

# Preface

**T**he Audit Report has been prepared in accordance with the Performance Audit Guidelines and Regulations on Audit and Accounts of the Comptroller and Auditor General of India (C&AG).

Performance of Oil and Natural Gas Corporation Limited (ONGC) in three facets of its hydrocarbon exploration activities *viz.* Deep Water, Shallow Water and Onshore exploration activities, were reviewed by C&AG in Report No.PA9 of 2008 on 'Deep Water Exploration', Report No.PA27 of 2009-10 on 'Onshore Exploration Activities', and Report No. 10 of 2010-11 on 'Shallow Water Exploration' and a number of recommendations were made. Given the fact that production of oil and gas by ONGC had been almost static with a downward trend over the last decade (2001-02 to 2010-11), the present Performance Audit was undertaken to examine ONGC's preparedness towards meeting the Hydrocarbon Vision 2025 of the Government of India; including prescribing targets in the Memorandum of Understanding with the Government of India to achieve the same besides oversight role played by the ONGC Management and the Ministry of Petroleum and Natural Gas to address the gaps/deficiencies in this regard. The Report also examines the response of the Company to the audit observations and recommendations contained in the earlier three Reports of C&AG.

Audit wishes to acknowledge the cooperation extended by the Management of ONGC, the Directorate General of Hydrocarbons and the Ministry of Petroleum and Natural Gas at each stage of the audit process.