

**GOVERNMENT OF INDIA
COMPANY AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:2680
ANSWERED ON:16.03.2007
AUDIT OF PETROLEUM COMPANIES
Yerrannaidu Shri Kinjarapu

Will the Minister of COMPANY AFFAIRS be pleased to state:

- (a) whether the Government has ordered as audit into the records of 12 public sector oil giants like IOC, ONGC etc. to evolve better norms to price the products and to calculate the subsidy to be granted to them;
- (b) if so, the details thereof; and
- (c) the other steps taken to monitor petroleum and gas activities to ensure transparency and to protect interest of the consumers?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COMPANY AFFAIRS (PREM CHAND GUPTA)

(a) & (b) Government has issued an order in exercise of powers u/s 233 B of the Companies Act, 1956 that audit of cost records as maintained under Cost Accounting Records (Petroleum Industry) Rules, 2002 be conducted in respect of the companies indicated at Annex, for the year ending 31.03.07 and every financial year thereafter.

(c) The physical and financial activities of oil PSUs are monitored by the Ministry of Petroleum and Natural Gas through regular quarterly performance review meetings. Besides, Petroleum & Natural Gas Regulatory Board is being set up to promote competition in the oil and gas sector, ensure transparency and to protect the interest of the consumers.