



13

हाईड्रोकार्बन महानिदेशालय

पेट्रोलियम एवं प्राकृतिक गैस मंत्रालय
भारत सरकार

DIRECTORATE GENERAL OF HYDROCARBONS

Ministry of Petroleum & Natural Gas
Government of India

DGH/CF/51/2018

17th July 2018

The Chairman & Managing Director
Oil & Natural Gas Corporation (ONGC)
3rd Floor, Plot 5A & 5B,
Nelson Mandela Marg, Vasant Kunj,
New Delhi – 110070
Fax: 011-23383585 & 23383100

Sub: Audit Exceptions in respect of KG-ONN-2003/1 for the Year 2015-16

Sir,

I am directed to refer to Auditors M/s Nemani Garg Agarwal & Co., Chartered Accountants Report on the subject cited above and forward the following exceptions for taking necessary action.

Exception No. 2: Physical Verification of Assets

Operator has not carried out physical verification of inventory as required in Para 4.2.1 Appendix – C of PSC during FY 2015-16.

DGH Comments: Operator is required to explain the reasons for non compliance.

Exception No. 3: Work Programme & Budget

There is no compliance for getting MC approval for the annual work programme and budget for the FY 2015-16.

Operator has also not been able to get OC approval for the proposed Budget (RE) for FY US\$ 1.912,918, hence not submitted to MC for Approval.

The Operator has booked Actual expenditure US\$ 1,245,563 for FY 2015-16 and claimed the cost recovery on actual basis.

However, the WP & Budget considered for cost recovery is not as per PSC provisions.

Hence, Report that the actual expenditure of US\$ 1,245,563/- claimed for Cost Recovery is NOT COST RECOVERABLE & IS subject to MC specific Approval.



We Care

DGH Comments: Operator is not required to obtain MC approval or reverse the charge.

The contractor is required to forward the comments to DGH within 15 days from receipt of this letter.

Thanking you,

Yours faithfully,


(Rupam Barua)
HOD (CF)

Copy to: Mr. D.K. Ghosh, Under Secretary to the Govt. of India, MOP&NG, Shastri Bhawan, New Delhi – 110001



11

हाईड्रोकार्बन महानिदेशालय

पेट्रोलियम एवं प्राकृतिक गैस मंत्रालय
भारत सरकार

DIRECTORATE GENERAL OF HYDROCARBONS

Ministry of Petroleum & Natural Gas
Government of India

DGH/CF/51/2018

4th July 2018

M/s. Nemani Garg Agarwal & Co.
Chartered Accountants,
LG-01, U-5/46-47,
DLF City, Phase -III,
Gurgaon-122002 (Haryana) INDIA
Tele Fax: 0124 – 2353100

Kind Atten.: Mr. I.C. Garg (Partner)

Sub: Audit reports for KG-ONN-2003/1, KG-ONN-2004/1 AAP-ON-94/1 and PY-1 the Year 2015-16

Sir,

We had forwarded 'Scope of Govt. Audit of PSCs' alongwith our letter of Engagement of Auditors sent to you. From your report we find that some points covered in the Scope of Work have not been covered in your audit report. One such example is Point # 24 regarding submitting a certificate regarding 'Procurement'.

Please send report on the remaining points not yet covered in your report at the earliest.

Thanking you,

Yours faithfully,

(K.C. Mathur)
Sr. Advisor (CF)

