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PREFACE

A reference is invited to the prefatory remarks in the Report of the Comptroller & Auditor General of India – Union Government (Commercial) No. 1 of 2005 where a mention was made that reviews on the performance of Companies/ Corporations by the Comptroller & Auditor General of India are presented in separate Reports. This Report for the year ended March 2004 has been prepared incorporating the audit findings noticed during transaction audit of the Public Sector Undertakings (PSUs) in the Petroleum Sector. The following PSUs under the administrative control of the Ministry of Petroleum and Natural Gas are covered in the Report:

1. Bharat Petroleum Corporation Limited (BPCL);
2. Bieco Lawrie and Company Limited (BLC)
3. Bongaigaon Refineries and Petrochemicals Limited (BRPL);
4. Chennai Petroleum Corporation Limited (CPCL);
5. Engineers India Limited (EIL);
6. GAIL India Limited (GAIL);
7. Guru Gobind Singh Refineries Limited (GGSR);
8. Hindustan Petroleum Corporation Limited (HPCL);
9. IBP Company Limited (IBP);
10. Indian Oil Corporation Limited (IOCL);
11. Kochi Refineries Limited (KRL);
12. Mangalore Refinery and Petrochemicals Limited (MRPL)
13. Oil and Natural Gas Corporation Limited (ONGC);
14. Oil India Limited (OIL);
15. ONGC Videsh Limited (ONGC Videsh).

Important audit findings noticed as a result of test check of transactions carried out by the PSUs under the administrative control of the Ministry of Petroleum and Natural Gas, conducted by the officers of the C&AG of India during 2003-04 and earlier years wherever relevant and also early part of 2004-05 under Section 619(3)(b) of the Companies Act, 1956 are included in this Report.

31 draft paragraphs and five reviews were forwarded to the Secretary, Ministry of Petroleum and Natural Gas for furnishing their replies. Replies to 20 paragraphs and four reviews were not received from the Ministry.