finance

There has been five discoveries during the quarter, and all the five discoveries are given in the press release, set out by the company today evening. And this press release would be available -- be already be available on our website, which you can go through. The first is in the Mahanadi Offshore basin; second in Western Offshore basin; third is in -extensions in Western Offshore; fourth is in Cauvery Basin; and distance and last discovery is Western Offshore -- and there is a paragraph or two on each of these discoveries on our website.

Mehul Thanawala, Vice President, JM Financial Institutional Securities

Okay, sir. And sir, would you like to throw some light on the shale gas discovery, which has muted some of these getting from industry?

D.K. Sarraf, Director of Finance

Yes, for shale gas also, there is a press release on our website already, which we released yesterday.

Mehul Thanawala, Vice President, JM Financial Institutional Securities

Okay. With that, since there are no further questions, I would like to this opportunity to thanks the management of ONGC, for taken out the time and -- repeated for them, so we must appreciate your time. And thank you all for joining us at this time of meeting. And with this we close the conference. Thank you, all and have a good day.

D.K. Sarraf, Director of Finance

Thank you, everybody.

Corporate Participant

Thank you.

Operator

Thank you. Ladies and gentlemen, on behalf of JM Financial Institutional Securities Private Limited, that concludes this conference. Thank you for joining us. You may now disconnect your lines. Thank you.

Mehul Thanawala, Vice President, JM Financial Institutional Securities

Thank you.