



OIL AND NATURAL GAS CORPORATION LIMITED

COMPANY SECRETARIAT

ONGC/CS/SE/2023-24

19.02.2024

National Stock Exchange of India Ltd.
Listing Department
Exchange Plaza
Bandra-Kurla Complex, Bandra (E)
Mumbai – 400 051

BSE Limited
Corporate Relationship Department
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai – 400 001

Symbol-**ONGC**; Series – **EQ**

BSE Security Code Equity : **500312**
NCD : **959844, 959881**

Sub: Merger of Step-Down Subsidiaries

Madam/ Sir,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the subject intimation along with additional details as per SEBI Circular dated 13.07.2023 is enclosed (**Annexure –A**).

It is informed that the Company manages its overseas Exploration & Production of Oil and Natural business mainly through its wholly-owned subsidiary - ONGC Videsh Limited (OVL). OVL holds one of its assets in Russia through a wholly owned subsidiary **Imperial Energy Limited** (“**IEL/ IEC**”).

IEL, is incorporated in Cyprus and has structure of step-down subsidiaries based in Cyprus and Russia. At the Cyprus level, there are 7 direct subsidiaries of IEL i.e. Imperial Energy Cyprus Limited (IECL), Imperial Energy Nord Limited (IENL), Imperial Frac Services Cyprus Limited (IFSCCL), Redcliffe Holdings Limited (RHL), Imperial Energy Tomsk Limited (IETL), Biancus Holding Limited (BHL) and San Agio Investment Limited (SAIL).

Shareholders of IEL have accorded approval for merger of five companies **IECL, IENL, RHL, BHL** and **SAIL** (**Dissolving Companies**) with IEL (**Absorbing Company**) on 19.02.2024 subject to approval of competent court of Cyprus.

Thus, after merger of dissolving companies in the Absorbing Company, the number of step-down companies in Cyprus will be reduced to 3 companies.

This is for your information and record please.

Thanking You,

Yours faithfully
for Oil and Natural Gas Corporation Ltd.

(Rajni Kant)
Company Secretary & Compliance Officer



Amalgamation/ Merger:

In terms of SEBI Circular no. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023, additional Information is provided hereunder:-

a. Name of the entity (ies) forming part of the amalgamation/merger, details in brief such as, size, turnover etc.

Name of Entity	Type of Entity	Relationship with listed entity	Size, Turnover as on 31.03.2023 Audited Statements
Imperial Energy Limited	Transferee	Step Down wholly-owned Subsidiary	Net Worth– INR 20599.08 Million Turnover –INR Nil
Imperial Energy Cyprus Limited	Transferor	Step Down wholly-owned Subsidiary	Net Worth – INR 5776.7 Million Turnover –INR Nil
Imperial Energy Nord Limited	Transferor	Step Down wholly-owned Subsidiary	Net Worth –INR 10968.84 Million Turnover –INR Nil
Redcliffe Holdings Limited	Transferor	Step Down wholly-owned Subsidiary	Net Worth–INR 1183.93 Million Turnover –INR Nil
Biancus Holding Limited	Transferor	Step Down wholly-owned Subsidiary	Net Worth– INR 2878.57 Million Turnover –INR Nil
San Agio Investment Limited	Transferor	Step Down wholly-owned Subsidiary	Net Worth– INR 505.11 Million Turnover –INR Nil

b. Whether the transaction would fall within related party transactions?

Yes

If yes, whether the same is done at “arm’s length”;

Yes

Imperial Energy Limited (“IEL”), a Cypriot company is wholly owned subsidiary of ONGC Videsh Limited and is having interests in oil and gas blocks in Russia held through a structure of subsidiary companies and step-down subsidiaries in Cyprus and in Russia. At the Cyprus level, there are 7 direct subsidiaries of IEL i.e. Imperial Energy Cyprus Limited (IECL), Imperial Energy Nord Limited (IENL), Imperial Frac Services Cyprus Limited (IFSCCL), Redcliffe Holdings Limited (RHL), Imperial Energy Tomsk Limited (IETL), Biancus Holding Limited (BHL) and San Agio Investment Limited (SAIL).

The five companies IECL, IENL, RHL, BHL and SAIL (**Dissolving Companies**) are proposed to be merged with IEL (**Absorbing Company**) to have a simplified holding structure subject to approval of competent court of Cyprus. Thus, after merger at the Cyprus level, the number of companies will be reduced to 3 from current level of 8 companies.

The Absorbing Company and the Dissolving Companies (as defined above) belong to the same group of companies. The Sole Shareholder of each of the Dissolving Companies is the Absorbing Company.

The purpose of the proposed reorganisation is the transfer of the Assets and Liabilities of the Dissolving Companies to the Absorbing Company and the dissolution of each of the Dissolving Companies.

c. Area of business of the entity(ies);

Oil & Natural Gas



d. Rationale for amalgamation/ merger;

The current structure of IEL group companies in Cyprus, involves administrative costs (~ USD 0.24 million per year [2 Crore INR per year]) mainly towards accounting & audit, statutory payments and tax. Hence, merger of Cypriot companies shall bring down reduction in administrative cost and taxes. The merger of Cypriot companies apart from giving reduction in administrative cost and taxes, will also reduce statutory and tax compliances, bring simplified financial reporting under a simplified management structure. The proposed reorganisation is pursued within the context of the group's wider decision to consolidate the group entities, reduce operational costs and run the group business more efficiently.

e. In case of cash consideration – amount or otherwise share exchange ratio

Being wholly-owned subsidiaries of IEC, assets and liabilities of merged companies would get vest in its holding company. Further, shares issued by merged entities would get cancelled. Names of these merged entities would also get struck-off from records of Jurisdictional Registrar of Cyprus.

f. Brief details of change in shareholding pattern (if any) of listed entity. –

Since this is merger within the group, there is no change in shareholding. Further, shares issued by merged entities would get cancelled. The Absorbing Company will acquire and undertaken the total of the Assets and Liabilities of the Dissolving Companies including any and all rights and obligations as may arise under any agreement, to which any of the Dissolving Companies is a party.