AUDIT REPORT ON
THE ACCOUNTS OF
PETROLEUM DIVISION
AUDIT YEAR 2025-26

AUDITOR-GENERAL OF PAKISTAN

SERVING THE NATION BY PROMOTING ACCOUNTABILITY,
TRANSPARENCY AND GOOD GOVERNANCE IN THE MANAGEMENT
AND USE OF PUBLIC RESOURCES FOR THE CITIZENS OF PAKISTAN

PREFACE

Articles 169 and 170 of Constitution of the Islamic Republic of Pakistan, 1973 read with Sections 8, 12 and 15 of the Auditor-General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001 require the Auditor-General of Pakistan to conduct audit of the receipts and expenditure from the Federal Consolidated Fund, Public Account and that of government's commercial undertakings and of any authority or body established by the Federation.

The report is based on audit of the accounts of Petroleum Division and public sector enterprises under its administrative control for the financial year 2024-25. The Directorate General Audit, Petroleum and Natural Resources, Lahore, conducted audit during audit year 2025-26 on a test check basis, with a view to report significant findings to the relevant stakeholders. The main body of the audit report includes the systemic issues and material audit findings. Sectoral analysis has been added in this report covering strategic review that presents an overall perspective of audit results. Relatively less significant issues have been listed in the MFDAC and will be pursued with the relevant Principal Accounting Officer of the Division at Departmental Accounts Committee level and in significant cases where the PAO do not initiate appropriate action, the audit observations will be brought to the notice of PAC through next year's audit report.

Thematic audit on subsidy of differential amount of RLNG diversion to domestic & commercial sectors is also included in the report.

Audit findings indicate the need for adherence to the regularity framework besides instituting and strengthening internal controls to avoid recurrence of similar violations and irregularities.

This Report has been finalized in the light of discussions during the DAC meetings and written responses of the Division / PSEs.

There are certain audit findings which were also reported in the previous years' Audit Reports for the financial years 2022-23 to 2023-24. Recurrence of such irregularities is a matter of concern and needs to be addressed.

The Audit Report is submitted to the President of Pakistan in pursuance of Article 171 of Constitution of the Islamic Republic of Pakistan, 1973, for causing it to be laid before both Houses of Parliament (Majlis-e-Shoora).

-Sd-

Islamabad
Dated: February 25, 2026

(Maqbool Ahmad Gondal)
Auditor-General of Pakistan

TABLE OF CONTENTS

ABBREVIATIONS AND ACRONYMS		i
EXECUTIVE SUMMARY		v
	Sectoral Analysis	1
CHAPTER-1	**Public Financial Management**	11
CHAPTER-2	**Ministry of Energy (Petroleum Division)**	
2.1	**Petroleum Division**	15
2.1.1	*Introduction*	15
2.1.2	*Classified Summary of Audit Observations*	18
2.1.3	*Compliance of PAC Directives*	19
2.1.4	*Audit Paras*	20
2.2	**Oil & Gas Development Company Limited**	44
2.2.1	*Introduction*	44
2.2.2	*Classified Summary of Audit Observations*	45
2.2.3	*Compliance of PAC Directives*	46
2.2.4	*Audit Paras*	47
2.3	**Pakistan Petroleum Limited**	54
2.3.1	*Introduction*	54
2.3.2	*Classified Summary of Audit Observations*	55
2.3.3	*Compliance of PAC Directives*	55
2.3.4	*Audit Paras*	56
2.4	**Sui Northern Gas Pipelines Limited**	59
2.4.1	*Introduction*	59
2.4.2	*Classified Summary of Audit Observations*	60
2.4.3	*Compliance of PAC Directives*	60
2.4.4	*Audit Paras*	61
2.5	**Sui Southern Gas Company Limited**	70
2.5.1	*Introduction*	70
2.5.2	*Classified Summary of Audit Observations*	70
2.5.3	*Compliance of PAC Directives*	71
2.5.4	*Audit Paras*	72
2.6	**Other Organizations**	
2.6.1	*PMDC*	75
2.6.2	*SLL*	84

CHAPTER-3 **Thematic Audit**

3.1 *Thematic Audit of Subsidy of differential amount of RLNG diversion to domestic & commercial sectors* 93

ANNEXES

Annex-1 MFDAC 111

Annex-2 Audit profile of MoE-Petroleum Division 138

Annex-3 Non-submission of Annual Audited Accounts by PSEs 139

Annex-4 Illegal storage and sale of petroleum products without Form-K and non-recovery of fine 140

ABBREVIATIONS AND ACRONYMS

AGPR	Accountant General Pakistan Revenue	EDB	Engineering Development Board
APL	Asia Petroleum Limited	EMI	Electronic Money Institution
ARL	Attock Refinery Limited	FBR	Federal Board of Revenue
BACC	Board Audit & Compliance Committee	FCA	Federal Civil Accounts
BESOS	Benazir Employees Stock Option Scheme	FCF	Federal Consolidated Fund
BME	Bolan Mining Enterprise	FDP	Field Development Plan
BML	Badar Mining Lease	FIR	First Information Report
BoD	Board of Directors	FTO	Foreign Trade Office
BoM	Board of Management	FY	Financial Year
BOPD	Barrels of Oil Per Day	GDS	Gas Development Surcharge
CCI	Council of Common Interests	GENCO-II	Central Power Generation Company Limited
CCoE	Cabinet Committee on Energy		
CDRs	Call Deposit Receipts	GIDC	Gas Infrastructure Development Cess
CNG	Compressed Natural Gas	GoP	Government of Pakistan
CPL	Cnergyico Pk Ltd.	GSA	Gas Sales Agreement
CSR	Corporate Social Responsibility	GSP	Geological Survey of Pakistan
DAC	Departmental Accounts Committee	GST	General Sales Tax
DG (Gas)	Director General (Gas)	HDIP	Hydrocarbon Development Institute of Pakistan
DG (LG)	Director General (Liquefied Gases)	HSD	High-Speed Diesel
DG (Oil)	Director General (Oil)	HSEQ	Health, Safety, Environment, and Quality
DG (PC)	Director General (Petroleum Concessions)	IHC	Islamabad High Court
DGAPNR	Directorate General Audit, Petroleum and Natural Resources	JV	Joint Venture
DoE	Department of Explosives	KIBOR	Karachi Interbank Offered Rate
E&P	Exploration and Production	KP	Khyber Pakhtunkhwa
ECC	Economic Coordination Committee		

LAHS	Light Aliphatic Hydrocarbon Solvent	OMCs	Oil Marketing Companies
LC	Letter of Credit	PAC	Public Accounts Committee
LD	Liquidated Damages	PAO	Principal Accounting Officer
LEB	Lease Extension Bonus	PARCO	Pak-Arab Refinery Company
LIBOR	London Interbank Offered Rate	PCA	Petroleum Concession Agreement
LOI	Letter of Intent	PCT	Pakistan Customs Tariff
LPG	Liquefied Petroleum Gas	PEL	Petroleum Exploration Limited
LPS	Late Payment Surcharge	PLD	Personal Ledger Deposit
MT	Metric Tons	PLL	Pakistan LNG Limited
MEL	Mari Energies Limited	PMDC	Pakistan Minerals Development Corporation
MMBTU	Million British Thermal Units	PMDU	Performance Monitoring and Delivery Unit
MMCF	Million Cubic Feet	PMPL	Pakistan Minerals Private Limited
MMCFD	Million Cubic Feet per Day	POL	Pakistan Oilfields Limited
MMSCF	Million Standard Cubic Feet	PPL	Pakistan Petroleum Limited
MMSCFD	Million Standard Cubic Feet per Day	PPRA	Public Procurement Regulatory Authority
MoE	Ministry of Energy	PRL	Pakistan Refinery Limited
MPCL	Mari Petroleum Company Limited	PSEs	Public Sector Enterprises
NGO	Non-Governmental Organization	PSO	Pakistan State Oil
NLC	National Logistics Cell	RFO	Residual Furnace Oil
NMP	National Mineral Policy	RLNG	Re-gasified Liquefied Natural Gas
NOC	No Objection Certificate	RO	Retail Outlet
OCAC	Oil Companies Advisory Council	SAP	Systems, Applications, and Products (ERP)
OGDCL	Oil and Gas Development Company Limited	SECP	Securities and Exchange Commission of Pakistan
OGRA	Oil and Gas Regulatory Authority	SLL	SSGC-LPG Limited

SNGPL	Sui Northern Gas Pipelines Limited	TBS	Town Border Station
SOE	State-Owned Enterprise	TCF	Trillion Cubic Feet
SOP	Standard Operating Procedure	TOR	Terms of Reference
SSGC	Sui Southern Gas Company Limited	UFG	Unaccounted-for-Gas
T&D	Transmission and Distribution	WACC	Weighted Average Cost of Capital
TAC	Technical Assessment Committee	WLG	Windfall Levy on Gas

EXECUTIVE SUMMARY

The Directorate General of Audit, Petroleum and Natural Resources, Lahore carries out the audit of the Ministry of Energy (Petroleum Division) and Public Sector Enterprises (PSEs) under the Petroleum Division.

This Directorate General has a human resource of 71 officers and staff who spent 18,500 man-days on conducting audit. The annual budget for the audit activities amounts to Rs 210.382 million for the audit year 2025-26. This report contains the results of audit inspections and evaluations of entities under the audit jurisdiction of this office related to the Petroleum Division for the financial year 2024-25.

a. Scope of Audit

This Directorate General is mandated to conduct audit of receipts and expenditure of Ministry of Energy (Petroleum Division) and 18 Public Sector Enterprises. For the purpose of audit coverage, the Petroleum Division and the 18 Public Sector Enterprises are divided into 149 formations. The total financial outlay of Petroleum Division and PSEs was Rs 13,499.838 billion and Non-Tax Receipts amounted to Rs 1,511.838 billion, for the financial year 2024-25 (Annex-2).

Audit coverage relating to expenditure for the audit year was 93%, and comprised of 70 formations of the Ministry of Energy (Petroleum Division) and 8 Public Sector Enterprises / Institutes, with a total financial outlay of Rs 12,510.388 billion for the financial year 2024-25.

Audit coverage relating to Non-Tax Receipts for the current audit year was 100%, and included four formations of Ministry of Energy (Petroleum Division) i.e. DGs PC, Oil, Gas & LGs with total Non-Tax Receipts of Rs 1,511.838 billion for the financial year 2024-25.

Thematic Audit on “Subsidy of differential amount of RLNG Diversion to Domestic and Commercial Sectors” has also been included in the audit report to identify gaps and recommend remedial measures to address loopholes in the subsidy of RLNG diversion.

In addition to this Compliance Audit Report, this office also conducted two Financial Attest Audits.

b. Recoveries at the Instance of Audit

Recoveries amounting to Rs 116.969 billion were pointed out in this audit report. During January to December 2025, an amount of Rs 24.879 billion was recovered, including recoveries pertaining to audit observations of previous years.

c. Audit Methodology

The audit exercise for the FY 2024-25 started with audit planning and updating of permanent files. Desk audits and in-house audit planning sessions were held to develop an understanding of the entities and define the core objectives for the subject audit. Accordingly, high risk areas of financial and managerial significance with reference to each entity were identified. Government regulations / BoDs proceedings, and other events related to the audited organizations were used as references. Audit tools and procedures were applied keeping in view the nature of transactions, accounting standards and best auditing practices. Data analysis and contemporary audit techniques were employed in conducting Thematic Audit.

d. Audit Impact

Audit promotes financial transparency, internal controls and efficient project management in auditee formations by improving management's adherence to competitive procurement processes, transparent recruitments, effective fund utilization and improved service delivery. Following is the key instance of impact that resulted on pointation of Audit:

- On pointation of audit in August, 2025, Department of Explosives took up the matter with Customs Authorities vide letter No. P-17(43)-General/9168 dated September 22, 2025 to ensure strict implementation of Rule 13 of the Petroleum Rules, 1937 for effective monitoring of petroleum product imports. [Para 2.1.4.16 of AR 2025-26]

e. Comments on Internal Controls and Internal Audit Department

Internal controls in any organization comprise policies, procedures, rules, regulations, and monitoring mechanisms which help in preventing fraud and wastage of resources while enhancing value for money, efficiency and transparency in the management processes. Internal controls are an essential part

of management's tools for achieving its objectives and goals. A number of internal control weaknesses were observed during audit and communicated to the respective management.

Financial management in Ministry of Energy (Petroleum Division) was deficient owing to the absence of mechanism for assessment / collection of Non-Tax Receipts as well as the recovery of arrears of GDS, GIDC, Petroleum Levy and Royalties. The management relied solely on the information provided by the companies regarding due receipts.

In the cases of OGDCL, PPL, SNGPL, SSGC, and PMDC, lapses in financial and internal controls were evident, leading to revenue leakage and financial irregularities. Repeated violations of rules and procedures resulted in wastage of company resources. Moreover, Gas distribution companies failed to control UFG.

It was noticed that audited annual accounts of one Public Sector Enterprises pertaining to the financial years 2023-24 & 2024-25 were not finalized within stipulated time and provided to the Audit till finalization of this report (Annex-3).

f. Key Audit Findings

Audit observed the following major issues, indicating weaknesses in record management, revenue realization, regulatory compliance, contract enforcement, and financial governance:

i. Unaccounted-for-Gas (UFG) losses beyond the permissible limit of OGRA were incurred by SNGPL and SSGC, having financial impact of Rs 39,427.128 million;[1]

ii. DG (PC) failed to realize 15% of wellhead value of petroleum produced along with Late Payment Surcharge, and Royalty on natural gas & crude oil, having the financial impact of Rs 14,058.286 million from E&P companies;[2]

iii. Petroleum Division failed to recover Non-Tax Receipts amounting to Rs 5,043.132 million;[3]

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[1] Paras 2.4.4.4 & 2.5.4.1
[2] Paras 2.1.4.1 & 2.1.4.2
[3] Paras 2.1.4.4, 2.1.4.6, 2.1.4.7 & 2.1.4.8

iv. Undue retention of BESOS funds and non-deposit of unclaimed dividend by OGDCL, PPL, SNGPL, SSGC and PMDC was reported amounting to Rs 3,233.015 million;[4]

v. OGDCL unauthorizedly received Signature Bonus of Rs 5,193 million on sale of LPG in violation of LPG Policy, 2016;[5]

vi. OGDCL refunded the realized liquidated damages to the contractor amounting to Rs 3,805.499 million without justification;[6]

vii. PPL failed to recover and recognize an amount of Rs 3,002.892 million as take-or-pay revenue from GENCO-II despite a clear contractual obligation under the Gas Sales Agreement, due to the buyer's short off-take of guaranteed gas quantities;[7]

viii. Department of Explosives failed to adhere to and enforce Petroleum Rules, 1937, resulting in non-recovery of government revenue of Rs 1,715 million;[8]

ix. SSGC failed to timely recover amount of gas bills of Rs 1,635.040 million from Pakistan Post office;[9]

x. PMDC incurred an estimated revenue loss of Rs 4,663.901 million due to continued operation of coal mines by raising contractors on expired and non-competitive contracts, with net margin rates significantly below departmental profitability;[10]

xi. OGDCL made procurements of Rs 347.935 million on the basis of fake bank guarantee, without open competition and award of the contract in violation of PPRA Rules;[11]

xii. SNGPL failed to ensure timely re-filing of appeals and to implement court directions for inquiry and recovery from delinquent officers,

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[4] Paras 2.1.4.12 & 2.1.4.13
[5] Para 2.2.4.2
[6] Para 2.2.4.1
[7] Para 2.3.4.1
[8] Paras 2.1.4.14, 2.1.4.15, 2.1.4.16 & 2.1.4.17
[9] Para 2.5.4.2
[10] Paras 2.6.1.4.1
[11] Paras 2.2.4.3, 2.2.4.4 & 2.2.4.5

resulting in dismissal of cases as time-barred and a financial loss of Rs 208.904 million to the Company;[12]

xiii. PMDC failed to comply with PPRA Rules and Board directives by irregularly extending and awarding excavation contracts under an abolished Investor Policy resulting in financial irregularities amounting to Rs 132.601 million;[13]

Thematic Audit

xiv. Thematic Audit of Subsidy of differential amount of RLNG diversion to domestic & commercial sectors showed that RLNG was diverted to domestic and commercial consumers during summer months despite sufficient availability of indigenous gas, leading to inadmissible subsidy claims in violation of ECC decisions;[14] and

xv. The cost of unjustified RLNG diversion was incorporated into gas tariffs and fixed charges were collected from consumers resulting in an undue financial burden on gas consumers.[15]

g. Recommendations

i. SNGPL and SSGC should strengthen regulatory oversight and implement measures to control Unaccounted-for-Gas (UFG) losses;

ii. Petroleum Division should take concrete measures to recover 15% of the wellhead value of petroleum produced and Royalty from E&P companies on re-grant of expired lease;

iii. Petroleum Division needs to strengthen its enforcement mechanism for recovery of Non-Tax Receipts;

iv. Petroleum Division should resolve the long outstanding issues in consultation with all stakeholders and deposit the due amount in Federal Consolidated Fund;

v. OGDCL needs to ensure implementation of LPG Policy, 2016 regarding charging of Signature Bonus;

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[12] Paras 2.4.4.3
[13] Para 2.6.1.4.5
[14] Para 3.6.2.1
[15] Paras 3.6.2.2 & 3.6.2.4

vi. Petroleum Division must probe the matter to determine the fate of refund of liquidated damages;

vii. PPL needs to actively pursue the issue with all stakeholders for ensuring the implementation of terms of agreement with GENCO-II;

viii. Department of Explosives should enforce the Petroleum Rules, 1937, to strengthen regulatory oversight and ensure recovery of government revenue;

ix. SSGC needs to ensure implementation of the Clauses of agreement with Pakistan Post office and recover the outstanding amount;

x. PMDC is required to discontinue operations under expired contracts, award fresh contracts through open competitive bidding, and align net margin rates with departmental profitability to prevent revenue loss;

xi. OGDCL need to ensure implementation of PPRA Rules;

xii. SNGPL should immediately conduct a fact-finding inquiry to fix responsibility on delinquent officers / officials, recover the loss of Rs 208.904 million from the responsible officers / officials as directed by the Court, strengthen legal case monitoring mechanisms, and ensure strict adherence to statutory timelines to prevent recurrence;

xiii. PMDC needs to comply with PPRA Rules and Board directives in award of excavation contracts;

xiv. Petroleum Division needs to ensure that subsidy claims for RLNG diversion should be strictly processed in accordance with ECC decisions, with consumer-wise segregation and disallowance of unjustified summer diversions; and

xv. Petroleum Division, in coordination with OGRA, is required to frame and implement a transparent policy for adjustment of fixed charges against approved RLNG differentials and revenue shortfalls.

Sectoral Analysis

Petroleum sector holds a prominent position in the economy of Pakistan due to its significant contribution to the national exchequer, generating substantial revenue amounting to Rs 1,512.890 billion[16]. Petroleum Division also plays a pivotal role in fulfilling the energy needs of the country by providing fuel for power generation and industrial use from indigenous sources, as well as through imports of crude oil, petroleum products and liquefied gases. These imports constitute almost 27% of the total import bill[17], amounting to Rs 4,220.306 billion (US$ 15,937 million) during the FY 2024-25.

Under second schedule (serial 29) of Rule 3(3) of Rules of Business, 1973, Ministry of Energy (Petroleum Division) primarily deals with policy formulation, legislation and planning related to the exploration, development, production, import and export of petroleum products. Petroleum Division administers Regulation of Mines & Oilfields & Mineral Development (Federal Control) Act, 1948 and rules made thereunder; Petroleum Products (Development Surcharges) Ordinance, 1961 and Natural Gas (Development Surcharges) Ordinance, 1967 along with rules framed thereunder.

Performance of Petroleum Sector

A review of the achievement of targets for the financial years 2023-24 and 2024-25 is tabulated in Table-1:

Table-1

Item	Unit	2023-24			2024-25		
		Target	Actual	Achievement in %	Target	Actual	Achievement in %
Domestic Production							
Crude Oil	M. B	22.607	20.112	**89**	26.55	23.55	**89**
Gas	TCF	1.30	0.77	**59**	1.21	1.08	**89**
LPG	M. T	780	750	**96**	790	730	**92**
No. of Wells Drilled							
Exploratory	Nos.	21	11	**52**	27	14	**52**
Development	Nos.	35	30	**86**	40	21	**53**
Gas Consumers Added							
SNGPL	Nos.	3,050	26,735	**876**	43,050	14,840	**35**
SSGC	Nos.	137,026	29,698	**22**	25,940	5,221	**20**
Gas Network / Transmission Extension by Gas Companies							
SNGPL	Kms	1,080	3,423	**317**	2,676	2,135	**80**
SSGC	Kms	1,446	350	**24**	598	119	**20**

(Source: Annual Plan 2024-25 and Annual Plan 2025-26 by Planning Commission)

[16] Petroleum Division data relating to receipts

[17] Group-wise imports, Ministry of Commerce data for the FY 2024-25

The petroleum sector mainly comprises three sub-sectors: Upstream, Midstream, and Downstream. The Upstream sector is responsible for the exploration and production of oil and gas. The Midstream sector involves the refining of extracted crude oil. The Downstream sector manages the transportation, transmission, marketing, and distribution of oil and gas. Details of sector-wise supply chain management, production data, and issues observed during audit are given below:

Exploration and Production Sector

E&P business supply chain commences with the invitation by DG (PC) to exploration and production companies to submit bids for award of exploration blocks. Pursuant to the award of exploration blocks, DG (PC) executes Petroleum Concession Agreements (PCAs) with E&P companies and grants Exploration Licenses. These licenses confer exploration rights, which include seismic data acquisition, geological and geophysical studies, drilling of exploratory wells and other related operations necessary to identify and assess hydrocarbon reserves. In case of identification of hydrocarbons, announcement of discoveries is made and after appraisal of discoveries, declaration of commerciality is announced. Keeping in view the economic viability of the discovery, a Field Development Plan (FDP) is submitted to the DG (PC). Upon approval of the FDP and the grant of a lease, development projects are initiated, including site construction, installation of wellheads, processing and purification plants, and the pipeline network for the supply of oil and gas.

Over time, E&P business has been losing momentum and exploratory efforts are declining. Petroleum Division / DG (PC) offered 87 blocks in six bidding rounds from 2020 to 2025. However, it succeeded in awarding only 46 blocks to nine E&P companies whereas exploration licenses were not granted for 18 blocks. Major reasons for unsuccessful auctions were limited availability of relevant data and lack of incentives for E&P companies as prevailing petroleum exploration and production policy was thirteen years old. Further, no substantial progress was noticed in 44 blocks awarded to eight E&P companies over the last ten years. Only five exploratory wells were drilled in two blocks and only two

discoveries were announced in one block. In 18 blocks, no exploratory activities, such as seismic surveys or drilling of exploratory wells, were conducted[18].

PPL operated two expired producing fields i.e. Sui Gas Field and Ahdi Oil Field without having any valid lease or interim approval. In case of Sui Gas Field, even the Petroleum Concession Agreement / Exploration License had expired, and the Company had no regulatory approval for operation of concession area as well as gas field[19]. E&P activities remained slow and production targets regarding the country's energy needs set by the Federal Government were not met[20]. Undue favour was extended to E&P company i.e. M/s PEL by granting lease renewals despite non-payment of royalties over the years and without recovery of arrears[21]. Additionally, the DG (PC) failed to take action against PPL for non-implementation of terms and conditions of the Sui lease deeds executed between the Government and the E&P company[22], and the agreed amount of arrears was not recovered from the company.

OGDCL and PPL, being major E&P companies in the country, didn't achieve their own operational targets due to weak oversight by their Boards of Directors and a defective performance evaluation system. Multiple development and compression projects were substantially delayed, leading to a decline in production and loss of incremental production and revenue. Forced curtailment of production from local gas fields also caused revenue loss of US$ 46.48 million (Rs 25,583.553 million) to OGDCL[23]. GENCO-II failed to off-take gas supplies from the Kandhkot gas field of PPL as per the agreement, which substantially affected the company's production and revenue.

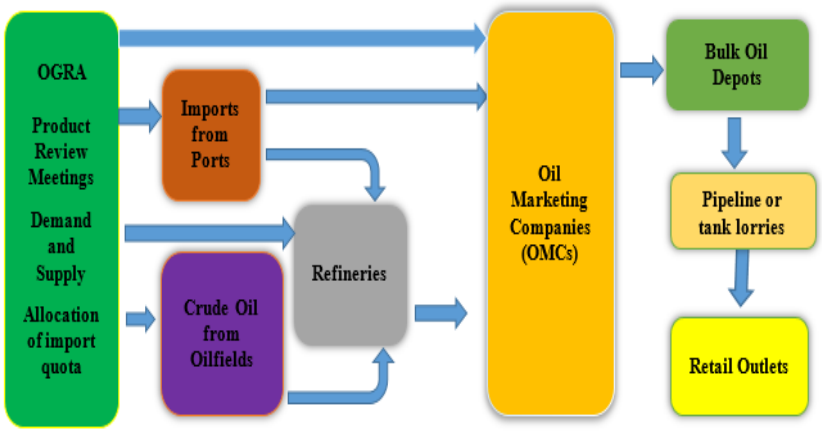
Oil Sector

Oil supply chain begins with the production or supply of crude oil by exploration and production (E&P) companies or the importation of crude oil by refineries. This process includes the processing of crude oil for the production of petroleum products, the supply of locally produced petroleum products to oil marketing companies (OMCs), or the import of petroleum products by OMCs.

[18] DPs 4087 & 4088
[19] Paras 2.1.4.4 & 2.1.4.8
[20] DPs 4087 & 4074
[21] Para 2.1.4.10
[22] Para 2.1.4.4
[23] DP 3646

Oil and Gas Regulatory Authority (OGRA) is the regulator of the oil sector and is responsible for oil supply chain management. OGRA issues licenses to nearly all stakeholders in the oil supply chain, except for retail outlets. To assess the demand and supply position of crude oil, petroleum products, and their stock levels, OGRA convenes a product review meeting on a monthly basis to oversee the overall oil supply chain.

Figure-1



Oil supply chain consists of a mix of public and private sector participation and entrepreneurship. Out of six refineries, only PARCO and PRL have substantial government shareholdings, while the remaining refineries are operated by the private sector. Additionally, more than 50% of the market share of petroleum products is held by private sector oil marketing companies.

Domestic production of oil for FY 2024-25 stood at 23.55 million barrels against a target of 26.55 million barrels, reflecting 89% achievement and a shortfall of 3.0 million barrels[24]. According to the Petroleum Division, out of total of 1,304.09 million barrels of oil discovered, 1,084.71 million barrels had already been extracted, leaving a balance of 219.38 million barrels of oil reserves in Pakistan[25].

According to Oil Industry Statistics available on the OCAC website, the projected demand for petroleum products for FY 2024-25 was 17,142,409 metric

[24] Annual Plan 2024-25 & 2025-26 by Planning Commission and Pakistan Energy Book 2023-24
[25] Annual Plan 2024-25 & 2025-26 by Planning Commission and Pakistan Energy Book 2023-24

tons, while actual consumption was 17,533,576 metric tons. Domestic production of petroleum products was 8,085,034 metric tons, meeting 46% of the total demand for petroleum products. The remaining demand was met through the import of 9,448,542 metric tons.

Government of Pakistan introduced the Pakistan Oil Refining Policy for Upgradation of Existing / Brownfield Refineries 2023, with the objectives, inter alia, to achieve energy security through a gradual increase in self-reliance in refining capacity, reduce dependence on imports of refined products, and enforce the production and marketing of high-quality and environmentally friendly fuels. Petroleum Division and OGRA could not ensure the implementation of the policy ibid, despite the extension of the deadline till October 22, 2024 by the CCoE and the lapse of more than one year from the extended target date. As a result, refinery capacity remained sub-optimal, with overall capacity utilization at only 56.67% of total installed capacity i.e. actual production was around 11.618 million tons against a total refining capacity of 20.50 million tons, during FY 2024-25.

Natural Gas and RLNG Sector

Natural gas supply chain begins with the production of natural gas by exploration and production (E&P) companies and its supply to gas utility companies. The gas is then transported through pipelines into the transmission and distribution network and ultimately supplied to retail consumers. This supply chain is predominantly operated by public sector gas utility companies, with limited participation from the private sector.

Indigenous gas production during FY 2024-25 was 1.08 TCF (2959 MMCFD) against a target of 1.21 TCF (3315 MMCFD), resulting in a shortfall of 0.13 TCF (356 MMCFD). By June, 2025, Pakistan had discovered 64.49 TCF of natural gas reserves, of which approximately 47.10 TCF had already been consumed,[26] leaving a balance of 17.39 TCF. The rapidly depleting reserves and the slow pace of new discoveries highlight the pressing need to increase efforts for the exploration of new sources.

LNG / RLNG supply chain starts with the import of liquefied natural gas (LNG) by Pakistan State Oil (PSO) or Pakistan LNG Limited (PLL) under

[26] Annual Plan 2024-25 & 2025-26 by Planning Commission and Pakistan Energy Book 2023-24

government-to-government agreements with Qatar Gas, Qatar Petroleum, and ENI, covering nine cargoes per month with a supply capacity of 900 MMCFD. The imported LNG is re-gasified at two Floating Storage and Regasification Units (FSRUs), which together have a combined regasification capacity of 1.200 BCFD. These terminals are operated by private sector entities engaged by the Government of Pakistan through SSGC and PLL. Following regasification, re-gasified liquefied natural gas (RLNG) is injected into the transmission and distribution networks of gas utility companies for sale to consumers.

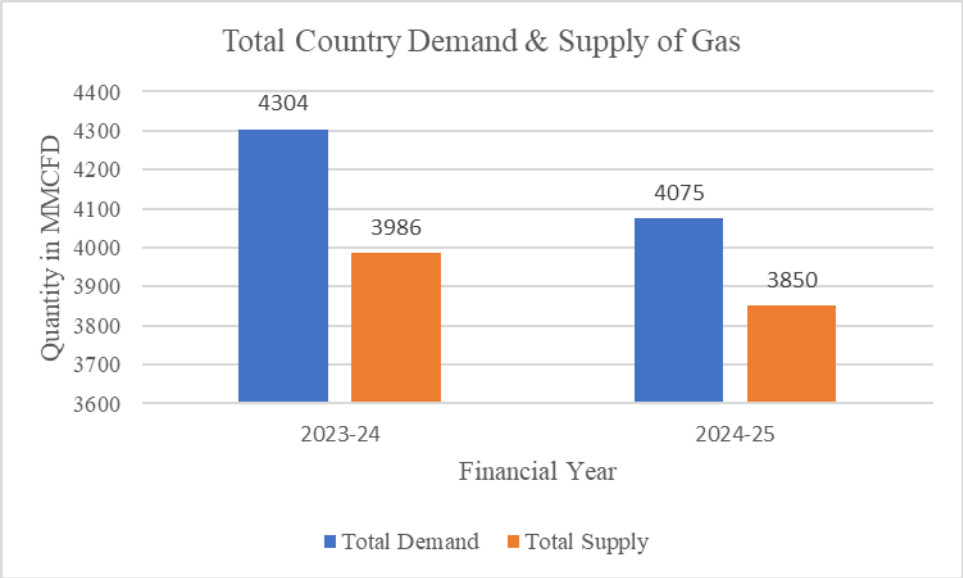
According to the State of the Regulated Petroleum Industry Report 2023-24, OGRA reported a projected demand of 4,075 MMCFD and supply of 3,850 MMCFD, highlighting the need to address the imbalance between demand and supply. Demand and supply position is given in Table-2:

Table-2: Total Country Demand and Supplies (MMCFD)

Name of Company	FY 2023-24	FY 2024-25	% age increase/ decrease
Total Demand			
SNGPL	1,795	1,526	-14.98
SSGC	865	657	-24.05
Independent System	1,343	1,592	18.54
UFG, Internal Consumption	300	300	0
Total Demand	**4,304**	**4,075**	**-5.32**
Total Committed Supplies (MMCFD)			
SNGPL	1,101	1,122	1.91
SSGC	594	657	10.61
Independent System			
MPCL	787	673	-14.49
PPL	180	145	-19.44
OGDCL	424	328	-22.64
Total Supplies (Indigenous)	3,086	2,925	-5.22
Shortfall without LNG	1217	1150	-5.50
LNG Supply	900	925	2.78
Total Supply	**3,986**	**3,850**	**-3.41**
Shortfall	**318**	**225**	**-29**

(Source: State of the Regulated Petroleum Industry Reports 2022-23 & 2023-24 of OGRA)

Figure-2



The rapid depletion of existing gas reserves is one of the main factors contributing to the widening gap between the demand and supply of natural gas. During FY 2024-25, domestic gas production was 1.08 TCF (2,959 MMCFD) against a demand of 1.49 TCF (4,075 MMCFD). According to DG (PC), total production of natural gas was 1.05 TCF (2,890 MMCFD), resulting in a supply-demand gap of 0.41 TCF per annum (1,194 MMCFD). To address this gap, 0.34 TCF (919 MMCFD) of LNG was imported through 109 cargoes under contractual arrangements. The net shortfall of 0.70 TCF (275 MMCFD) accounted for 6% of the total demand.

Due to high prices and the emergence of alternative energy sources, the demand for RLNG in the power and industrial sectors declined significantly, creating a glut of RLNG. However, LNG imports and the number of cargoes could not be reduced because of the Take-or-Pay clause under long-term government-to-government agreements. As a result, PSO was obligated to import LNG and inject it into the gas utility companies' pipeline network after regasification. SNGPL had to accept the supply despite weak demand from buyers, and RLNG was diverted to indigenous gas consumers at the indigenous gas tariff.

A number of gas sector-related issues were highlighted in previous years audit reports which could not be resolved. These included gas shortages due to the increasing demand-supply gap, unabated Unaccounted-for Gas (UFG) losses, particularly in SSGC which recorded 12.41%[27]. Payments received from power producers by E&P companies did not include Gas Development Surcharge (GDS) amount. DG (Gas) did not establish any mechanism to confirm the collection of GDS from the buyers. As a result, the GDS could not be realized, leading to the accumulation of outstanding GDS amounting to Rs 105,546.222 million from July 2019 to June 2025, of which Rs 81,594.222 million was recoverable from PPL and Rs 23,952.00 million from Mari Energies Ltd. Additionally, surplus gas from the Kandhkot gas field could not be allocated to third parties, preventing the injection of almost 50 MMCFD of gas into the system and adversely impacting PPL's revenue generation.

OGRA remained unable to finalize RLNG prices from 2022-23 onwards[28]. The Regulator could not address the prevailing issues in the oil sector despite the lapse of considerable time. OMCs failed to develop or maintain the minimum mandatory storage capacity and stock, and they expanded their retail networks irregularly without constructing the required storage facilities[29]. Furthermore, retail outlets of OMCs were involved in overcharging, and underfilling of petroleum products[30]. Substandard or non-compliant tank lorries / bowsers of Oil Marketing Companies and LPG Marketing Companies had been in operation for a long time, posing serious risks to human lives and property[31]. In addition, the ENAR refining facility was carrying out regulated activities without obtaining a license from OGRA[32].

Minerals Sector

In addition to Petroleum Sector, Petroleum Division also has a proactive role in the Mineral Sector. As per National Mineral Policy 2013, the Mineral Wing of Ministry of Energy (Petroleum Division) will act as Secretariat for coordination with the federating units for the implementation of the Policy. In

[27] Para 2.6.4.1
[28] DP 3993 (OGRA)
[29] DP 3974 (OGRA)
[30] DP 3594 (OGRA)
[31] Para 2.4.4.5 & DP 3596 (OGRA)
[32] Para 2.4.4.2

accordance with Article 172 of the Constitution of Islamic Republic of Pakistan, minerals other than nuclear minerals and those occurring in specified federal areas, fall under the purview of the provinces. PMDC is the only organization operating under control of Petroleum Division which operates in mineral sector. Main minerals produced by the PMDC are salt & coal and their production was recorded at 1,421.022 million tons and 351.155 million tons against production targets of 1,500 million tons and 332 million tons respectively for the FY 2024-25[33].

[33] PMDC data

Chapter-1

Public Financial Management

1.1 Issues related to M/o Energy (Petroleum Division)

Significant paras framed during Financial Attest Audit of Ministry of Energy (Petroleum Division) for the FY 2024-25 are as under:

1.1.1 Non-recovery of Late Payment Surcharge on delayed payment of Petroleum Levy - Rs 46.357 million

According to Section 3 of Petroleum Products (Petroleum Levy) Ordinance 1961, every company, refinery and licensee shall pay to Federal Government a petroleum levy on petroleum products at such rate as may be notified by the Federal Government in official Gazette, from time to time. Further, according to Section 40D(1) of Public Finance Management Act, 2019, an amount equal to monthly weighted financing cost of Government's domestic borrowings shall be payable during the period of default, in addition to the amount due under section 40B relating to Non-Tax Revenue, if not paid within the stipulated time.

During Financial Attestation of Non-Tax Receipts administered by DG (Oil) for the FY 2024-25, examination of monthly returns / computerised Payment Challans (CPRs) provided by DG (Oil) showed that in 61 cases, four (04) Oil Marketing Companies deposited Petroleum Levy amounting to Rs 3,405.238 million with delays ranging from 32 to 111 days. However, DG (Oil) did not recover Late Payment Surcharge (LPS) of Rs 46.357 million under Section 40D of Public Finance Management Act, 2019 on delayed payments of Petroleum Levy.

Audit is of the view that weak monitoring by DG (Oil) led to delayed payment of Petroleum Levy of Rs 3,405.238 million and non-recovery of LPS of Rs 46.357 million.

The matter was reported to the management in October 2025. In DAC meeting held on October 29, 2025, DG (Oil) stated that Finance Division had calculated the amount of LPS on delayed payments of Petroleum Levy by OMCs. Accordingly, OMCs were advised to deposit the amount immediately in the government treasury.

The DAC directed the DG (Oil) to share the letters of Finance Division and pursue the recovery of LPS. No further progress was reported till finalization of the report.

Audit recommends to implement the decision of DAC besides ensuring recovery of Late Payment Surcharge on delayed payments of Petroleum Levy.

[MR Para 1.7]

1.1.2 Non-reconciliation of Government Receipts administered by DG (Oil) and Department of Explosives - Rs 346.844 million

According to Para 7(1)(p) of Financial Management and Powers of Principal Accounting Officers Regulations, 2021, the principal accounting officer shall be responsible to undertake reconciliation with accounting offices on monthly basis, related to revenues and expenditure of the division, department, subordinate office or demand for grant under his control, through Chief Finance and Accounts Officer and furnish reconciled statement of revenue and expenditure, separately to Finance Division on quarterly basis.

During Financial Attestation of receipts administered by Petroleum Division for the FY 2024-25, it was observed that:

i) DG (Oil) did not carry out reconciliation of Petroleum Levy with AGPR, Islamabad;

ii) Variation of Rs 315.731 million was not rectified under the head "Discount Retained on Crude Oil," as per the reconciliation statement signed by the representatives of DGPR, Karachi, and DG (Oil); and

iii) Receipts collected and booked by the Department of Explosives up to June 2025 under the head C03506 - Industrial Safety (Explosives Department) were reconciled with AGPR with an unrectified variation of Rs 31.113 million.

Audit is of the view that non-compliance of the Financial Management and Powers of Principal Accounting Officers Regulations, 2021 and weak internal controls led to unrectified discrepancies, resulting in a risk of misstatement of government revenues.

The matter was reported to the management in September 2025. The management stated that DG (Oil) had requested DGPR / FTO, Karachi to

reconcile the variations, however, a response from DGPR / FTO, Karachi was still awaited. Regarding the reconciliation of Petroleum Levy, the DG (Oil) stated that the matter was under consideration with the Finance Division for resolution.

The DAC in its meeting held on October 29, 2025 directed DG (Oil) to pursue the matter with FTO Karachi and for reconciliation of Petroleum Levy follow up with Finance Division for early resolution. Additionally, DAC directed the Department of Explosives to reconcile the amount with AGPR. No further progress was received till finalization of the report.

Audit recommends to take necessary measures to reconcile the Petroleum Levy and other receipts with AGPR and sort out the variations.

[MR Paras 1.6 & 2.1]

Chapter-2

Ministry of Energy

2.1 Petroleum Division

2.1.1(A) Introduction

The Ministry of Energy was established in August 2017 through the merger of the former Ministry of Petroleum and Natural Resources and the Power Division of the Ministry of Water and Power. The Ministry has two Divisions - Petroleum and Power, each being administered by a Federal Secretary. The Petroleum Division is responsible for coordinating the development of Pakistan's energy and mineral resources. Its mandate includes ensuring the availability of a secure and sustainable energy supply to support economic development, as well as facilitating and promoting the exploration and production of oil, gas, and mineral resources in the country.

The Petroleum Division also administers a number of Non-Tax Receipts of Government of Pakistan through DG (PC), DG (Oil), DG (Gas) and DG (LGs). The DG (PC) deals with receipts of Royalty on Crude Oil and Natural Gas, Rent of lease / license areas, Marine Research Fee and Production Bonus etc. The DG (Oil) deals with Petroleum Levy, Discount retained on local Crude Oil price and Windfall Levy on Crude Oil. The DG (Gas) deals with Gas Development Surcharge and Gas Infrastructure Development Cess. The DG (LGs) deals with the matters relating to liquefied gases and administered collection of Petroleum Levy on Liquefied Petroleum Gas (LPG), whereas DG (Special Projects) coordinates between different directorates of Petroleum Division for implementation of the decisions of Cabinet and its committees.

Geological Survey of Pakistan (GSP) and Department of Explosives (DoE) are the attached departments of the Ministry of Energy (Petroleum Division). GSP is primarily responsible for collection and dissemination of geological information about the country. Department of Explosives implements the enactments and policies of the Government. It is technical-cum-administrative department and its main objective is to enhance the public safety within the licensed premises. The Hydrocarbon Development Institute of Pakistan (HDIP) is an autonomous Research & Development organization under Ministry of Energy (Petroleum Division).

Audit profile of Ministry of Energy (Petroleum Division) is given in Table-3:

Table-3

(Rs in million)

Sr. No.	Name of Entity	Auditable Entities	Audited	Expenditure involved FY 2024-25	Revenue involved FY 2024-25
1	**MoE (PD) / Bodies / Department**				
(i)	Ministry of Energy (PD)	1	1	687.263	1,511,838.075**
(ii)	GSP*	1	-	1,827.940	-
(iii)	Department of Explosives	1	1	138.889	1,052.165
(iv)	HDIP* (expenditure & receipts)	1	-	877.846	877.846
	Profile of MoE (PD)/Bodies/Dep.	**4**	**2**	**3,531.938**	**1,513,768.086**
2	**Profile of PSEs under the PAO**	**18**	**8**	**6,350,510.491**	**7,143,865.548**

* *In case of GSP certification audit of appropriation accounts was conducted and compliance audit was not planned in audit year 2025-26. Similarly, compliance audit of HDIP was not planned in audit year 2025-26.*
** *Non-Tax Receipts of Petroleum Division also includes Receipts of DoE deposited in C03506 of Rs 1,052.165 million so total amount of Non-Tax Receipts of Petroleum Division come to Rs 1,512,890.240 million.*

(B) Comments on Budget and Accounts

A comparison of revised estimates and actual Non-Tax Receipts of the Ministry for the FY 2024-25 is given in Table-4

Table-4

(Rs in million)

Nature of Receipt	Original Target* 2024-25	Revised Target* 2024-25	Collection** 2024-25	Difference from Revised Target	
				Absolute	Percentage
1	**2**	**3**	**4**	**5 (4-3)**	**6**
Petroleum Levy (C03901)	1,281,000	1,161,000	1,220,212	59,212	5.10
Gas Development Surcharge (C03902)	25,618	48,000	42,942	(5,058)	(10.54)
Royalty on Oil (C03905)	58,654	64,000	55,769	(8,231)	(12.86)
Royalty on Gas (C03906)	103,751	135,000	122,292	(12,708)	(9.41)
Discount Retained on Local Crude Oil (C03910)	25,000	25,000	22,677	(2,323)	(9.29)

Windfall Levy on Oil (C03915)	28,000	27,000	22,737	(4,263)	(15.79)
Gas Infrastructure Development Cess (C03916)	2,500	1,000	859	(141)	(14.10)
Petroleum Levy on LPG (C03917)	3,537	3,156	3,292	136	4.31
Windfall Levy on Gas (C03919)	400	450	569	119	26.44
Others (C03506, C03808, C0380I)	6,725	15,400	21,541	6,141	39.88
Total	**1,535,185**	**1,480,006**	**1,512,890**	**32,885**	**2.22**

*Annual Budget Statement – Federal Budget 2024-25

** Collection according to AGPR (Federal Civil Account-FCA June Final, 2025)

The Ministry collected Rs 1,512,890 million against revised estimates of Rs 1,480,006 million for the FY 2024-25. It showed overall excess collection of Rs 32,885 million (2.22% as compared with the revised estimates of receipts).

A comparison of actual receipts between the FYs 2024-25 and 2023-24 is given in Table-5:

Table-5

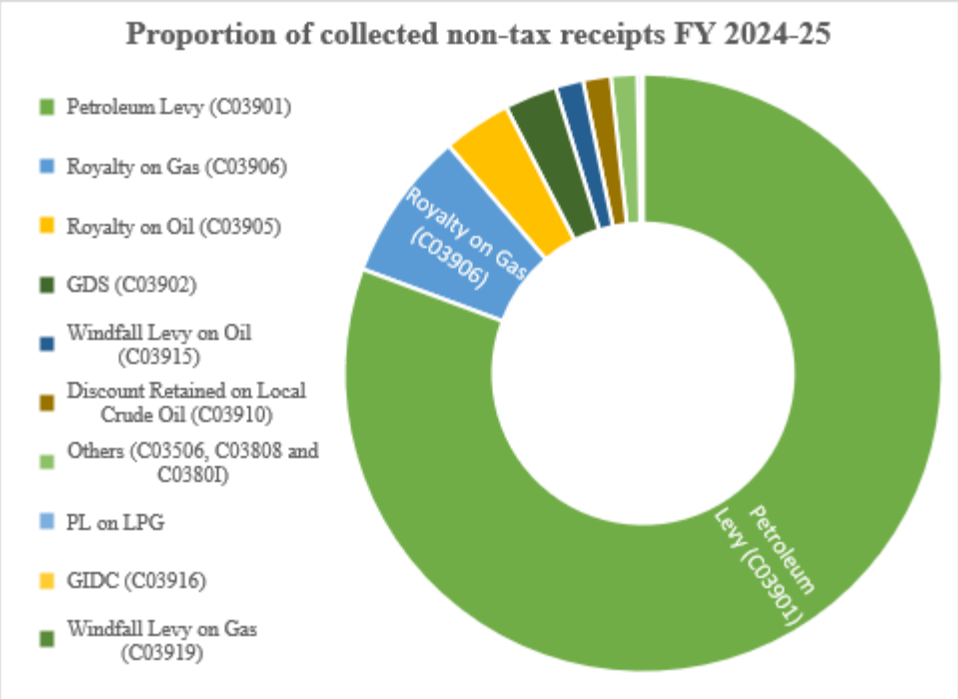
(Rs in million)

Nature of Receipt	Collection		Difference	
	FY: 2024-25	FY: 2023-24	Absolute	%age
1	**2**	**3**	**4 (2-3)**	**5**
Petroleum Levy (C03901)	1,220,212	1,019,222	200,990	16.47
Gas Development Surcharge (C03902)	42,942	30,509	12,433	28.95
Royalty on Oil (C03905)	55,769	64,377	(8,608)	(15.44)
Royalty on Gas (C03906)	122,292	100,991	21,301	17.42
Discount Retained on Local Crude Oil (C03910)	22,677	25,546	(2,869)	(12.65)
Windfall Levy on Oil (C03915)	22,737	27,522	(4,785)	(21.04)
Gas Infrastructure Development Cess (C03916)	859	2,889	(2,030)	(236.32)
Petroleum Levy on LPG (C03917)	3,292	3,466	(174)	(5.29)
Windfall Levy on Gas (C03919)	569	241	328	57.64
Others (C03506, C03808 and C0380I)	21,541	11,089	10,452	48.52
Total	**1,512,890**	**1,285,852**	**227,038**	15.01

(Source: Federal Civil Accounts (June-Final) of the Federal Government for the FY 2024-25)

The above table indicates a significant improvement in the collection of Petroleum Levy, which increased to Rs 1,220,212 million in FY 2024-25 from Rs 1,019,222 million in FY 2023-24. Similarly, Gas Development Surcharge (GDS) collections rose to Rs 42,942 million in FY 2024-25, compared to Rs 30,509 million in the preceding financial year. However, there was declining trend in collection of Gas Infrastructure Development Cess, Windfall Levy on Oil and Discount Retained on Local Crude Oil.

Figure-3



2.1.2 Classified Summary of Audit Observations

Audit observations amounting to Rs 45,030.426 million pertaining to Ministry of Energy (Petroleum Division) are reported during the current audit. Summary of the audit observations classified by nature is given in Table-6:

Table-6: Overview of Audit Observations

(Rs in million)

Sr. No.	Classification	Amount
1	Irregularities	
A	Non / Short-Realization of Non-Tax Receipts & Obligations	34,068.981
B	Exploration and Development Related Issues	200.824
2	Others	9,045.621
3	Department of Explosives	1,715.000
	Total	**45,030.426**

2.1.3 Compliance of PAC Directives

Compliance of PAC directives is given in Table-7:

Table-7

Audit Year	Total Directives	Compliance Reported	Compliance Awaited	%age of Compliance
2000-01	12	09	03	75
2002-03	01	0	01	0
2005-06	04	03	01	75
2007-08	05	04	01	80
2008-09	08	05	03	63
2009-10	29	23	06	79
2010-11	30	24	06	80
2011-12	23	13	10	57
2012-13	22	15	07	68
2013-14	38	17	21	45
2014-15	18	11	07	61
2015-16	31	09	22	29
2016-17	31	11	20	35
2017-18	25	09	16	36
2018-19	12	03	09	25
2019-20	12	03	09	25
2020-21	04	00	04	0
2021-22	06	00	06	0
2022-23	04	02	02	50
2023-24	08	01	07	13
Total	**323**	**162**	**161**	**50**

The table shows lacklustre approach towards compliance of PAC's directives. Therefore, serious follow up is required to ensure compliance of PAC's directives.

2.1.4 Audit Paras

Non/short-Realization of Non-Tax Receipts & Obligations

2.1.4.1 Non-realization of 15% wellhead value of petroleum produced along with Late Payment Surcharge - Rs 924.339 million

According to Clause 4.1.10 (1 & 4) of Petroleum (Exploration & Production) Policy, 2012 and Rule 35 of Petroleum (Exploration & Production) Rules 2013, DG (PC) can renew the lease for another five years' term against payment of an amount equivalent to 15% of the wellhead value to the Government. These terms shall also apply to leases granted under the Pakistan Petroleum (Exploration & Production) Rules of 1986 and 2001. A procedure for transfer of funds generated through signature bonus would be the same as being applicable for transfer of Royalty. Further, as per Section 40D(1) of Public Finance Management Act, 2019, an amount equal to monthly weighted financing cost of Government's domestic borrowings shall be payable during the period of default, in addition to the amount due under section 40B relating to Non-Tax Revenue, if not paid within the stipulated time.

During audit of DG (PC) for the FY 2024-25, it was observed that on April 2, 2024, DG (PC) approved the renewal of Mari gas-field lease operated by Mari Energies Ltd. for a period of 5 years w.e.f. November 11, 2024 with the condition that company would pay additional 15% of wellhead value of produced petroleum to the Federal Government. This was required to be paid by the company along with Royalty on monthly basis starting from December, 2024. Examination of Receipts Register maintained by DG (PC) and data of Non-Tax Receipts of AGPR revealed that DG (PC) failed to recover the amount equivalent to 15% of the wellhead value of petroleum produced from the Mari gas field. Resultantly, an amount of Rs 15,988.112 million remained unrecovered. Further, this non-payment of 15% wellhead value also attracted imposition of Late Payment Surcharge amounting to Rs 924.339 million resulting in total outstanding amount of Rs 16,912.451 million.

Audit is of the view that weak regulatory oversight resulted in non-implementation of condition for renewal of gas field i.e. realization of 15% wellhead value from Mari Energies Ltd. amounting to Rs 15,988.112 million. Further, Section 40(D) of Public Finance Management Act, 2019 was not

invoked for imposition of Late Payment Surcharge amounting to Rs 924.339 million.

The matter was reported to the management on August 15, 2025. In the DAC meeting held on January 29-30, 2026, the management stated that amount was recovered from Mari Energies Ltd on September 30, 2025. Audit contended that the company paid non-tax receipts with a delay of ten months from renewal of Mari gas field in November, 2024 and Late Payment Surcharge (LPS) was also required to be imposed under Public Finance Management Act, 2019.

The DAC directed the management to provide credit verification duly authenticated by treasury along with reconciliation statement. DAC further directed to seek opinion from Finance Division regarding imposition of LPS in the light of relevant law. No further progress was reported till finalization of the report.

Audit recommends to get the recovered amount verified by Audit and recover LPS due to late payment of 15% wellhead value under Public Finance Management Act, 2019.

[DP No. 3617]

2.1.4.2 Non-realization of Royalty on natural gas, crude oil and LPG along with fine - Rs 13,133.947 million

According to Rules 36, 35 and 38 of Pakistan Onshore Petroleum (Exploration & Production) Rules, 1986, 2001 and 2009 respectively, the licensee or holder of a lease shall pay a Royalty at the rate of 12.5% of the well head value of the Petroleum produced and saved. Further, any delay beyond the stipulated period would attract a fine at the rate of the London Inter-Bank Offered Rate (LIBOR) plus two percent, as may be determined by the Authority under Rule 35 and 38 of the Pakistan Petroleum (Exploration and Production) Rules, 2001 and 2009 respectively.

During audit of DG (PC) for the FY 2024-25, examination of Royalty Register maintained by DG (PC) showing month-wise / company-wise payments of Royalty on crude oil and natural gas revealed that the management did not realize Royalty on production and sales of natural gas, crude oil and LPG amounting to Rs 13,063.955 million along with fine from 13 E&P companies. Moreover, in 15 cases, four E&P companies paid Royalty on oil and gas

amounting to Rs 1,509.349 million with delay ranging up to 384 days but DG (PC) did not impose fine on late payment amounting to Rs 69.992 million. This resulted in non-realization of Royalty on natural gas and crude oil along with fine amounting to Rs 13,133.947 million.

Audit is of the view that weak monitoring and non-compliance of rules resulted in non-realization of Royalty on production and sale of natural gas, crude oil and LPG.

The matter was reported to the management during August-October, 2025. In the DAC meeting held on January 29-30, 2026, the management stated that out of Rs 13,063.955 million, an amount of Rs 1,801 million was recovered, whereas an amount of Rs 812 million was contested. The concerned companies were directed to deposit LPS in government treasury. However, companies were contesting recovery due to late receipt of payment from buyers and delayed approval of price notification by OGRA. Audit contended that delay in issuance of notification by OGRA was needed to be probed and brought on record.

The DAC directed the management to get the recovered amount verified from Audit within two weeks and expedite the recovery of remaining amount within two months.

Audit recommends to provide credit verification along with challans of recovered amount and expedite the recovery of remaining amount of Royalty including fine besides improving monitoring mechanism on receipts.

[DP Nos. 4071 & 4084]

2.1.4.3 Non-realization of Gas Development Surcharge from PPL - Rs 13,316.608 million

According to Section 3(1) of Natural Gas (Development Surcharge) Ordinance 1967, every company shall collect and pay to the Central Government a development surcharge equal to the differential margin in respect of natural gas sold by it. Further, Rules 3(a) of Natural Gas (Development Surcharge) Rules 1967 provides that every company shall deposit at the Government treasury the amount of development surcharge collected by it in respect of the collection during a calendar month within one month of the close of that month. Further, according to second schedule (serial 29) of Rule 3(3) of Rules of Business, 1973,

Petroleum Division / DG Gas is responsible for administration of the Natural Gas (Development Surcharge) Ordinance, 1967.

During audit of DG (Gas) for the FY 2024-25, it was observed during the examination of monthly returns furnished by PPL that DG (Gas) did not realize Gas Development Surcharge (GDS) amounting to Rs 13,316.608 million from PPL in respect of gas sold to GENCO-II during the FY2024-25. It was noted that the invoices issued by PPL to GENCO-II comprised approximately 44% gas charges and 40% GDS, and GENCO-II had made payments against all components of these invoices. This indicated that the payments received by PPL from GENCO-II included both gas charges and the GDS component. However, on receipt of these payments, PPL did not adjust the liabilities proportionately in accordance with the invoiced components. As reflected in Note 10 of PPL's Annual Report, 2025, receivables on account of gas charges were Rs 2,992.574 million, which were significantly lower as compared to the accumulated GDS liability of Rs 81,594.222 million. This suggested that the payments were adjusted disproportionately towards gas charges and other levies, while the GDS amount remained outstanding and was not remitted to the Government accordingly.

Audit is of the view that weak monitoring by DG (Gas) and non-framing of mechanism for confirmation of collection of GDS from buyers resulted in non-realization of GDS amounting to Rs 13,316.608 million from PPL for the FY 2024-25 and aggregate GDS liability of Rs 81,594.222 million.

The matter was reported to the management in August 2025. In the DAC meeting held on January 29-30, 2026, the management stated that an amount of Rs 17,000 million was recovered from GENCO-II against previous years' liabilities while the recovery of remaining amount was under process. Audit contended that recoverable amount of GDS for the FY 2024-25 was outstanding.

The DAC directed the management to get the recovered amount verified from Audit within one week and pursue with Power Division for early recovery / resolution of the issue. No further progress was reported till finalization of the report.

Audit recommends to recover the outstanding amount of GDS from PPL on a proportionate basis of payments received from GENCO-II besides

establishing an automated system for regular reconciliation and monitoring of GDS collections and remittances.

[DP No. 3619]

2.1.4.4 Short-realization of committed Lease Extension Bonus / financial obligations and non-renewal of Sui Lease - Rs 3,736.893 million

According to Clause "L" of Lease vide Lease No. 288/Pak/2024 of Sui D&P Lease executed between GoP and PPL dated February 17, 2025 under Rule 30(A) of the Pakistan Onshore Petroleum (Exploration & Production) Rules, 2013, payment of outstanding obligation shall be paid as per Annexure-II which stipulates payment of Rs 54 billion on account of Lease Extension Bonus and Rs 6 billion on account of Social Welfare and Production Bonus.

During audit of DG (PC) for FY 2024-25, it was observed from examination of lease agreement executed between GoP and PPL along with compliance of its conditions relating to payment of Lease Extension Bonus (LEB), Sui Lease was originally granted in 1955 under Pakistan Onshore Petroleum (Exploration & Production) Rules, 1949 and expired in 2015 after completion of its maximum term of sixty years. After a delay of approximately ten years, DG (PC) with approval of Federal Government, re-granted a Development & Production Lease to PPL for a period of ten years in 2025 under Rule 30(A) of the Pakistan Onshore Petroleum (Exploration & Production) Rules, 2013 on payment of Lease Extension Bonus from 2015. Lump-sum amount of Rs 60,000 million comprising an amount of Rs 54,000 million on account of LEB and Rs 6,000 million as financial obligations was stipulated in lease agreement. However, PPL paid only an amount of Rs 56,263.107 million (Rs 50,489 million as LEB and Rs 5,774.107 million as financial obligations) against committed amount of Rs 60,000 million, leaving an outstanding balance of Rs 3,736.893 million. Consequently, DG (PC) failed to recover the committed amount as per conditions of the lease agreement despite lapse of more than six months. Furthermore, Sui Lease expired in May, 2025 and DG (PC) did not grant renewal of lease. As a result, PPL discontinued payment of 10% LEB from May 2025 onward, despite agreed terms of lease.

Audit is of the view that lack of proper regulatory oversight by DG (PC) resulted in non-compliance of terms and conditions of lease agreement and committed amount of Rs 3,736.893 million could not be realized.

The matter was reported to the management during August-October 2025. In the DAC meeting held on January 29-30, 2026, the management stated that PPL had contested LEB amount of Rs 3,511 million and clarified that reported figures were accurate up to May 2023 and production figures were forecasted until the lease's expiry. The management further stated that Sui D&P lease expired on May 31, 2025 and PPL applied for a 15-year extension of the lease. The final decision would be taken in consultation with the Government of Balochistan.

The DAC directed the management to recover the amount as per the agreement. Regarding the issue of non-renewal of Sui Lease, the DAC directed the management to submit detailed revised reply to Audit after consultation with Petroleum Division. No further progress was reported till finalization of the report.

Audit recommends to recover the outstanding committed amount of Rs 3,736.893 million and expedite renewal of lease besides ensuring recovery of LEB from PPL.

[DP Nos. 4076 & 4080]

2.1.4.5 Non-realization of license / lease rent and obligations from E&P companies - Rs 1,650.955 million

According to Rules 26 & 39 of Pakistan Petroleum (Exploration & Production) Rules 1986 and Rules 29 & 41 of the Pakistan Petroleum (Exploration and Production) Rules, 2013, licensee shall pay to Government annually an advance rent at prescribed rates for onshore. Further, according to Section 4.1.2 of Petroleum Policy, 2012, Production Bonuses will be payable on a contract area basis on prescribed rates. Furthermore, according to Clause 4 of social welfare guidelines, 2021, E&P companies will open a joint bank account with DCOs / DCs concerned and will deposit the social welfare contribution fund by 31st January each year. Moreover, according to the Annexure VII of the Petroleum (Exploration and Production) Policy, 2012 and other policies read with Training Fund Guidelines, 2001, 2009, 2020, E&P companies shall pay training fund at the rate US$ 25,000 during exploration phase and US$ 50,000 during development phase on annual basis.

During audit of DG (PC) for the FY 2024-25, it was observed that the management did not realize license / lease rent and financial obligations from E&P companies amounting to Rs 1,650.955 million as detailed in Table-8:

Table-8

(Rs in million)

Sr. No.	Name of Obligations	Amount
1	License / Lease Rent	288.483
2	Production Bonus	840.000
3	Social Welfare Obligation	244.912
4	Outstanding financial obligation by PEL	277.560
	Total	**1,650.955**

Audit is of the view that weak monitoring by the management resulted in non-recovery of license / lease rents and financial obligations from E&P companies. These obligations were mandatory under PCAs for utilizations in the areas of oil and gas fields to impart lasting benefits to local communities and the non-realization of these obligations deprived the local communities of benefits envisaged in PCAs.

The matter was reported to the management in August-September 2025. In the DAC meeting held on January 29-30, 2026, the management stated that License / Lease Rent amounting to Rs 15.300 million had been recovered and efforts were being made regarding the remaining recovery, Production Bonus amounting to Rs 145.558 million had been recovered from OGDCL whereas Mari Energies Ltd., PPL and POL had committed to deposit Production Bonus within one month. Out of total outstanding amount of Rs 244.912 million on account of Social Welfare Obligation Fund, non-deposit of Rs 225 million was due to delay in opening of accounts at District level, which were being addressed vigorously. The management further stated that PEL had been advised / reminded to clear their outstanding financial obligation amounting to Rs 277.560 million.

The DAC directed the management to get the recovered amount of lease / license rent, Production Bonus verified from Audit and to pursue recovery of remaining amount of production bonus from OGDCL as per TAY supplementary agreement and realize the remaining recovery from Mari Energies Ltd., PPL and POL within one month. DAC further directed to revisit and strengthen the

enforcement mechanism and to ensure settling the bank accounts related issues with respective DCs / DCOs as well ensure remaining recovery. No further progress was reported till finalization of the report.

Audit recommends to recover the outstanding financial obligations and lease/license rents besides improving monitoring mechanism for recovery of obligatory dues.

[DP Nos. 4070, 4073, 4077, 4078 & 4082]

2.1.4.6 Non-realization of Petroleum Levy and Late Payment Surcharge - Rs 1,162.691 million

According to Directorate General Oil Letter No. PL-3(2420/2019-20/FBR dated March 7, 2023 Oil Marketing Companies (OMCs) are required to directly deposit the applicable Petroleum Levy under Section 3 of Petroleum Products (Petroleum Levy) Ordinance, 1961 before the procurement of petroleum products from Cnergyico Pk Ltd (CPL). Further, according to Section 40 D(1) of Public Finance Management Act, 2019, an amount equal to monthly weighted financing cost of Government's domestic borrowings shall be payable during the period of default, in addition to the amount due under section 40B, if not paid within the stipulated time.

During audit of DG (Oil) for the FY 2024-25, it was observed from examination of monthly returns furnished by M/s Cnergyico PK Ltd. (CPL) showing quantity of sales of petroleum products and Petroleum Levy deposited by OMCs that five OMCs did not deposit Petroleum Levy of Rs 768.087 million on purchase of petroleum products from CPL in violation of approved procedure which required deposit of Petroleum Levy directly through Computerized Payment Receipts (CPRs) and on production of CPR, M/s CPL was to issue invoices. As per monthly returns, M/s CPL declared sales of petroleum products to these five OMCs which did not deposit the Petroleum Levy. DG (Oil) failed to implement the approved procedure and recover due amount of Petroleum Levy of Rs 768.087 million. Further, in other 236 cases, 11 OMCs deposited Petroleum Levy after due dates with delay ranging from 10 to 112 days on purchases from M/s CPL in violation of the aforesaid approved procedure but DG (Oil) did not recover the LPS of Rs 394.604 million under the Public

Finance Management Act, 2019. This resulted in non-realization of outstanding amount of Petroleum Levy and LPS aggregating to Rs 1,162.691 million.

Audit is of view that weak monitoring of collection of Petroleum Levy resulted in non-realization of petroleum levy and LPS on late payment of petroleum levy under the PFM, Act, 2019.

The matter was reported to the management in August-September 2025. In the DAC meeting held on January 29-30, 2026, the management stated that principal amount of Rs 768.087 million had been recovered but computerised payment challans (CPRs) for Rs 373 million were provided. Further an amount of Rs 0.265 million were deposited as LPS by M/s Lucky Petroleum whereas LPS of Rs 394.604 million was outstanding against four OMCs. Audit contended that copies of CPRs were neither attested by the department nor authenticated by the FBR being collecting agent. Furthermore, an amount of Petroleum Levy of Rs 21.746 million from M/s GO and an amount of Rs 9.105 million from M/s Maxfuel was outstanding.

The DAC directed the management to provide the credit verification of recovered amount to Audit besides expediting the recovery of balance amount of Petroleum Levy and LPS amount calculated by Finance Division. DAC further directed to seek clarification from FBR regarding self-adjustment of Petroleum Levy in respect of M/s GO. No further progress was reported till finalization of the report.

Audit recommends to ensure realization of outstanding Petroleum Levy and get the recovered amount verified by Audit besides ensuring recovery of LPS amount calculated by Finance Division on late payment from OMCs.

[DP No. 3620]

2.1.4.7 Unauthorized third-party sale of gas and non-realization of Windfall Levy on natural gas from PEL- Rs 143.548 million

According to Clause 4.1(4) of Petroleum (Exploration & Production), Policy, 2012, Windfall Levy on gas will be applicable on sale of natural gas to parties other than GoP on the difference between applicable GoP Zone price and the 3rd party sale price. Further, according to Clause 9.4.2 of Petroleum (Exploration & Production), Policy, 2012, subject to overall market demand, E&P companies may request and GoP will purchase 90% of their share of

pipeline specification gas through a nominated buyer. E&P Companies shall have right to sale 10% of their share of pipeline specification of gas to any buyer with prior consent of Provincial Government. Further, as per Clause 4.5 of Joint Operating Agreement annexed to the Petroleum Concession Agreement of Badin-IV South Block (2468-5), all decisions of the Operating Committee in respect of Joint Operations shall require approval by more than seventy six percent (76%) of the total Working Interest.

During audit of DG (PC) for the FY 2024-25, it was observed that PEL sold 1,059 MMCF (1,067,000 MMBTU) natural gas to Government nominated buyer i.e. SSGC against total production of 2,179 MMCF from Badin-iv during the FY 2024-25 which was 49% instead of 90% of total production. PEL sold balance production of 1,120 MMCF (1,114,400 MMBTU) to third party which was 51% of total production in violation of Petroleum Policy, 2012 and approval of Petroleum Division. Joint Venture Partners (JVP) also objected the illegal third-party sale because PEL did not seek consent of JV partners for sale of their share to third party as per provisions of Joint Operating Agreement / Petroleum Concession Agreement. Further, no gas sale agreement was shared with the DG (PC) and JVP as well. Furthermore, DG (PC) did not recover Windfall Levy on natural gas of Rs 143.548 million.

Audit is of the view that weak regulatory oversight and monitoring of receipts resulted in illegal sale of natural gas to third party and non-deposit of Windfall Levy on natural gas.

The matter was reported to the management during August-October 2025. In the DAC meeting held on January 29-30, 2026, the management stated that PEL had been advised to clear the outstanding Windfall Levy on natural gas. In response, PEL contested the issue and informed that, in terms of Article-J of the Marginal Fields Guidelines, 2013, Windfall Levy on natural gas was applicable only where the sale price exceeded US$ 8 per MMBTU, therefore, in the present case, Windfall Levy on natural gas was not applicable. Subsequently, PEL was advised to provide copies of sale invoices for further necessary action.

The DAC directed the management to realize the recovery within two months and revisit the SOPs regarding sale of gas to 3rd party. DAC further directed Petroleum Division to probe the matter and fix responsibility for non-initiation of timely action against un-authorized sale of gas in violation of

approved allocation. No further progress was reported till finalization of the report.

Audit recommends to probe the matter relating to illegal sales of natural gas to third-party despite allocation to Government nominated buyer and without seeking consent from JVPs and recover Windfall Levy on third-party sales.

[DP No. 4081]

2.1.4.8 Operation of fields without any valid leases

According to Clause 4.1.10 Petroleum (Exploration & Production) Policy, 2012 read with Rule 30A of Pakistan Onshore Petroleum (Exploration and Production) Rules, 2013, the Federal Government on being satisfied that an oil mining lease granted or renewed pursuant to the Pakistan Petroleum (Exploration & Production) Rules, 1949 may on the application of the holder of such lease grant the development and production lease for such period and on such terms and conditions as may be agreed between the applicant and the Federal Government In case the applicant and the Government fail to agree on the period or the terms and conditions of lease within a reasonable period of time, the Government shall reject the application and call upon the Authority to invite bids. The bids shall be evaluated on the basis of Signature Bonus.

During audit of DG (PC) for the FY 2024-25, it was observed from scrutiny of Adhi Mining Lease file and payment record of Royalty that the Adhi Mining Lease of PPL expired on November 13, 2024. DG (PC) granted two provisional approvals to Adhi Lease, extending its validity up to June 2025. However, after June 13, 2025, PPL continued operations at Adhi field without a valid lease. Further, proceedings for grant of a new lease under applicable Petroleum (Exploration and Production) Rules, 2013 and Petroleum Policy, 2012 were not initiated to negotiate the terms and conditions, including the Signature Bonus. In addition, DG (PC) did not issue instructions for payment of Royalty on a monthly basis in accordance with Pakistan Onshore Petroleum (Exploration and Production) Rules, 2013. As a result, delays in decision-making by DG (PC) led to blockage of financial obligations and Royalty on crude oil approximately amounting to Rs 238 million and Rs 3,244.824 million respectively for the period from November 2024 to June 2025. Furthermore, DG (PC) did not renew or extended 85 leases that expired between August 12, 2010 and June 30, 2025, despite lapse of periods extending up to 15 years.

Audit is of the view that weak regulatory oversight resulted in delays in re-grant of expired lease, despite lapse of more than ten months, which caused blockage in recovery of Royalty, financial obligations, and Signature Bonus / lease extension bonus.

The matter was reported to the management in August-September 2025. In the DAC meeting held on January 29-30, 2026, the management stated that process of re-grant of lease had been started and PPL had principally agreed to award of D&P lease under the Pakistan Onshore Petroleum (Exploration and Production) Rules, 2013. The management further stated that out of pointed out leases, 28 leases were renewed. Audit contended that while regranting the lease, Clause 4.1.10 of the Petroleum Policy, 2012 was required to be implemented.

The DAC directed the management to share the approved lease agreement with Audit within 15 days. DAC further directed the management to share the complete record of leases from the date of application of renewal till date along with justification for delay. No further progress was reported till finalization of the report.

Audit recommends to re-grant of Adhi lease as per applicable rules to ensure early recovery of financial obligation, Signature Bonus and Royalty besides completing action for renewal of remaining expired leases.

[DP Nos. 4079 & 4089]

Exploration and Development Related Issues

2.1.4.9 Irregular allocation of natural gas to 3rd party from Razgir gas field without approval from PAO / Government

According to Para 9.4.2 of the Petroleum (Exploration and Production) Policy, 2012 as amended through SRO 311(I)/2024 dated February 29, 2024, subject to overall market demand, E&P companies shall request and GOP will purchase 65% of their share of pipeline specification gas through nominated buyer. E&P companies shall have right to sale up to 35% of their share of pipeline specification gas to third party having OGRA license, through competitive process, without approval of the government. Further, according to Case No. ECC-17/03/2023 dated January 17, 2023 relating to sale of natural gas from Mamikhel South (Tal Block) to third party, the Economic Coordination Committee (ECC) of the Cabinet approved sale of gas from Mamikhel South

discovery to third party in accordance with Article10(iii) of PCA with the stipulations inter-alia that Oil and Gas shall be disposed at competitive prices.

During audit of DG (PC) for the FY 2024-25, it was observed that the management granted a lease to M/s MOL over Razgir Field in Tal Block on May 29, 2025 and allowed the sale of gas to a third party without obtaining approval from PAO and Federal Government and without complying with approved framework under Petroleum Policy, 2012. Further, operator did not obtain gas allocation for third-party sale from DG (Gas) in violation of conditions of granted lease. M/s MOL allocated 100% of gas to M/s UGDC without conducting a competitive bidding process or determining competitive prices. This resulted in grant of lease and sale of natural gas to third party without prior approval of PAO and Government as well as third-party buyer was selected without any competitive process in violation of approved framework and Government directives.

Audit is of view that non-implementation of Petroleum (Exploration & Production) Policy, 2012 and conditions of Lease resulted in irregular allocation of natural gas to third-party buyer without competitive bidding process.

The matter was reported to the management during August-October 2025. In the DAC meeting held on January 29-30, 2026, the management stated that allocation of gas was domain of DG (Gas) and para be shifted to DG (Gas). Audit contended that field development plan and lease was granted by DG (PC) without approval of competent authority. On January 30, 2026, DG (Gas) apprised the DAC that seller did not submit a request for allocation of gas to 3rd party and no such approval was granted by DG (Gas).

The DAC directed Petroleum Division to probe the matter and submit the report to Audit within three months.

Audit recommends to inquire the matter for fixing of responsibility.

[DP No. 3640]

2.1.4.10 Undue favour by granting renewal to an expired lease for ten years without recovery of outstanding dues - Rs 200.824 million

According to Article 5.2 of Ghauspur PCA, each such lease shall be granted for an initial term of twenty (20) years, and with the approval of the President for another four (04) renewals of five (5) years each. Further, as per Clause 52, Part VIII of Second Schedule (Standard Form of Oil Mining Leases)

of the Pakistan Petroleum (Production) Rules, 1949, the lessee having paid the several rents and Royalties due and having observed and performed the terms and conditions herein contained may be granted a renewal of the Lease in respect of the whole of the said lands or any part thereof for a further term not exceeding thirty years upon the terms and conditions contained in the Rules in force. Moreover, according to the Rule 37 read with Clause 18 Part-V, Clause (20(3) Part-VI and Clause 21 Part-VII of Second Schedule (Standard Form of Oil Mining Leases) of the Pakistan Petroleum (Production) Rules, 1949, the lessee shall pay the royalty on all crude oil and natural gas sold by the licensees or if utilized by him for any other purpose than the production of petroleum 12.5 percent on the wellhead value.

During audit of DG (PC) for the FY 2024-25, it was observed that the management granted two renewals (2nd and 3rd renewals) of Badar Mining Lease (BML) for 10 years w.e.f. March 13, 2019 to March 12, 2029 on May 13, 2025 to M/s PEL the Operator of BML which did not pay Royalty of Rs 200.824 million for the period from March 13, 2019 to March 12, 2025 in violation of Rules ibid. Further, DG (PC) neither recovered outstanding Royalty amount nor any condition / payment plan was stipulated before the grant of two renewals.

Audit is of the view that weak regulatory oversight, non-compliance with applicable rules, and undue favour was extended to PEL in granting renewal of the expired BML resulted in non-payment of outstanding royalty amounting to Rs 200.824 million for the period from March 2019 to June 2025.

The matter was reported to the management during August-October 2025. In the DAC meeting held on January 29-30, 2026, the management stated that competent authority renewed the Lease for a period of ten years w.e.f. March 13, 2019 till March 12, 2029. The management further stated that after renewal of lease, all the regulatory actions including show-cause notice / revocation of leases could be taken effectively. PEL was asked to clear the remaining outstanding obligations however, response of the company was still awaited. In case of non-clearance of remaining outstanding obligations, the action would be initiated under applicable rules.

The DAC directed the management to ensure recovery of outstanding dues within two months. DAC further directed the management to ensure clearance of previous obligations before granting of license or renewal thereof to

the concerned company, in future. No further progress was reported till finalization of the report.

Audit recommends to inquire into the matter and recover the outstanding Royalty from the concerned companies.

[DP No. 4075]

Other

2.1.4.11 Non-utilization of Training Fund and technical data sale proceeds for capacity building - Rs 5,812.606 million

According to Para 2 of Guidelines for Management and Utilization of Training Fund 2020, any unspent training amount generated under PCAs and maintained by DG (PC) shall be utilized for capacity building, strengthening of the Policy Wing of Ministry of Energy (Petroleum Division), Provincial Governments, relevant Government agencies, remunerations of outside professionals engaged on contract, part time legal advisors / technical consultants, and Policy promotional activities, workshops, seminars, conferences & symposia etc. Further, as per Annexure-I of the Guidelines ibid, long term, medium term and short-term training programme both for technical and management fields should be devised." Moreover, according to Section-V of Pakistan Petroleum (Exploration and Production) Policy 2012, the funds generated through sale of technical data shall be utilized for capacity building, strengthening of the Policy Wing and Ministry.

During audit of DG (PC) for the FY 2024-25, it was observed that the management maintained a balance of Rs 4,022.696 million in the Training Fund Account (PLS Account No. 0874-00053168-01, HBL, Islamabad - Corporate Branch) at the beginning of the financial year, which increased to Rs 4,968.554 million as of June 30, 2025. DG (PC) did not provide approval of opening of account in private bank and details of procedure adopted for making investment whether based on competitive rates or not was also not shared. During the year, only Rs 64.537 million was utilized, primarily for payment of consultants' salaries and foreign visits to attend conferences. No expenditure was incurred on the core activity of training for capacity building and strengthening of the Policy Wing of the Ministry of Energy (Petroleum Division). Further, DG (PC) did not prepare any long-term, medium-term, or short-term training programs or plans, as envisaged under the Training Fund Guidelines, 2020. Due to lack of expertise within the existing staff, the Policy Wing of Petroleum Division (DGs PC, Oil &

Gas) engaged 16 employees from various companies on an attachment basis to perform key functions, instead of strengthening its own workforce through training and capacity building initiatives. Additionally, DG (PC) did not utilize funds generated from the sale of technical data amounting to Rs 844.052 million as of June 30, 2025 which was kept in current account maintained at NBP vide Account No. 4115251402, owing to the non-framing of financial rules and guidelines for utilization of these funds for capacity building and strengthening of the Policy Wing and the Ministry. As a result of the above deficiencies, training funds amounting to Rs 5,812.606 million remained unutilized for their intended purposes.

Audit is of the view that non-implementation of Petroleum Policy, 2012 and Training Fund Guidelines and non-framing of Rules resulted in non-utilization of Training Fund and funds generated through sale of technical data amounting to Rs 5,812.606 million.

The matter was reported to the management in August-September 2025. In the DAC meeting held on January 29-30, 2026, the management stated that DG (PC) had been facing acute shortage of manpower despite increased workload. Ministry of Energy was managing formulation of a more realistic and sustainable Guidelines with the consultations of all stakeholders. Regarding funds generated through sale of data, the management stated that DG (PC) requested Ministry of Finance to grant permission for continuation of operating existing NBP account instead of opening G-liabilities head of account through a Public Account.

The DAC directed the Petroleum Division to formulate a mechanism for effective utilization of the Training Funds within three months. DAC directed the management regarding improper Human Resource Management by the Petroleum Division to expedite the matter and share the outcome with Audit within two weeks. Regarding funds generated through sale of technical data, the DAC further directed the management to proceed in the matter as per directions of Finance Division conveyed vide letter dated January 27, 2026. No further progress was reported till finalization of the report.

Audit recommends to deposit the unspent Training Fund and revenue generated through sale of data in the public account besides devising training programmes for utilization of the Training Fund during the year.

[DP Nos. 3635, 4072 & 4104]

2.1.4.12 Undue retention of BESOS funds - Rs 2,308.015 million

Supreme Court of Pakistan in its decision dated October 22, 2020 declared Benazir Employees Stock Option Scheme (BESOS) ultra vires**,** making any benefits under it illegal. Further, Petroleum Division on May 7, 2025 directed PSEs to close the Trust. Furthermore, Finance Division vide letter No. F.No.2(39)NTR2020 dated April 30, 2025 requested Ministry that the remaining BESOS balance with accrued interest be deposited into Federal Consolidated Fund (FCF) under account C01902-Dividend.

During audit of public sector companies for the FY 2024-25, it was observed that the management of PPL, SNGPL and PMDC held an amount of Rs 2,308.015 million on account of dividend in the BESOS Trust accounts as per Annual Reports for the FY 2024-25 / record. In accordance with Supreme Court's decision and directives issued by Petroleum Division and Finance Division, Trust was required to be wound up, and amount of Rs 2,308.015 million be deposited in Federal Consolidated Fund and transfer the ownership of shares to government as detailed in Table-9:

Table-9

(Rs in million)

Sr. No.	Name of Company	Amount
1	PPL	1,500.430
2	SNGPL	757.495
3	PMDC	50.090
	Total	**2,308.015**

Audit is of the view that due to weak management, funds could not be deposited in FCF.

The matter was reported to the management of PSEs in October 2025. The management of public sector companies in their replies of December 2025 stated that amount would be deposited after audit of Trust account / transfer of share to Federal government. Audit contended that the management was required to deposit the amount in FCF without delay. Further, in the DAC meeting held on February 2-3, 2026, the management of SNGPL stated that the BESOS had been closed and the cheque for depositing the amount therein to the Government treasury was under submission to Petroleum Division.

The DAC directed the management to get the stated stance verified from Audit. Further, in case of PMDC, the DAC in its meeting held on January 7-8,

2026, directed the management to deposit the outstanding amount in FCF within a week.

Audit recommends to Petroleum Division to direct PSEs to deposit the amount of BESOS fund in FCF besides transfer the ownership of shares to government.

Note: The issue was reported earlier also in the Audit Report for Audit Year 2024-25 vide para numbers 2.3.4.5 & 2.5.5.4 having financial impact of Rs 1,610.461 million & Rs 864.815 million. Recurrence of same irregularity is a matter of serious concern.

[DP Nos. 3936, 3826, 3512 & 3589]

2.1.4.13 Non-deposit of unclaimed dividend in Government Account - Rs 925 million

According to Section 244(1) of the Companies Act, 2017, where dividend has been declared by a company which remain unclaimed or unpaid for a period of three years from the date it is due and payable, the company shall give ninety days notices to the shareholders to file claim following by final notice to be published in two daily newspapers of which one will be in Urdu and one in English having wide circulation. If no claim is made before the company by the shareholder, the company shall deposit the unclaimed or unpaid amount to the credit of the Federal Government.

During audit of public sector companies for the FY 2024-25, it was observed that the management of OGDCL, PPL, SNGPL and SSGC had not deposited unclaimed dividends amounting to Rs 925 million, as reported in Annual Reports for the year ending June 30, 2022. This delay resulted in non-deposit of funds of Rs 925 million into Federal Government Account as detailed in Table-10:

Table-10

(Rs in million)

Sr. No.	Name of Company	Amount
1	OGDCL	202.238
2	PPL	265.452
3	SNGPL	171.940
4	SSGC	285.370
	Total	**925.000**

Audit is of the view that non-compliance with Section 244 of Companies Act, 2017 resulted in non-deposit of unclaimed dividends into Government Account.

The matter was reported to the management of PSEs in October 2025. In the DAC meeting held on February 2-3, 2026, the management of SNGPL stated that the matter had been taken up with Finance Division through Petroleum Division for opening of account.

The DAC directed the management to expedite the matter with Finance Division and get the issue resolved within one month. Further, in case of OGDCL the DAC in its meeting held on December 24, 2025 directed the management to submit detailed reply to Audit for verification. No further progress was reported till finalization of the report.

The issue of non-transfer of funds of unclaimed dividend was discussed in the PAC meeting held on January 27, 2026. The committee directed the SSGC and SNGPL to deposit the unclaimed dividend, obtain verification from Audit, and report to PAC.

Audit recommends to Petroleum Division to pursue the matter with Finance Division and transfer the unclaimed amount to Government account.

Note: The issue was reported earlier also in the Audit Report for Audit Year 2024-25 vide para numbers 2.4.4.25, 2.3.4.7, 2.4.4.2, 2.5.4.7 & 2.6.4.40 having financial impact of Rs 207.556 million, Rs 311.624 million, Rs 1,373.428 million, Rs 17.980 million & Rs 285.430 million. Recurrence of same irregularity is a matter of serious concern.

[DP Nos. 3642, 3678, 3827 & 4044]

Department of Explosives

2.1.4.14 Illegal storage and sale of petroleum products without Form-K and non-recovery of fine - Rs 380 million

According to Clause 23(3) of Petroleum Act, 1934 amended on August 5, 2023, whoever illegally imports, transports, stores, sales produce, refines or blends any petroleum shall be punishable with the fine which may extend to one million rupees. Further, according to Rule 115 of Petroleum Rules, 1937, licenses for importation and storage may be granted by the licensing authorities

set forth in Schedule-I in the forms for the purposes and on payment of the fees. According to Schedule-I of Petroleum Rules 1937, the purpose of license 'Form-K' to store petroleum in a tank or tanks in connection with a dispensing unit for fuelling motor conveyances.

During audit of DoE for the FY 2024-25, it was observed that 380 retail outlets (as detailed in Annex-4) were operating in the DoE regions of Lahore, Karachi, Peshawar, and Islamabad without obtaining the mandatory licenses in Form "K". Audit held that, in accordance with the applicable rules, fines of Rs 1 million per outlet were required to be imposed for the illegal storage and sale of petroleum products. However, due to the failure to levy these fines, despite lapse of a period ranging from 10 months to 2.5 years, an amount of Rs 380 million remained unrecovered.

Audit is of the view that storage and sale of petroleum products without obtaining Form-K license, coupled with the non-recovery of fine amounting to Rs 380 million was irregular**.**

The matter was reported to the department in September 2025. In DAC meeting held on January 8, 2025 the management stated that during inspection of area DoE identified illegal Dabba stations / petrol pumps and issued notices for sealing and confiscation of such Dabba stations / petrol pumps to concerned District Authorities. Further, fine for illegal petrol pumps could only be imposed and recovered when the operators applied to the DoE for grant of licenses in Form "K", after fulfilling all codal formalities.

The DAC directed the management to pursue the matter with the Deputy Commissioners vigorously. No further progress was reported till finalization of the report.

Audit recommends to pursue the matter with concerned district authorities.

[DP No. 3626]

2.1.4.15 Non-imposition of fine and failure to cancel Form-L license– Rs 112 million

According to Rule 29 of Petroleum Rules, 1937, no person shall deliver any petroleum to anyone in Pakistan other than holder of storage license or authorized agent. Further, according to Clause 23(3) of Petroleum Act, 1934 amended on August 5, 2023, whoever illegally imports, transports, stores, sales,

produces, refines or blends any petroleum shall be punishable with the fine which may extend to one million rupees. In addition, under Rule 121 of the Petroleum Rules, 1937, every license granted under these rules shall be liable to be suspended or cancelled by order of licensing authority for any contravention of the Act or any rule thereunder, or of any condition contained in such license. Moreover, Department of Explosives, Islamabad vide letter dated October 22, 2024, issued directives to its regional offices to ensure that Form-L licensees maintain supply agreements with end users, showing quantities consumed.

During audit of DoE for the FY 2024-25, it was observed that the Department failed to impose fine amounting to Rs 112 million on M/s Panjtan Pak Oil Traders for the illegal sale of imported Light Aliphatic Hydrocarbon Solvent Oil (LAHS) to non-licensee buyers. It was further observed that the Department did not cancel the Form-L storage license of M/s World Line Petroleum Services despite the entity's failure to submit mandatory supply and consumption records. This resulted in non-cancellation of the license and non-imposition of fine amounting to Rs 112 million for the illegal sale of imported LAHS to non-licensee buyers.

Audit is of the view that weak regulatory oversight resulted in the undue favour to licensees through non-cancellation of the license and non-imposition of fine of Rs 112 million.

The matter was reported to the department in September 2025. In DAC meeting held on January 8, 2025, the management stated that licensees had been directed to submit detail of end user. The management further, stated that a one-time waiver / amnesty was granted by the Federal Government for 874 tank lorries, including the aforementioned Tank Lorries. Audit contended that the issue involved in the paragraph related to illegal supply and Multan regional office had taken cognizance of illegal supply and recommended cancellation of the license.

The DAC directed the management to provide documents related to the amnesty for verification by Audit. No further progress was reported till finalization of the report.

Audit recommends to suspended or cancel the licenses for the illegal sale of imported Light Aliphatic Hydrocarbon Solvent Oil (LAHS) to non-licensee buyers besides imposition of fine.

[DP No. 3742]

2.1.4.16 Unauthorized import of petroleum products and calcium carbide without valid license and non-imposition of fine - Rs 1,009 million

According to Clause 23(3) of the Petroleum Act, 1934, as amended on August 5, 2023, whoever illegally imports, transports, stores, sells, produces, refines, or blends any petroleum shall be punishable with a fine which may extend to one million rupees. Further, according to Clause 23(3)(b) of the Act ibid, if any person, having been convicted of an offence punishable under Clause 23(3)(a), is again found guilty of a similar offence, such person shall be punishable with a fine which may extend to ten million rupees. Furthermore, according to Rule 115 of the Petroleum Rules, 1937, licences for importation or storage of petroleum may be granted by the licensing authorities specified in Schedule I. As per Schedule-I of the Rules ibid, a licence in Form 'L' is required for the import of dangerous petroleum and for the storage of petroleum in installations. Moreover, under Rule 39 of the Carbide Manual of the Petroleum Rules, 1937, a licence for the storage of carbide may also be granted by the licensing authorities specified in Schedule-I.

During audit of DoE for the FY 2024-25, it was observed that Department of Explosives, being the statutory licensing authority under the Petroleum Rules, 1937, failed to ensure enforcement of mandatory licensing requirements for import and storage of petroleum products such as LAHS, white spirit, xylene, vinyl acetate, and calcium carbide. This failure resulted in unauthorized import of 1,005 consignments of petroleum products and non-imposition of fines prescribed under the Petroleum Act, 1934. The department neither identified nor confiscated these consignments in liaison with customs authorities, resulting in non-imposition of fine of Rs 1,009 million.

Audit is of the view that weak regulatory enforcement resulted in unauthorized import of petroleum products and non-imposition of fines of Rs 1,009 million.

The matter was reported to the Department in August-October 2025. In DAC meeting held on January 8, 2025 the management stated that Customs Authorities released imported consignments, such as LAHS, without verifying licenses from the importers, resulting in the illegal import of petroleum products. However, DoE requested FBR through its letter dated September 22, 2025 to

ensure implementation of Rule 13 of the Petroleum Rules, 1937, regarding strict monitoring of the import of petroleum products.

The DAC directed the management to take action against authorized importers who exceeded the prescribed limit / quantity. No further progress was reported till finalization of the report.

Audit recommends to recover the fine from authorized importers who exceeded the prescribed limit / quantity besides making provision in the FBR import clearance system that such consignments are not cleared without ensuring licence of the importer.

[DP No. 3629]

2.1.4.17 Illegal transportation of petroleum products without license in Form-Q and non-imposition of fine - Rs 214 million

According to Clause 23(3) of Petroleum Act, 1934 amended on August 5, 2023, whoever illegally imports, transports, stores, sales produce, refines or blends any petroleum shall be punishable with the fine which may extend to one million rupees. Further, according to Rule 77(1) of Petroleum Rules, 1937, Petroleum in Bulk shall not be transported by land except in a vehicle of a type approved in writing by Chief Inspector. Furthermore, according to Article 12 of Schedule-I of Petroleum Rules, 1937, the purpose of license in Form-Q is to transport petroleum product in bulk on land by mechanically propelled vehicle.

During audit of DoE for the FY 2024-25, it was observed that Department failed to impose or recover fines from the National Logistics Cell (NLC) for illegal commercial transportation of petroleum products through 214 tank lorries without obtaining the mandatory Form-Q licence. Further, no action was taken by the Department to enforce the prescribed fine. This lapse in enforcement resulted in a non-imposition of fine of Rs 214 million.

Audit is of the view that weak regulatory oversight led to the non-imposition of fine amounting to Rs 214 million, undermined the enforcement authority of the Department of Explosives, and increased the risk of unlawful practices in the petroleum transportation sector.

The matter was reported to the department in September 2025. In DAC meeting held on January 8, 2025 the management stated that as per Rule 81(2) of the Petroleum Rules, 1937, vehicles and trailers used for the transportation and

possession of fuels for the Armed Forces of Pakistan were exempt from obtaining licenses in Form-Q. Further, the DoE had issued a letter to the NLC for the submission of requisite particulars in cases where commercial activities were planned.

The DAC directed the management to issue licenses to the Tank Lorries of NLC involved in commercial activities, as per law. DAC further directed the management to seek advice from Petroleum Division regarding the imposition of fine specified under Section 23(3) of Petroleum Act, 1934. No further progress was reported till finalization of the report.

Audit recommends to issue the licence besides imposing and recovery of fine.

[DP No. 3623]

2.2 Oil and Gas Development Company Limited

2.2.1 (A) Introduction

Oil and Gas Development Company Limited (OGDCL) was established in 1961 as a public sector corporation and was converted into a public limited company on October 23, 1997, under the Companies Ordinance, 1984. The Company is engaged in the exploration and development of oil and gas resources, as well as the production and sale of oil and gas and related activities. OGDCL is listed on the Pakistan Stock Exchange and the London Stock Exchange. The Government of Pakistan holds, directly and indirectly, 85.02% of the paid-up capital of the Company as of June 30, 2025.

(B) Operational and Financial Performance

Exploration, Production and Financial performance of the OGDCL during the FY 2024-25 is given in Table-11:

Table-11(i): Exploration and Drilling Activities

Name of Activity	2024-25	2023-24	2022-23	2021-22	2020-21
Oil and Gas Discoveries	5	5	3	7	6
Exploration Licenses	54	54	57	57	59
Development & Production Lease	79	78	77	77	77
2D Seismic Survey-Line KM	750	1236	1,804	2,003	2,539
3D Seismic Survey-Line KM	1051	1,201	765	601	600
Total Seismic Survey	**1,801**	**2,437**	**2,569**	**2,604**	**3,139**
Wells Drilled (Exploratory / Appraisal, Development)	15	13	10	13	20
Cost of Dry & Abandoned Wells (Rs in million)	4,233	0.402	7,161	7,657	8,373
Prospecting Expense	14,533	12,159	11,861	7,929	8,994
Exploration and Prospecting Expenditure (Rs in million)	**18,766**	**12,159**	**19,022**	**15,586**	**17,367**

(Source: Annual Audited Accounts)

Table-11(ii): Financial Performance

Quantity sold		2024-25	2023-24	2022-23	2021-22	2020-21
Crude Oil	'000' BBLs	10,993	11,810	11,432	12,528	13,230
Gas	MMCF	238,036	262,520	278,903	301,286	317,443
LPG	M. Tons	233,912	263,291	261,798	294,619	293,310

Sulphur	M. Tons	13,000	5,620	7,200	15,800	24,000
Financial Results						(Rs in Billion)
Net Sales		401.178	463.698	413.594	335.460	239.100
Other Revenues		81.821	41.344	154.692	50.690	20.270
Trade-debt		613.660	635.016	576.968	456.594	358.821
Overdue amount - Circular Debt		549.976	561.025	510.849	393.170	303.853
Profit before Taxation		279.315	297.787	383.772	232.520	128.990
Profit for the Year		169.903	208.976	224.617	133.780	91.530

(Source: Annual Audited Accounts)

Table-11(iii): Non-achievement of operational targets

Activity / Description	UoM	2024-25			2023-24		
		Targets	Achieved	% age	Targets	Achieved	% age
2D & 3D Seismic Survey	Line Kms	2,362	1,790	76%	2,960	2,560	86
Total Survey		**2,362**	**1,790**	**76%**	**2,960**	**2,560**	**86**
Wells Drilled	No.	16	15	94%	16	13	81
Net Oil Production	BOPD	37,875	30,909	82%	37,875	33,479	88
Net Gas production	MMCFD	816	666	82%	816	717	88

(Source: Annual Audited Accounts)

2.2.2 Classified Summary of Audit Observations

Audit observations amounting to Rs 9,346.434 million were raised during the current audit of OGDCL. Summary of the audit observations classified by nature is given in Table-12:

Table-12: Overview of Audit Observations

(Rs in million)

Sr. No.	Classification	Amount
1	**Irregularities**	-
A	Financial Management	8,998.499
B	Procurement & Store Management	347.935
	Total	**9,346.434**

2.2.3 Compliance of PAC Directives

Compliance of PAC directives is given in Table-13:

Table-13

Audit Year	Total Directives	Compliance Reported	Compliance Awaited	%age of Compliance
2000-01	10	06	04	60
2005-06	05	02	03	40
2007-08	18	14	04	78
2009-10	13	11	02	85
2010-11	31	30	01	97
2011-12	16	13	03	81
2012-13	29	28	01	97
2013-14	25	21	04	84
2014-15	35	34	01	97
2015-16	31	25	06	81
2016-17	40	33	07	83
2017-18	22	17	05	77
2018-19	17	14	03	82
2019-20	23	20	03	87
2020-21	4	2	02	50
2021-22	11	3	08	27
2022-23	4	3	01	75
2023-24	4	0	04	0
Total	**338**	**276**	**62**	**82**

Overall compliance of PAC directives needs further improvement.

2.2.4 Audit Paras

Financial Management

2.2.4.1 Unauthorized refund of recovered liquidated damages to the defaulting contractor - Rs 3,805.499 million

According to Clause 36.2 of OGDCL's Supply Chain Manual, liquidated damages (LD) already deducted may be refunded upon a written request from the respective supplier or contractor in cases of Force Majeure, delays attributable to OGDCL, or both. All such cases are required to be recommended by the Executive Director of the relevant directorate of the indenting department and approved by the expenditure approving authority. Where the expenditure approving authority is the Board of Directors or the MD/CEO, the extension without imposition of LD charges shall be approved by the MD/CEO through the Procurement Committee.

During audit of OGDCL for the FY 2024-25, it was observed that in 2015, the management awarded a US$ 148.200 million contract to M/s HHGTL for Nashpa Gas Processing, LPG Recovery Plant with completion due within 17 months from the date of establishment of LC. The project was completed in 34 months and a para 2.2.6.4 regarding delayed completion of project was printed in Audit Report 2019-20. The DAC in its meeting held on August 19, 2022 recommended the para for settlement upon confirmation by the management that 10% LD i.e. US$ 14.820 million was recovered. However, during the current year's audit, it was noted that the management refunded US$ 13.567 million (Rs 3,805.499 million) of the recovered LD charges to the contractor despite lapse of defect liability period of one year. The LD was refunded on the intervention of Petroleum Division, which was not the competent forum. This resulted in unauthorized refund of recovered liquidated damages to the defaulting contractor amounting to Rs 3,805.499 million.

Audit is of the view that weak contract management resulted in unjustified refund of recovered LD charges to the contractor.

The matter was reported to the management in October 2025. In the DAC meeting held on December 24, 2025, the management stated that the contractor requested intervention of the Petroleum Division. The matter was reviewed by a fact-finding committee of the Petroleum Division as well as by an internal

committee of OGDCL, which recommended an extension of 340 days and imposition of liquidated damages (LD) amounting to US$ 1.233 million on the defective / delayed portion. Consequently, an amount of US$ 13.567 million already recovered was refunded.

The DAC directed the management to refer the issue to the Petroleum Division for review and submit report to Audit. No further progress was reported till finalization of the report.

Audit recommends to recover the unauthorized refunded amount of liquidated damages from the contractor besides fixing responsibility on the person(s) at fault.

[DP No. 3685]

2.2.4.2 Unauthorized receipt of Signature Bonus on sale of LPG in violation of LPG Policy - Rs 5,193 million

According to Clause 3.4.5 of LPG (Production & Distribution) Policy, 2016, LPG prices are to be regulated with a maximum price at all levels of the supply chain, while producers and distributors may sell below this ceiling. Further, as per Islamabad High Court order dated August 20, 2018, in OGRA Application No. 11 of 2018 (OGDCL Vs OGRA and others), OGDCL was directed to ensure that burden of Signature Bonus is not passed on to consumers. The company also assured the Court that it would not charge more than maximum producer price determined by Federal Government.

During audit of OGDCL for the FY 2024-25, it was observed that as per note 12.1.4 of the audited financial statements for the FY 2024-25, an amount of Rs 5,193 million was collected as Signature Bonus (premium paid by the buyer to the seller for the right to secure a long-term supply of LPG contract) during the FYs 2018-2025 despite OGRA's decision dated June 22, 2018 according to which LPG Producers could not charge Signature Bonus in compliance with LPG (Production & Distribution) Policy, 2016. Against the decision of OGRA, E&P companies including OGDCL filed appeals before Islamabad High Court. The Court, while granting stay orders, directed that applicant should ensure and take measures that burden of Signature Bonus should under no circumstances be passed on to the consumers. The applicants (including OGDCL) also assured the Court that they would not charge any amount more than the prescribed price as determined by the Federal Government. However, Audit noted that OGDCL

continued to collect Signature Bonus during FYs 2018-25, aggregating to Rs 5,193 million as of June, 2025.

Audit is of the view that weak financial management resulted in charging of Signature Bonus from the LPG buyers "as LPG is poor man's fuel" against LPG (Production & Distribution) Policy, 2016.

The matter was reported to the management in October, 2025. In DAC meeting held on December 24, 2025, the management stated that OGDCL had not charged any amount over and above the producer price determined by OGRA. Signature Bonus or renewal payments were not part of LPG sale price and did not affect consumer pricing. Audit contended that Audited Financial Statements 2024-25 showed that Signature Bonus was being continuously charged since 2018.

The DAC directed the Petroleum Division, DG (LG) to provide a comprehensive report on the matter to Audit. No further progress was reported till finalization of the report.

Audit recommends to ensure that the management stop charging this illegal amount under the ambit of Signature Bonus and fate of charged amount be decided by OGRA besides providing a comprehensive report on the matter by DG (LG) as per decision of DAC.

[DP No. 3608]

Procurement & Store Management

2.2.4.3 Irregular award of contract due to submission of fake bank guarantee - Rs 18.919 million

According to definition 1(f-iv) of PPRA Rules, 2004, fraudulent practices include any act or omission, including misrepresentation, that knowingly or recklessly misleads a party to gain a financial or other benefit or avoid an obligation. Further, according to Rule 19(1)(a) of Rules ibid, procuring agencies must establish a mechanism to blacklist and debar bidders found guilty of corrupt or fraudulent practices for up to ten years, preventing their participation in future public procurements.

During audit of OGDCL for the FY 2024-25, it was observed that in award of a civil work contract to M/s Shah Jahan Bhattani related to Bettani Well

with a quoted bid of Rs 18.919 million. However, 2% bid bond submitted by the bidder vide CDR 14558712 dated June 14, 2024 with the tender documents was returned un-cashed by the bank. Similarly, 10% Performance Bank Guarantee (PBG) amounting to Rs 1.900 million, submitted by the bidder issued by the Bank of Khyber on August 16, 2024 was also proved fake. Despite this, management did not cancel the Letter of Intent (LOI) nor blacklisted the bidder. Instead, management accepted a CDR of Rs 1.400 million issued by bank on September 05, 2024 and bidder transferred an amount of Rs 0.500 in the company account through online transaction on October 02, 2024. The management returned the bid bond and fake bank guarantee, and awarded the contract to the bidder on November 13, 2024. This resulted in irregular award of the contract amounting to Rs 18.919 million despite submission of fake bank guarantee.

Audit is of the view that weak procurement controls resulted in acceptance of fraudulent bank guarantee, non-blacklisting and eventually award of contract to a dishonest bidder, thereby compromising OGDCL's transparency and integrity.

The matter was reported to the management in October 2025. In DAC meeting held on December 24, 2025, the management stated that the bidder had submitted two Call Deposit Receipts (CDRs) amounting to Rs 1.900 million, fully securing the required Performance Security. Subsequently, the bidder voluntarily submitted a Performance Bank Guarantee (PBG) of Rs 1.900 million on August 16, 2024, with a request to return the CDRs. The PBG was sent for verification and was declared fake by the bank.

The DAC directed the management to review the stance in the light of procurement policy with reference to illegality done by the contractor and submit response along with fixing responsibility for failure of due diligence. No further progress was reported till finalization of the report.

Audit recommends to fix responsibility for award of contract to a non-compliant bidder in violation of PPRA Rules besides initiating the blacklisting process.

[DP No. 3603]

2.2.4.4 Irregular award of contracts without open competition - Rs 194.400 million

According to Rule 20 of PPRA Rules 2004, save as otherwise provided hereinafter, the procuring agencies shall use open competitive bidding as the principal method of procurement for the procurement of goods, services and works.

During audit of OGDCL for the FY 2024-25, it was observed that the management awarded contracts for the establishment of 27 RO plants, valuing Rs 194.400 million, to three NGOs. The contracts were awarded based on quotations obtained directly from the NGOs instead of inviting bids through open advertisement in the press. Project proposals were solicited via email, and the rates submitted by the NGOs were accepted without any documented justification or cost analysis. This practice bypassed the PPRA Rules by eliminating the competitive bidding process. Additionally, no performance or bank guarantees were obtained despite the release of advances for project execution. As a result, contracts amounting to Rs 194.400 million were irregularly awarded without open competition.

Audit is of the view that non-compliance of PPRA Rules resulted in irregular award of contracts without open competition.

The matter was reported to the management in October, 2025. In DAC meeting held on December 24, 2025, the management stated that as per OGDCL's revised CSR Policy, OGDCL should execute social development projects through NGOs and Competitive Bidding Orders (CBOs) with the approval of CSR Council. Audit contended that CSR Policy of OGDCL was not in line with PPRA Rules.

The DAC directed the management to seek clarification from PPRA for award of contract for RO Plants to NGOs without open competition. No further progress was reported till finalization of the report.

Audit recommends to seek clarification from PPRA as per directions of DAC.

[DP No. 3688]

2.2.4.5 Irregular procurement of liquid nitrogen in violation of PPRA Rules - Rs 134.616 million

According to Rule 42c(iii) of PPRA Rule 2004, repeat orders are allowed provided that the contract or contracts do not exceed three years in duration and repeat orders should not exceed fifteen percent of the original procurement.

During audit of OGDCL for the FY 2024-25, it was observed that the management awarded a contract valuing Rs 176.960 million for supply of 1,400,000 litre liquid nitrogen to M/s Pakistan Oxygen Ltd. valid up to December 31, 2025. However, in its 74th meeting dated February 27, 2025, the Business Development & Operations Committee (BD & OC) approved enhancement of contract by 1,275,000 litres valuing Rs 161.160 million resulting in 91% additional procurement over the original contract far exceeding 15% limit (210,000 litres) allowed under PPRA Rules. This resulted in irregular procurement of additional quantity of 1,065,000 litres valuing Rs 134.616 million in violation of PPRA Rules.

Audit is of the view that weak procurement practices resulted in award of contract beyond the allowed 15% limit under PPRA Rules.

The matter was reported to the management in October 2025. In DAC meeting held on December 24, 2025, the management stated that case was advertised in press for supply of liquid nitrogen for two years with an estimated quantity. In financial evaluation criteria, it was mentioned that actual quantity could vary. Audit contended that maximum permissible limit for repeat order was 15% but management procured 91% additional quantity.

The DAC directed the management to place the matter before the Board for decision. No further progress was reported till finalization of the report.

Audit recommends to fix responsibility on the person(s) at fault for violation of PPRA Rules.

[DP No. 3695]

2.2.4.6 Irregular hiring of vehicles for rig services

According to Rule 16(A)(1) of Public Procurement Rules, 2004, the Procuring Agency shall arrange the procurement through framework agreements of recurrent or common use items, services including maintenance services and

those commodities, whose market prices fluctuate during the term of the agreement, for a maximum period of three years.

During audit of OGDCL for the FY 2024-25, it was observed that management prequalified 7 firms for hiring of vehicles for Rig operations for a period of three years vide letter dated September 30, 2024. However, despite lapse of nine months after the bidding process, Drilling Operation Department hired vehicles from October 2024 to June 2025 either by collecting quotations from local transporters or extending previous contracts instead of hiring the vehicles from pre-qualified firms. This resulted in irregular hiring of vehicles for Rs 24.610 million in violation of PPRA Rules.

Audit is of the view that non-compliance of PPRA Rules resulted in irregular hiring of vehicles from transporters other than pre-qualified firms.

The matter was reported to the management during the month of October, 2025. In DAC meeting held on December 24, 2025, the management stated that pre-qualified firms were unable to provide vehicles due to the pending issuance of formal LOIs by the Supply Chain Management Department. To ensure uninterrupted rig operations, vehicles were temporarily hired from local contractors. Audit contended that hiring of vehicles from non-qualified firms was a violation of PPRA Rules.

The DAC directed the management to submit revised reply to Audit justifying that the contracts were awarded to the prequalified bidders as well as the justification for the intervening period. No further progress was reported till finalization of the report.

Audit recommends to conduct an inquiry for procurement of services in violation of PPRA Rules besides ensuring compliance of DAC decision.

[DP No. 3690]

2.3 Pakistan Petroleum Limited

2.3.1 (A) Introduction

Pakistan Petroleum Limited (PPL) is one of the oldest Exploration and Production (E&P) companyy in Pakistan, with its registered office located at PIDC House, Karachi. The company was incorporated on June 5, 1950, following the promulgation of the Pakistan Petroleum Production Rules, 1949. PPL's shareholding structure comprises 75 percent ownership by the Government of Pakistan and 25 percent held by the general public. The principal activities of the company include exploration, development, and production of Pakistan's oil and natural gas resources. In recent years, PPL has also expanded its operations into the mining sector through new strategic initiatives. The company holds mineral rights in Balochistan through Bolan Mining Enterprise (BME), a joint venture operated on a equal share basis between PPL and the Government of Balochistan.

PPL has three wholly owned subsidiaries namely PPL-Europe, PPL Asia and The Pakistan Petroleum Provident Fund Trust Company (Private) Limited (PPPFTC). The Company also owns 25% interest in Pakistan International Oil Limited (PIOL) incorporated in Abu Dhabi, UAE. The above-mentioned companies, except PPPFTC, are principally engaged in conducting exploration, development and production of oil, natural gas and mineral resources. The Company also has 33.33% interest in Pakistan Minerals (Private) Limited (PMPL), an entity holding an indirect 25% non-operating share in Reko Diq project for mining of copper and gold.

(B) Financial Performance

The working results of the company for the FY 2024-25 as compared to previous years is given in Table-14:

Table-14

(Rs in million)

Heads	2024-25	2023-24	2022-23	2021-22
Revenue from customers	244,977.029	291,240.687	288,053.039	203,810.768
Operating Expenses & Royalties	92,363.736	101,341.217	96,153.786	71,773.587
Gross Profit	152,613.293	189,899.470	191,899.853	132,037.181

Field Expenditure and Other Operating Expenses	112,682.538	142,752.574	147,507.269	84,747.119
Other Income	24,185.533	17,526.862	17,404.708	14,190.164
Profit before Taxation	136,868.071	160,279.436	164,911.977	98,937.283
Taxation	46,918.730	44,801.971	67,690.363	44,584.587
Profit after Taxation	89,949.341	115,477.465	97,221.614	54,352.696

(Source: Annual Audited Accounts)

2.3.2 Classified Summary of Audit Observations

Audit observations amounting to Rs 4,786.214 million were raised during the current audit of PPL. A summary of these audit observations, classified by nature is given in Table-15:

Table-15: Overview of Audit Observations

(Rs in million)

Sr. No.	Classification	Amount
1	Irregularities	
A	Financial Management	3,002.892
B	Contract Management Related Issues	1,783.322
	Total	**4,786.214**

2.3.3 Compliance of PAC Directives

Compliance of PAC directives is given in Table-16:

Table-16

Audit Year	Total Directives	Compliance Reported	Compliance Awaited	% age of Compliance
2010-11	09	08	01	89
2013-14	08	06	02	75
2014-15	06	04	02	67
2016-17	09	07	02	78
2017-18	09	08	01	89
2018-19	14	09	05	64
2019-20	03	01	02	33
2020-21	01	0	01	0
2021-22	02	0	02	0
2023-04	02	0	02	0
Total	**63**	**43**	**20**	**68**

The overall compliance of PAC directives needs to be improved.

2.3.4 Audit Paras

Financial Management

2.3.4.1 Non-recovery of take or pay amount despite less off-take – Rs 3,002.892 million

According to Clause 10.1 of the Gas Sales Agreement for the Kandhkot Gas Field, executed between Pakistan Petroleum Limited (Seller) and Central Power Generation Company Ltd. (GENCO-II) on October 23, 2017, the buyer shall accept and pay, in each contract year, for a minimum annual quantity of specification gas equal to 72.5% of the adjusted annual contracted quantity at the notified price, and shall pay for the Take-or-Pay Quantity if it takes less. Further, as per Clause 6.1 of the GSA, the seller will supply 180 MMSCFD of specification gas, gradually increasing to 200 MMSCFD per contract year.

During audit of PPL for the FY 2024-25, it was observed that GENCO-II was obligated to make a payment for 72.5% of Adjusted Annual Contracted Quantity i.e. 38,371 MMCF gas to PPL. However, the buyer could not off-take guaranteed quantity of gas as detailed is given in Table-17:

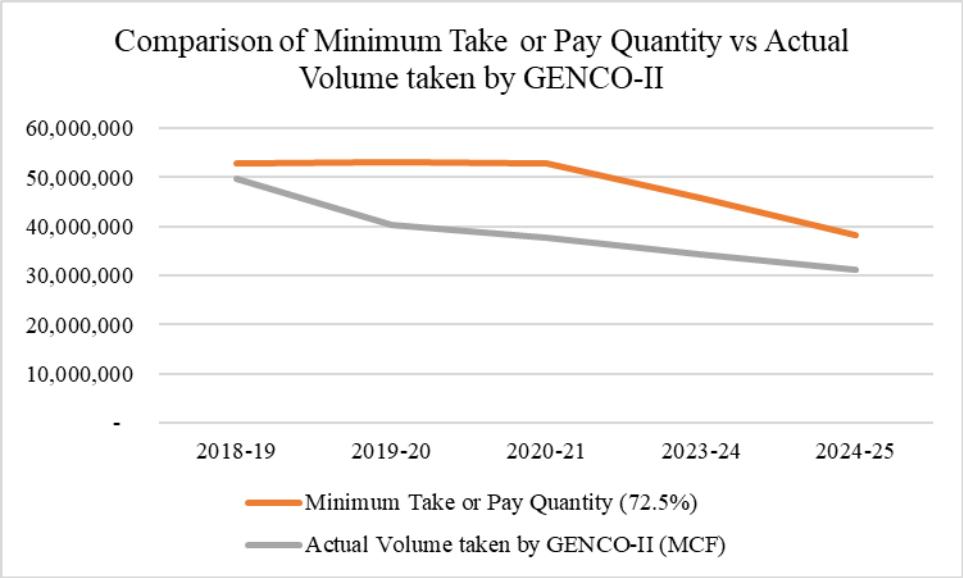
Table-17

(Rs in million)

Adjusted ACQ @ 145 (MMCFD)	**Minimum take-or-pay Quantity @ 72.5% (MMCF)**	**Quantity taken by GENCO (MMCF)** (As per production statement)	**Shortfall MMCF** (equivalent to 5,785,920 MMBTU)	**Amount recoverable @ Rs 519 / MMBTU**
52,925	38,371	31,315	7,056 MMCF	3,002.892

Further, it was noted that GENCO-II consistently could not off-take guaranteed quantity of gas during previous years as illustrated in Figure-4:

Figure-4



This resulted in non-recovery of Rs 3,002.892 million during FY 2024-25 and non-recognition of this amount in book of account.

Audit is of the view that due to non-adherence to contract provision, PPL failed to recover the take or pay amount.

The matter was reported to the management in October 2025. The management in its reply dated December 29,2025 stated that due to ongoing efforts to recover the Take or Pay amount and the complexities of the situation, PPL's current accounting treatment was aligned with IFRS-15. If uncertainties associated with the receipt of revenue were resolved, then PPL would recognize further revenues in future. Audit contended that as per IAS-18, take or pay amount was required to be recognized as revenue because it met the criteria envisaged in IAS-18 that any future economic benefit associated with the item of revenue would flow to the entity and the amount of revenue could be measured with reliability. Take or pay amount was recoverable under the GSA executed between PPL and GENCO-II.

Audit recommends to recover the amount at the earliest along with updating accounting record as per agreement.

[DP No. 3622]

Contract Management related issues

2.3.4.2 Irregular sale of petroleum products to non-licensees - Rs 1,783.322 million

According to Section 23 of Oil and Gas Regulatory Authority Ordinance, 2002 no person shall undertake transmission, distribution or sale of natural gas unless a general or specific license to undertake such activity has been issued and is in full force and effect and the person is the licensee. Further, Rule 3 of Pakistan Oil (Refining, Blending, Transportation, Storage and Marketing Rules, 2016 no person shall construct or operate refinery without obtaining a license from the Authority (OGRA).

During audit of PPL for the FY 2024-25, it was observed that PPL supplied hydrocarbons valued at Rs 1,783.322 million to six buyers. A review of records revealed that these buyers had not obtained the required licenses from the relevant regulatory authority. This resulted in irregular sale of hydrocarbons worth Rs 1,783.322 million to non licensees.

Audit is of the view that non adherence to rules resulted in irregular sale of petroleum products.

The matter was reported to the management in October 2025. The management in its reply dated January 01, 2026 stated that allocations were issued directly by the Ministry of Energy (Petroleum Division). After the Ministry's allocation, PPL was obligated to commence supplies to the designated party. Audit contended that Ministry of Energy (Petroleum Division) was required to comply with law of the land and should had ensured that allocation of petroleum products was only for licensed buyers.

Audit recommends to ensure sale of petroleum products to valid licensees.

[DP No. 3920]

2.4 Sui Northern Gas Pipelines Limited

2.4.1(A) Introduction

Sui Northern Gas Pipelines Limited (SNGPL) was incorporated as a private limited company in 1963 and subsequently converted into a public limited company in January 1964 under the Companies Act, 1913 (now the Companies Act, 2017). The Company is listed on the Pakistan Stock Exchange Limited and is engaged in the purchase, transmission, and distribution of natural gas, re-liquefied natural gas (RLNG), and liquefied petroleum gas (LPG). The Government of Pakistan (GoP) holds a combined direct and indirect shareholding of over 57.96%, including a direct shareholding of 31.68%. SNGPL is the largest gas utility company in Pakistan, serving approximately 7.3 million consumers through an extensive pipeline network spanning 162,832 kilometres across Punjab, Khyber Pakhtunkhwa, and Azad Jammu & Kashmir.

(B) Financial Performance

Financial performance of the company is given in Table-18:

Table-18

(Rs in million)

Details	2025	2024	2023
Sales	1,332,321	1,374,724	1,081,530
Add / (Less): Tariff adjustment / GDS	76,230	158,187	377,514
Net Sales	1,408,551	1,532,911	1,459,044
Cost of gas sold	(1,328,068)	(1,488,497)	(1,331,585)
Gross Profit	80,484	44,414	127,458
Other operating income	29,766	54,643	36,288
Operating expense	(55,337)	(31,173)	(19,458)
Finance Cost	(30,467)	(38,041)	120,521
Expected Credit Loss	-	-	(1,973)
Other Charges	-	(8,030)	(6,022)
Profit / (Loss) before taxation	24,446	21,813	15,772
Dividend %	30	75	45
No. of employees	7,679	8,004	8,278
Consumers in Numbers	7,343,230	7,371,219	7,530,554
T&D Network in KM)	162,832	160,740	158,481

(Source: Annual Reports 2024-25 & 2023-24)

2.4.2 Classified Summary of Audit Observations

Audit observations amounting to Rs 7,089.662 million were raised in this report during the current audit of SNGPL. Summary of audit observations classified by nature is given in Table-19:

Table-19: Overview of Audit Observations

(Rs in million)

Sr. No.	Classification	Amount
1	Irregularities	-
A	Financial Management	-
B	Operation Management	5,838.904
C	Project Management	1,250.758
	Total	**7,089.662**

2.4.3 Compliance of PAC Directives

Compliance of PAC directives is given in Table-20:

Table-20

Audit Year	Total Directives	Compliance Reported	Compliance Awaited	%age of Compliance
1996-97	01	0	01	0
2000-01	06	03	03	50
2006-07	02	01	01	50
2007-08	16	14	02	88
2008-09	02	0	02	0
2010-11	55	43	12	78
2011-12	19	17	02	89
2012-13	05	04	01	80
2013-14	17	14	03	82
2014-15	07	05	02	71
2015-16	16	09	07	56
2016-17	39	32	07	82
2017-18	26	16	10	62
2018-19	29	15	14	52
2019-20	30	19	11	63
2020-21	09	03	06	33
2021-22	22	09	13	41
2022-23	14	05	09	36
2023-24	01	0	01	0
Total	**316**	**209**	**107**	**66**

Overall compliance of PAC directives was not satisfactory which needs immediate attention of the Principal Accounting Officer.

2.4.4 Audit Paras

Financial Management

2.4.4.1 Non-adjustment of previous years' shortfall

According to Para 1.4.13 of Tariff Regime effective from FY 2018-19 for Regulated Natural Gas Sector in Pakistan prior years' adjustment including un-adjusted shortfall in the total revenue requirement, pertaining to a financial year(s) shall be adjusted by the Authority in the revenue requirements of succeeding other financial years(s) in lump sum or staggered over the periods.

During audit of SNGPL for the FY 2024-25, it was observed that Authority, while determining Final Revenue Requirement of the company, did not include the previous years' shortfall amounting to Rs 529,345 million, purportedly in light of Federal Cabinet decision dated June 30, 2024 which provided that OGRA to consider revision of category-wise prescribed prices of both the companies to account for any anticipated surplus revenues enabling Sui Companies to meet their prior year shortfall / stock of gas circular debt. Audit observed that Tariff Regime, determined by Authority under powers conferred by OGRA Ordinance 2001, explicitly provided for adjustment of prior year's shortfall either in lump sum or in piecemeal over a specified period. Non-adjustment of previous years' shortfall was, therefore, in violation of Tariff Regime.

Audit is of view that adjustment should be made for recouping prior years' shortfall as per Tariff Regime.

The matter was reported to the management in December 2025. In DAC meeting held on December 24, 2025, the management stated that in compliance with the ECC policy guidelines, while determining the Review of Estimated Revenue Requirement (DRERR) for the FY 2025-26, the Authority had utilized the surplus available in the revenue requirement to adjust the prior-year shortfall. This confirmed that the ECC policy guidelines had consistently been followed and the treatment of prior-year adjustments fully aligned with the mechanism prescribed by the Government and applied by OGRA.

The DAC directed the management to pursue the matter with Petroleum Division for resolution of the issue of non-adjustment of previous years' shortfall. No further progress was reported till finalization of the report.

Audit recommends to ensure adjustment of previous years' shortfall in accordance with the Tariff Regime or adjust the shortfall against excess return arising due to calculation of weighted average cost of capital (WACC) on the basis of assumed capital structure. If the later strategy would have been adopted the burden on the consumer would be mitigated while also ensuring implementation of the DAC decision.

[DP No. 3811]

Operational Management

2.4.4.2 Non-closure / resolution of emergency nature complaints

According to Regulation 4 of the Performance and Service Standards Regulations, 2019, issued by OGRA, in the event of gas emergencies such as gas escapes, fires, or other hazardous situations, the license is required to attend to the complaint as quickly as possible**.** However, the prescribed maximum response time shall not exceed one hour in case of uncontrolled gas escapes and two hours in case of controlled gas escapes.

During audit of SNGPL for the FY 2024-25, out of data of 1,071,989 complaints, a sample of critical nature 439,471 complaints were drawn from Customer Care & Billing (CC&B) System. After analysis of data, it was observed that the company failed to meet performance standard for the resolution of complaints particularly those related to emergencies and gas leakages. Audit observed following irregularities:

i) 181 cases pertaining to Lahore (East/West) Region, related to emergency / leakage complaints, remained open and unresolved for an extended period ranging from 4 months to 15 months.

ii) 2,586 cases of emergency / leakage complaints were marked as closed merely on the basis of being forwarded to the Maintenance Department, without ensuring actual resolution of the complaints.

iii) 746 cases of critical nature complaints were closed as unresolved on the grounds that the fault lay at the Company's end, indicating ineffective corrective action.

iv) 41,513 cases of emergency / leakage complaints were resolved with delays ranging from 3 days to 378 days, contrary to timelines prescribed.

v) 558 cases of critical nature complaints were closed as unresolved on the basis that the fault was attributed to the consumers, without evidence of timely remedial measures.

vi) In 23 cases, complaints were resolved in a manner inconsistent with OGRA standards, as revealed by record examination.

Audit is of the view that weak internal controls and ineffective monitoring resulted in management's failure to timely resolve and close emergency and leakage-related complaints, in violation of the company's prescribed standards.

The matter was reported to the management in December 2025. In DAC meeting held on December 24, 2025, the management stated that as per procedure complaints were being attended by Customer Service teams for rectification / stoppage of leakages and forwarded to maintenance section for permanent resolution and closure of complaint. In some instances, permanent rectification could not be completed immediately due to site constraints such as sewerage water in pits, water present in gas lines, canal crossings, encroachments, ongoing encroachment removal operations, shortage of required material at that time, pending NOCs from concerned authorities, and other operational constraints. In some cases, closed date & time of CC&B were being considered for calculating complaint resolution time instead of work date & time (time of actual on field rectification by field teams). Complaints were resolved within OGRA timelines as per work date and time.

The DAC directed the management to submit analysis report regarding complaints on 100 sample cases in which delay of more than 30 days occurred and complaints were of critical nature. No further progress was reported till finalization of the report.

Audit recommends to strengthen internal controls and monitoring mechanisms to ensure that all emergency and leakage-related complaints were not only attended within OGRA prescribed timelines but were also permanently resolved and formally closed within the stipulated timeframes besides implementation of the DAC decision.

[DP No. 3824]

2.4.4.3 Loss due to dismissal of time barred cases - Rs 208.904 million

According to Section 13 of the Gas (Theft Control and Recovery) Act, 2016 any person aggrieved by any judgment, decree, sentence or final order passed by a Gas Utility Court may, within thirty days of such judgment, decree, sentence or final order, prefer an appeal to the High Court.

During audit of SNGPL for the FY 2024-25, it was observed that:

i) In one Session case under Section 462-C of Pakistan Penal Code was decided against the SNGPL on the ground that company failed to prove the allegation of direct tapping and use of stolen gas in the generators; and

ii) In another recovery suit filed by SNGPL and counter suit filed by the Shahbaz Ahmad vs SNGPL Ltd, case was decided against the SNGPL on the grounds that company failed to prove that its officers had checked the disputed meters in accordance with law which were found tempered and after detection and evaluation proceedings, a certain amount was recoverable.

The company against the decisions of the lower courts filed appeals before the Lahore High Court where the Court raised objections and granted three days to rectify them. However, the Company re-filed the appeals on June 8, 2024 (in one case) and June 11, 2024 (in the other case). Due to this delay, the Court dismissed both appeals as time-barred and directed the Managing Director to investigate the matter and take strict action against the delinquent officers, including those in the Legal Wing, responsible for the delayed filing, and to effect recovery from the officers / officials. Audit noted that in the lower courts, company failed to substantiate its stance regarding gas theft and direct tapping. Additionally, the company filed appeals before the High Courts without fulfilling the requisite formalities, which resulted in the dismissal of the appeals and caused a loss of Rs 208.904 million to company.

Audit is of view that SNGPL failed to prove allegations of gas theft and meter tampering due to weak follow up and non-compliance with legal procedures. Appeals were dismissed by the Lahore High Court as time-barred owing to negligence in removing objections, resulting in a loss of Rs 208.904 million**.**

The matter was reported to the management in December 2025. In DAC meeting held on December 24, 2025, the management stated that two recovery suits filed by the company against M/s Bhatti Fabrics and M/s Al-Aziz were decided by the Gas Utility Court, Faisalabad, against the company. The appeals filed by the company against these decisions were dismissed by the Lahore High Court for being time-barred. A Fact-Finding Inquiry was conducted into the matter which found that the dealing counsel was primarily responsible for failing to remove objections within the given time and for keeping the Law Officer ignorant of the status and court objections. Accordingly, the dealing counsel had been removed from the panel of advocates, and all cases had been withdrawn from counsel. Further, the charge sheets were issued to the two accused employees and disciplinary enquiries against both the accused were in process.

The DAC directed the management to take up the matter with Petroleum Division to ascertain the facts and share report with Audit within three months.

Audit recommends to fix responsibility on concerned officers, including Legal Wing officials, and recovery of loss be affected as directed by the Court, while strengthening litigation controls to avoid recurrence besides implementation of the DAC decision.

[DP No. 3812]

2.4.4.4 Unaccounted-for-Gas (UFG) losses beyond OGRA's permissible limit - Rs 5,630 million

OGRA in determination of Estimated Revenue Requirements of the SNGPL for the year 2024-25, allowed Unaccounted-for-Gas (UFG) bench mark at 6.30% for distribution network and allowed an expenditure of Rs 1,031 million for UFG control activities. Later, OGRA revised the UFG benchmark to 7.275% in Final Revenue Requirements of the SNGPL for the year 2024-25. Further, OGRA in determination of Final Revenue Requirements of the SNGPL for the year 2023-24, allowed incurrence of expenditure of Rs 1,309 million for UFG control activities.

During audit of SNGPL for the FY 2024-25, it was observed that the company incurred expenditure amounting to Rs 5,343.877 million on UFG control activities which was 418% higher than the allowed expenditure approved by OGRA. Despite the incurrence of this substantial expenditure, the company failed to achieve the OGRA-prescribed UFG benchmark of 7.275% (against the

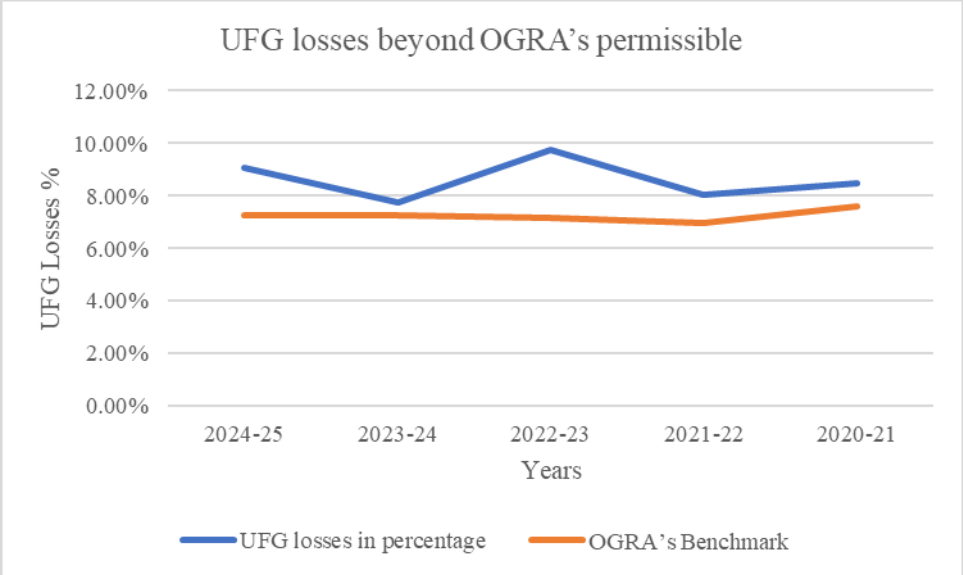
initially allowed benchmark of 6.30%). Consequently, an amount of Rs 5,630 million representing the monetary value of UFG losses above OGRA's benchmark reduced the company's profit. Audit further observed that although the UFG losses in volume had decreased over the past 5 years, the UFG losses in percentage had increased during FY 2024-25, resulting in company's deviation from OGRA's prescribed benchmark as given in Table-21:

Table-21

Year	UFG losses in volume (MMSCF)	UFG losses in percentage	OGRA's Benchmark
2024-25	25,076	9.05%	7.275%
2023-24	25,060	7.73%	7.248%
2022-23	25,536	9.744%	7.185%
2021-22	29,091	8.02%	6.98%
2020-21	32,715	8.49%	7.59%

(Source: Determination of Final Revenue Requirements for FYs 2020-21 to 2024-25)

Figure-5



Audit is of the view that UFG losses beyond the permissible limit led to ineffective implementation of UFG reduction plan and UFG losses of Rs 5,630 million beyond the permissible limit reducing the profitability of the company and dividend of the shareholders.

The matter was reported to the management in December 2025. In DAC meeting held on December 24, 2025, the management stated that reasons of

increase in %age loss were due to increase in Gas Input despite the fact that volumetric loss had been reduced. The company had initiated extensive leakage control, theft control and measurement errors control activities. Moreover, a special project for micro-monitoring of gas losses was under execution which would enable identification of high-loss (grey) areas within the distribution network and would help in execution of targeted UFG control measures. The management remained committed to improve the effectiveness of UFG control strategies through continuous monitoring, focused investments, and alignment of expenditure with measurable performance outcomes.

The DAC directed the management to take up the matter with OGRA for resolution of the issue. No further progress was reported till finalization of the report.

Audit recommends to enhance the efforts for bringing the UFG losses within permissible limit of OGRA besides implementation of the DAC decision.

[DP No. 3815]

Project Management Related Issues

2.4.4.5 Failure of service delivery due to poor planning - Rs 1,152.253 million

According to Section 6 of SOE Act, 2023, every state-owned enterprise shall undertake its operations in accordance with criteria for sound and prudent management and business of the state-owned enterprise is carried on with integrity, objectivity, due care and the professional skills appropriate to the nature and scale of its activities. Further, Para 13 of Cabinet Division's Development Wing Notification No.F.7 (2)(Dev)/2016 dated October 10, 2016, provides that the executing agencies shall ensure that the schemes are completed within the same year at the approved cost.

During audit of SNGPL for the FY 2024-25, it was observed that the management approved 32 jobs of the project regarding laying of 400 km of gas network between March and December, 2023. However, even after a period of two years and one month, the gas network laid at a cost of Rs 1,152.253 million had not been commissioned. This was primarily due to non-commencement of work for installation of 40 Town Border Stations (TBS), which were a critical prerequisite for the commissioning and operationalization of laid network. The management approved installation of one TBS in December 2024, three were permitted in April, 2025, and thereafter subsequent approvals for 18 TBS were

given in October, 2025. As a result, the laid infrastructure remained non-operational, leading to non-provision of gas supply to intended consumers. This lapse resulted in the blockage of Rs 1,152.253 million due to non-completion of project and reflected deficiencies in planning and project coordination.

Audit is of the view that weak planning led to the non-operationalization of the gas network resulting in idle infrastructure, blocked funds and poor service delivery to consumers.

The matter was reported to the management in October 2025. In DAC meeting held on December 24, 2025, the management stated that out of total 40 jobs, 22 jobs had been issued while the 9 jobs would be issued after completion of network and 9 jobs would be issued after availability of budget.

The DAC directed the management to share the details of 22 approved jobs along with reasons of delay and commitment in respect of remaining jobs. No further progress was reported till finalization of the report.

Audit recommends to take immediate steps to approve the pending job numbers related to TBS installations and expedite execution of TBS installations to operationalize already laid pipeline network besides implementation of the DAC decision.

[DP No. 3583]

2.4.4.6 Short-payment of Stamp Duty & Penalty - Rs 98.505 million

According to Article 35 of Schedule I of Stamp (Amendment) Act, 2021, if lease term is less than 20 years for let or sublet then the rate of stamp duty shall be 3.25% of the average annual rent of the lease. As per Section 40 of the Stamp Act, short payment attracts a penalty of up to ten times the deficient amount, but not less than twice the amount of the proper duty.

During audit of SNGPL for the FY 2024-25, it was observed that management entered into lease agreements for 107 properties hired for operational purposes without paying Stamp Duty in accordance with the applicable provisions of the Stamp Act. As a result, Stamp Duty amounting to Rs 8.955 million was short paid, which also attracted a penalty of Rs 89.550 million. This led to a short payment of Stamp Duty and Penalty aggregating to Rs 98.505 million.

Audit is of the view that due to non-compliance with applicable laws, Stamp Duty was underpaid, which also attracts a penalty.

The matter was reported to the management in October 2025. In DAC meeting held on December 24, 2025, the management stated that as per provisions of Section 29(c) of Stamp Act, 1899, registration of stamp paper (lease agreement) was responsibility of lessee being beneficiary however, in presence of an agreement to the contrary it was the responsibility of the lessor to pay the Stamp Duty. Audit contended that Stamp Duty was a government levy payable on execution of agreement, while the management referred recurring statutory liabilities arising from ownership or occupation of the premises.

The DAC directed the management to take up the matter with Law Division for legal opinion. No further progress was reported till finalization of the report.

Audit recommends to pay the outstanding amount of Stamp Duty along with applicable Penalty besides implementation of the DAC decision.

[DP Nos. 3818, 3819 & 3820]

2.5 Sui Southern Gas Company Limited

2.5.1(A) Introduction

Sui Southern Gas Company Limited (SSGC) is a public limited company incorporated in Pakistan and listed in Pakistan Stock Exchange. Shareholding of Government of Pakistan in the company is 53.18%.

Main activity of the company is transmission and distribution of natural gas in the provinces of Sindh and Balochistan. The company is also engaged in certain activities related to the gas business including manufacturing and sale of gas meters, construction contracts for laying of pipelines and transportation of RLNG to SNGPL. SSGC is serving more than 3.186 million consumers in Sindh and Balochistan through pipeline network of 49,955 KMs. The company is facing multiple problems that include governance issues, operational inefficiency, weak contract and project management that have suppressed the profitability and business growth of the company over the period of time.

(B) Financial Performance

Working results of the company for the financial year 2024-25 as compared to the previous years is given in Table-22:

Table-22

(Rs in million)

Head of Account	2024-25	2023-24	2022-23	2021-22	2020-21
Sales (Net)	446,444	500,529	449,501	375,559	296,128
Other Income	24,629	44,590	25,262	17,630	19,259
Total Revenues	471,073	545,119	474,763	393,189	314,771
Cost of Gas	434,103	487,763	423,301	367,840	301,878
Expenses	33,529	49,065	52,299	36,760	12,622
Total Expenses	467,632	536,828	475,600	404,600	314,500
Total Profit or Loss	**3,441**	**8,292**	**(837)**	**(11,411)**	**888**

(Source: Annual Audited Accounts)

2.5.2 Classified Summary of Audit Observations

Audit observations amounting to Rs 35,432.168 million were raised in this report during the current audit of SSGC. This includes recoverable amount of Rs 1,635.404 million as pointed out by Audit. Summary of the audit observations classified by nature is given in Table-23:

Table-23

(Rs in million)

Sr. No.	Classification	Amount
1	Irregularities	-
A	UFG Related Issues	33,797.128
2	Others	1,635.040
	Total	**35,432.168**

2.5.3 Compliance of PAC Directives

Compliance of PAC directives is given in Table-24:

Table-24

Audit Year	Total Directives	Compliance Reported	Compliance Awaited	%age of Compliance
2006-07	03	0	03	0
2007-08	02	01	01	50
2009-10	05	03	02	60
2010-11	25	22	03	88
2011-12	07	0	07	0
2012-13	02	01	01	50
2013-14	21	10	11	48
2014-15	02	01	01	50
2015-16	24	10	14	42
2016-17	19	08	11	42
2017-18	14	05	09	36
2018-19	11	02	09	18
2019-20	10	08	02	80
2020-21	06	02	04	33
2021-22	09	03	06	33
2022-23	07	03	04	43
2023-24	01	0	01	0
Total	**168**	**79**	**89**	**47**

The overall compliance of PAC directives needs improvement. Special attention is required for the years where 'NIL' compliance was reported in above table.

2.5.4 Audit Paras

UFG Related Issues

2.5.4.1 UFG losses beyond OGRA's permissible limit - Rs 33,797.128 million

According to Clause 21.1 of License issued by OGRA to SSGC, the licensee is required to take all possible measures to keep Unaccounted-for Gas (UFG) within acceptable limits. For this purpose, OGRA, in consultation with the licensee and relevant experts, determines UFG target for each financial year. Accordingly, OGRA has prescribed a permissible UFG limit of 7.46% for SSGC for FY 2024-25.

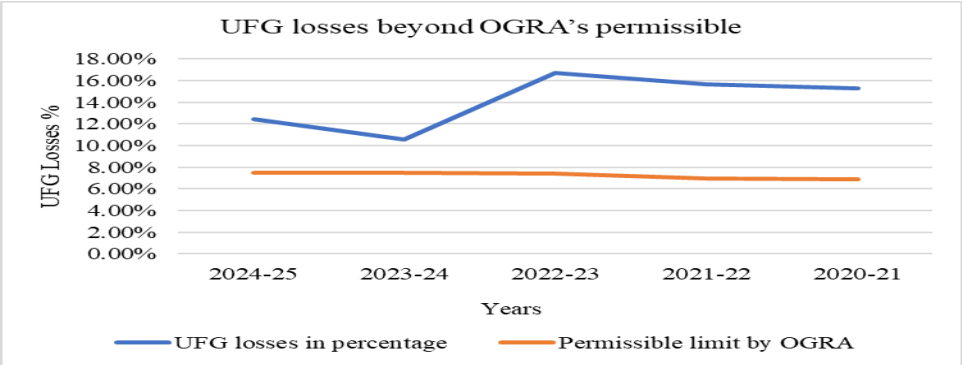
During audit of SSGC for the FY 2024-25, it was observed that the company reported UFG losses of 12.41%, against OGRA's permissible limit of 7.46%. Audit also noted that UFG losses showed an increasing trend, as the company reported a UFG level of 10.59% for previous year. The continued rise in UFG indicated inadequate control over leakage, theft, and operational inefficiencies. Consequently, this situation led to cumulative UFG losses of Rs 33,797.128 million for the FYs 2023-24 & 2024-25, imposing a substantial financial burden on the company. The detail is given in Table-25:

Table-25

Year	UFG losses in volume (MCF)	UFG losses in percentage	Permissible limit by OGRA
2024-25	35,751	12.41	7.46%
2023-24	32,254	10.59	7.50%
2022-23	51,598	16.70	7.40%
2021-22	59,987	15.69	6.97%
2020-21	55,557	15.29	6.92%

(Source: Determination of FRRs for FYs 2020-21 to 2024-25)

Figure-6



Audit is of the view that UFG losses beyond the permissible limit led to ineffective implementation of UFG reduction plan and UFG losses of Rs 33,797.128 million beyond the permissible limit reducing the profitability of the company and dividend of the shareholders.

The matter was reported to the management in November 2025. The management in its reply dated January 7, 2026 stated that UFG for FY 2024-25 as determined by OGRA in its Motion for Review of ERR stood at 34.8 BCF (12.06%), reflecting a year-on-year increase of 2.5 BCF. This increase was mainly attributable to OGRA's disallowance of SSGC's claims related to transmission and distribution mainline gas theft volumes and third-party damages. Audit contended that no meaningful improvement had been achieved in reducing UFG as there had been high UFG trend in respect of top 12 SMS in comparison to last FY 2023-24.

Audit recommends to ensure the effective implementation of the UFG reduction plan to bring UFG losses within the permissible limit prescribed by OGRA.

Note: The issue was also reported earlier in the Audit Reports for Audit Years 2023-24 & 2024-25 vide para numbers 2.6.4.1 & 2.6.4.1. Recurrence of same irregularity is a matter of serious concern.

[DP No. 4003]

Others

2.5.4.2 Unjustified retention of collected amount of gas bills by Pakistan Post Office - Rs 1,635.040 million

According to Clause 13 of the agreement executed between Pakistan Post Office and SSGC dated August 04, 2000, the Post Office will be responsible to comply with all State Bank of Pakistan regulations with regard to the collection function of gas bills and / or collection accounts maintained with the Post Office. Further, according to Clause 12 read with Clause 13 of the ibid agreement regarding gas bill collection procedure by State Bank of Pakistan, the lead branch of the bank shall credit the SSGC Collection Account with the sum received from all its branches and its own collection on the same date. Any delay in crediting company accounts beyond the above period should be investigated

and redressed. The Company reserves the right to claim loss of profit for funds transferred late into its collection account.

During audit of SSGC for the FY 2024-25, it was observed that the management failed to recover amount of gas bills amounting to Rs 2,315.215 million collected by Pakistan Post during the period from January 19, 2022 to March 31, 2022. Pakistan Post transferred only a portion of outstanding amount i.e. Rs 2,000 million on April 17, 2025 into SSGC's account after more than 3 years, leaving a balance of Rs 315.215 million still recoverable as on June 30, 2025. As per contract agreement, SSGC was entitled to claim the interest, but the matter relating to recovery of interest of Rs 1,319.825 million was pending due to late pursuance by the management. This resulted in non-recovery of remaining principal amount of Rs 315.215 million and interest amount of Rs 1,319.825 million aggregating to Rs 1,635.040 million.

Audit is of the view that weak contract management resulted in retention of Rs 315.215 million of collected amount of gas bills and non-recovery of interest of Rs 1,319.825 million aggregating to Rs 1,635.040 million.

The matter was reported to management in September 2025. The management in its reply dated December 24, 2025 stated that the issue had been taken up with the DG (Gas) for immediate transfer of the remaining amount of Rs 315.215 million along with interest of Rs 1,319.825 million. Audit contended that the management did not effectively pursue recovery of the outstanding receivable from Pakistan Post.

Audit recommends to expedite the recovery of outstanding amount with interest besides stoppage of collection of bills through Pakistan Post.

[DP No. 3621]

2.6 Other Organizations

This chapter includes paras in respect of Pakistan Mineral Development Corporation (PMDC) and SSGC-LPG (SLL).

2.6.1 Pakistan Mineral Development Corporations Private Limited

2.6.1.1(A) Introduction

Pakistan Mineral Development Corporation (PMDC) was incorporated in 1974 under the Companies Act, 1913 (now the Companies Act, 2017) with an authorized capital of Rs 1,000 million. The company is engaged in the business of mining, exploration and development of mineral deposits. PMDC is the only federal entity under the control of Ministry of Energy (Petroleum Division) engaged in prospecting, exploration, evaluation, mining, and marketing of minerals in the country.

PMDC gets exploration licenses and mining leases from the respective Provincial Governments. It undertakes all activities from prospecting to the marketing of the minerals in competition with other public and private sector mining companies. PMDC is operating 05 Salt Mines / Quarries and 04 Coal Mines which are spread over four provinces and it has the mining rights of the world's largest pink salt mines.

(B) Financial Performance

The financial performance of the company for the FY 2024-25 as compared to previous years is given in Table-26:

Table-26

(Rs in million)

Particulars	2024-25	2023-24	2022-23	2021-22
Sales	5,270.965	4,474.388	3,661.935	2,817.044
Cost of Sales	(2,937.997)	(2,608.958)	(2,513.357)	(1,948.829)
Gross Profit/(Loss)	2,332.968	1,865.430	1,148.578	868.215
Administrative Expenses	(866.750)	(736.718)	(620.556)	(520.092)
Distribution Expenses	(576.909)	(316.143)	(225.687)	(166.181)
Operating Profit/(Loss)	889.309	812.569	322.335	181.942
Other Income	3,346.943	4,050.264	2,995.380	1,220.222
Other expenses	(470.019)	(471.480)	(324.001)	(119.407)
Profit Before Tax	3,766.233	4,392.353	2,993.714	1,282.757
Provision for Taxation	(1,421.268)	(1,752.110)	1,105.623	(467.898)
Net Profit After Tax	2,344.965	2,640.243	1,888.091	814.859

(Source: Annual Audited Accounts)

2.6.1.2 Classified Summary of Audit Observations

Audit observations amounting to Rs 5,148.551 million were raised in this report during the current audit of PMDC. Summary of the audit observations classified by nature is given in Table-27:

Table-27: Over view of Audit Observations

(Rs in million)

Sr. No.	Classification	Amount
1	Irregularities	-
A	Project Management	4,663.901
B	Financial Management	167.496
C	Contract Management	317.154
	Total	**5,148.551**

2.6.1.3 Compliance of PAC Directives

Compliance of PAC directives is given in Table-28:

Table-28

Audit Year	Total Directives	Compliance Reported	Compliance Awaited	%age of Compliance
2011-12	08	05	03	63
2015-16	07	1	06	14
2016-17	09	07	02	78
2021-22	05	01	04	20
2022-23	02	01	01	50
Total	**35**	**15**	**20**	**43**

Overall compliance of PAC directives was not satisfactory which needs to be improved.

2.6.1.4 Audit Paras

Project Management

2.6.1.4.1 Loss of revenue due to award of contracts on low net margin rates - Rs 4,663.901 million

According to Section 6 of State-Owned Enterprises (Governance and Operations) Act, 2023, every state-owned enterprise shall undertake its operation in accordance with the criteria for sound and prudent management, the business of the state-owned enterprise is carried on with integrity, objectivity, due care and the professional skills appropriate to the nature and scale of its activities. Further, according to Rule 20 of PPRA Rules, 2004, the procuring agencies shall use open competitive bidding as the principal method of procurement for the procurement of goods, services and works.

During audit of PMDC for the FY 2023-24, it was observed that coal mines operated through raising contractors earned significantly lower net margins than those operated on a departmental basis. The Sor-Range mine, operated departmentally, generated a profit of Rs 14,720 per metric ton, whereas mines operated through raising contractors yielded net margins ranging from Rs 1,231 to Rs 2,154 per metric ton. Further, the contracts for these mines had expired between FYs 2016 and 2022, however, management allowed the contractors to operate the mines without valid contracts. No steps were taken to initiate fresh tendering in accordance with PPRA Rules. This resulted in irregular mining activity and an estimated revenue loss of Rs 4,663.901 million. This resulted in an estimated revenue loss of Rs 4,663.901 million as given in Table-29:

Table-29

(Rs in million)

Mine	Total Production & Sales FY 2023-24 (M. Tons)	Profit if operated departmentally (Rs per M. Ton)	Net margin received from contractors (Rs per M. Ton)	Difference (Rs per M. Ton)	Loss
Sor-Range-RC-I	17,394	14,720	2,154	12,566	218.573
Sor-Range-RC-II	8,153	14,720	1,680	13,040	106.315
Degari	21,950	14,720	1,463	13,257	290.991
Sharigh	300,098	14,720	1,231	13,489	4,048.022
				Total	**4,663.901**

(Source: Production and Sales data provided by PMDC)

Audit is of the view that weak project management led to the excavation of coal without valid contract and fixation of net margin rates that were not aligned with the market value of coal, resulting in a revenue loss of Rs 4,663.901 million.

The matter was reported to the management in April, 2025. In DAC meeting held on January 7 & 8, 2026, the management stated that PMDC Board had decided to discontinue extensions and fresh allotments under previous policies; however, implementation was delayed due to objections from existing contractors, recommendations of the Senate Standing Committee, and resistance from local tribal communities. A committee had been formed to hold negotiations with the concerned raising contractors.

The DAC directed the management to place the matter before the Board in the next coming meeting and also get the stance verified from Audit. No further progress was reported till finalization of the report.

Audit recommends to ensure that net margin rates be aligned with the market value of coal to avoid revenue loss and probe the matter regarding the non-award of fresh contracts in accordance with PPRA Rules, 2004.

[DP Nos. 3519, 3522 & 3738]

Financial Management

2.6.1.4.2 Unauthorized issuance of advances to contractors - Rs 92.472 million

According to Section 6 of SOE Act, 2023, every state-owned enterprise shall undertake its operations in accordance with criteria for sound and prudent management, and the business of the state-owned enterprise shall be carried on with integrity, objectivity, due care and the professional skills appropriate to the nature and scale of its activities. Further according to Clause 10.1 of contract with raising contractors, the payment will be made on monthly or fortnightly basis on the submission of bills.

During audit of PMDC for the FY 2024-25, it was observed that the management made advance payments to 32 contractors for carriage and excavation without any contractual provision permitting such payments. Further, advances were not secured through bank guarantees or any other financial instrument to safeguard the interest of the company. This practice not only

lacked legal and contractual backing but also exposed PMDC to financial risk in case of default by the contractors. This resulted in unauthorized payment of advances of Rs 92.472 million as detailed in Table-30:

Table-30

Salt Mines	No. of Contractors	Amount of Advance (Rs in million)
Warcha	13	64.410
Khewra	9	23.642
Makrach	10	4.420
Total	**32**	**92.472**

Audit is of the view that weak financial controls and non-compliance with contract terms resulted in unauthorized advance payments, thereby increasing risk of loss to the organization.

The matter was reported to the management in September 2025. In DAC meeting held on January 7 & 8, 2026, the management stated, that the advances were provided to carriage and excavation contractors to accelerate the production activities and to ensure timely mobilization of machinery, manpower and other resources at the work sites.

The DAC directed the Petroleum Division to probe the matter and submit report to Audit within three months.

Audit recommends to conduct inquiry at Ministry level besides fixing responsibility for this lapse.

[DP No. 3591]

2.6.1.4.3 Non-disposal of unserviceable items due to insufficient earnest money - Rs 75.024 million

According to Section 6 of SOE Act, 2023, every state-owned enterprise shall undertake its operations in accordance with criteria for sound and prudent management, and the business of the state-owned enterprise shall be carried on with integrity, objectivity, due care and the professional skills appropriate to the nature and scale of its activities.

During audit of PMDC for the FY 2024-25, it was observed that management conducted an auction of 8 lots of unserviceable items on April 24, 2024, lying at Sor-Range Coal Mines. However, five bidders who submitted the bids of Rs 75.024 million against a reserve price of Rs 40.660 million, failed to

lift the items despite winning the bids. Audit observed that management required only Rs 50,000 as bid security and did not obtain earnest money as a fixed percentage of the reserve price from the successful bidder. Moreover, the bid amount was disproportionately low compared to the reserve values, indicating lack of bidder seriousness and commitment, which ultimately undermined the effectiveness and transparency of the auction process. As a result, unserviceable items worth Rs 75.024 million remained undisposed, which deprived the company of potential revenue generation.

Audit is of the view that the inclusion of a low earnest money requirement in the bidding process led to weak bidder commitment, reflecting poor financial controls and causing a significant blockage of funds.

The matter was reported to the management in September 2025. In DAC meeting held on January 7 & 8, 2026, the management stated that the committee for determining the reserve value had been formed, and the process of re-auctioning these items had been initiated, and tenders would be published with higher security deposits.

The DAC directed the management to submit revised reply to Audit and get it verified by Audit within a week. No further progress was reported till finalization of the report.

Audit recommends to strengthen auction procedures to ensure bidder commitment and expedite the disposal of unserviceable items in order to prevent further blockage of funds.

[DP No. 3584]

Contract Management

2.6.1.4.4 Short recovery of cost and service charges of explosive material issued to raising contractors - Rs 154.833 million

According to Article 4.2 of the agreements with the raising contractors, explosives required by Raising Contractor shall be provided by PMDC from its authorized magazine in such quantity as may be necessary and available with the first party at actual cost and service charges @10%. The total cost will be recovered from bills of the Raising Contractor.

During audit of PMDC for the FYs 2023-24 and 2024-25, it was observed from Contractors' ledger statements that the management did not

recover full cost and service charges of explosive material issued to raising contractors at Warcha, Khewra and Makrach projects. These charges were recovered at lower rates instead of applicable rates. This resulted in short recovery of cost and service charges of explosive material issued to raising contractors amounting to Rs 154.833 million as detailed in Table-31:

Table-31

(Rs in million)

Salt Mines	No. of Contractors	Short Recovery
FY 2023-24		
Warcha	12	102.364
Khewra	7	2.963
Makrach	12	5.734
FY 2024-25		
Warcha	10	35.917
Makrach	10	7.855
Total	**51**	**154.833**

(Source: Contractors' ledger statements)

Audit is of the view that weak contract management resulted in short recovery of cost and service charges of explosive material amounting to Rs 154.833 million.

The matter was reported to the management in April and September, 2025. In DAC meeting held on January 7 & 8, 2026, the management stated that recoveries at actual explosive costs were not applicable to mines operating under previously fixed excavation rates that were based on lower explosive prices, therefore, recovery was made at the old rates. Audit contended that excavation contracts explicitly stipulated that recovery of explosive material was to be made at actual cost plus 10% service charges.

The DAC directed the management to recover the amount from the contractor as per agreement within one month. No further progress was reported till finalization of the report.

Audit recommends to recover outstanding amount from concerned contractors.

[DP Nos. 3526 & 3586]

2.6.1.4.5 Irregular grant / extension of excavation contract under Investor Policy, 2006 - Rs 132.601 million

According to minutes of 201st meeting held on January 18, 2021 of Board of Directors of PMDC, no extension / new allotment will be granted under Investor Policy, 2006 and PMDC will switch to Raising Contracts for excavation of minerals through competitive process.

During audit of PMDC for the FY 2024-25, it was observed that the management awarded new contracts and extended existing contracts for several contractors engaged in the Khewra, Warcha, and Makrach salt projects under the provisions of the Investor Policy, 2006, despite the fact that the policy had been abolished in January 2021. As per the directions of the BoD, the management was required to award these contracts through a competitive bidding process in accordance with PPRA Rules. Non-compliance with these directives resulted in irregular payments amounting to Rs 132.601 million to excavation contractors due to the unauthorized extension of 12 contracts and the award of 5 new contracts after abolishment of Investor Policy, 2006.

Audit is of view that weak oversight by management resulted in irregular extension / award of excavation contract under abolished Investor Policy.

The matter was reported to management in September 2025. In DAC meeting held on January 7 & 8, 2026, the management stated that PMDC was seeking BoD clarification on whether the decision regarding non-extension permitted piecemeal extensions up to 12 years. Audit contended that the directive of Board of Directors was not implemented.

The DAC directed the management to probe the matter at MD level and submit report to Audit within three months.

Audit recommends to fix responsibility besides ensuring that future awards and extensions are made in accordance with PPRA Rules.

[DP No. 3590]

2.6.1.4.6 Non-enforcement of contract and penalties for non-achievement of production targets - Rs 29.720 million

According to Clause 2.1 of the raising/excavation contract, the contract would be terminated after two years if no satisfactory development work is carried out to the satisfaction of PMDC, with a maximum overall duration of twelve years. Further, as per Clause 3.6 of the same agreement, if the contractor

discontinued work for one month without approval, the contract would be cancelled without notice. Moreover, Clause 12.1 stipulates that penalties at the rate of Rs 25 per metric ton will be imposed on the contractor for short production against the mutually agreed annual targets.

During audit of PMDC for the FY 2024-25, the analysis of target vs actual production data of Warcha salt mines revealed that M/s Ahmad Nawaz, the raising contractor for Jansukh Mine No. 61, repeatedly failed to meet production targets. The contractor extracted only 10,943 MT of salt against the target of 38,334 MT during FYs 2016-17 to 2021-22 and failed to extract even a single metric ton of salt against the target of 12,000 MT in FY 2024-25, resulting in a financial loss of Rs 27.6 million. Despite this repeated underperformance, management neither cancelled the contract nor imposed any penalties. Moreover, audit of seven other mines revealed that raising contractors consistently fell short of agreed annual targets, yet penalties totalling Rs 2.120 million were not imposed.

Audit is of the view that weak contract management resulted in a production loss of Rs 27.600 million and non-recovery of penalties amounting to Rs 2.120 million, causing a cumulative financial impact of Rs 29.720 million.

The matter was reported to management in September 2025. In DAC meeting held on January 7 & 8, 2026, the management stated that delays in finalizing the carriage contract hindered transportation of rock salt and affected the production. Audit contended that no carriage arrangements were made for seven years, which adversely affected production.

The DAC directed the management to submit revised reply regarding confiscation of performance guarantee to Audit within two months.

Audit recommends to cancel underperforming contracts and recover applicable penalties from contractors besides strengthening contract monitoring mechanism.

[DP No. 3706]

2.6.2 Sui Southern Gas Company - LPG Ltd. (SLL)

2.6.2.1(A) Introduction

SSGC LPG Limited (SLL) is 100% owned subsidiary of SSGC and engaged in LPG marketing and distribution across the country. Supply chain of the company extends from allocation from local producers and a fully owned import terminal at Port Qasim to supply consumer retail packs of LPG. Activities of the company start from the import of LPG extended to the storage, bottling, distribution and marketing of LPG both in bulk tanks and cylinders.

SLL has its main office in Karachi, regional offices at Islamabad, Lahore and a terminal office at Port Qasim, Karachi. Regional Distribution Centres are located in Haripur near Islamabad and Lahore.

(B) Financial Performance

The financial performance of the company for the FY 2024-25 as compared to previous years is given in Table-32:

Table-32

(Rs in million)

Particulars	2024-25	2023-24	2022-23	2021-22
Sales	11,370.466	34,659.168	17,809.235	6,447.689
Cost of Sales	(10,019.164)	(32,257.297)	(16,117.546)	(6,010.164)
Gross Profit/(Loss)	1,351.302	2,383.871	1,691.689	437.525
Administrative Expenses	(158.361)	(173.498)	(168.153)	(139.191)
Selling & Distribution Expenses	(37.091)	(46.844)	(43.179)	(28.807)
Other expenses	(33.468)	(0.188)	-	-
Other Income	234.391	347.357	118.324	62.833
Operating Profit/(Loss)	1,356.773	2,510.697	1,598.681	332.359
Profit Before Tax	1,266.819	2,361.335	1,153.925	94.306
Levies and Taxation	(507.484)	(1,088.990)	(384.391)	(62.210)
Net Profit After Tax	759.334	1,272.344	769.533	32.096

(Source: Annual Audited Accounts)

2.6.2.2 Classified Summary of Audit Observations

Audit observations amounting to Rs 9,742.957 million were raised in this report during the current audit. Summary of the audit observations classified by nature is given in Table-33:

Table-33: Overview of Audit Observations

(Rs in million)

Sr. No.	Classification	Amount
A	Procurement Related Issues	9,576.084
B	Financial Management	166.873
	Total	**9,742.957**

2.6.2.3 Audit Paras

Procurement Related Issues

2.6.2.3.1 Irregular award of purchase order to a technically disqualified bidder - Rs 94.435 million

According to Section 3 of the tender documents, origin of LPG must be from a non-sanctioned and non-embargoed country. Further, management disqualify or reject any bid if the bidder or any beneficial owner is directly or indirectly linked to a sanctioned or embargoed country.

During audit of SLL for the FY 2024-25, it was observed that under International Tender No. SLL-940 for the procurement of LPG, four bids were received, one was technically disqualified i.e. M/s Source Development Trade while three were qualified and financially opened on November 04, 2024, with M/s Super Flame Pvt. Ltd. declared the lowest bidder with quoted price of US$ 566.5 per MT. However, Purchase Order No. 2223 valued at US$ 3.399 million (Rs 951.720 million), was issued to M/s Source Development Trade, an entity that was technically disqualified due to its linkage with an embargoed country, as per the Gazette of Pakistan dated May 14, 2022. The purchase order was subsequently cancelled without approval of the MD or intimation to the Board of Directors resulting in wastage of time and cost escalation in re-tendering. Moreover, subsequent Tender No. SLL-942, opened on November 18, 2024, had a lowest price of US$ 657.5 per MT. This resulted in an additional cost of US$ 0.332 million (Rs 94.435 million).

Audit is of the view that inadequate due diligence and weak procurement controls resulted in issuance of Purchase Order to a technically disqualified bidder which was also linked to an embargoed country.

The matter was reported to the management in September 2025, but no reply was received till the finalization of the report.

Audit recommends to probe the matter regarding how embargoed entity participated in bid and fix responsibility on the person(s) at fault besides strengthening internal controls.

[DP No. 3579]

2.6.2.3.2 Cancellation of purchase order and inaction against defaulting suppliers - Rs 9,349.382 million

According to Rule 25 read with Rule 19(1)(b) of PPRA Rules, 2004, in case where the procuring agency does not require the bid security, the bidder shall submit bid securing declaration on the format prescribed by the Authority in Standard Procurement Documents. If a bidder fails to perform or breaches the contract due to incapacity or other factors, the procuring agency may initiate blacklisting or debarment. Further, according to Clause 5.4 of the Revised Procurement Policy of SLL, any retendering and / or of a tender shall report to the Board of Directors.

During audit of SLL for the FY 2024-25, it was observed that management floated international tenders for LPG imports and issued 11 purchase orders to 10 suppliers totalling Rs 9,349.382 million. However, these orders were subsequently cancelled due to supplier's default to supply the LPG. Audit observed that:

i) the tender documents did not include the bid security Clause and securing declaration was not obtained from the bidder as per PPRA Rules;

ii) Despite having authority to suspend or cancel the enlistment of defaulting suppliers, defaulting bidders were not blacklisted; and

iii) The cancellations of the Purchase Orders were signed by the heads of the Procurement and Marketing Departments without obtaining approval from MD / Board.

This resulted in inaction against suppliers for cancellation of Purchase orders amounting to Rs 9,349.382 million.

Audit is of the view that due to non-adherence to the relevant provisions of the procurement rules, the slipping away suppliers were not penalized resulting in wastage of time and resources.

The matter was reported to the management in September 2025, but no reply was received till finalization of the report.

Audit recommends to justify non-reporting of tender cancellations to the BoD and fix responsibility for failing to act against defaulting suppliers.

[DP No. 3902]

2.6.2.3.3 Weak contract management caused cost escalation of Rs 132.267 million

According to Clause 30 of LPG tender document, company shall have the authority to permanently blacklist or temporarily debar (for minimum six months) any supplier or contractor on account of poor performance or corrupt practices.

During audit of SLL for the FY 2024-25, it was observed that the management issued Purchase Order on October 25, 2024, against tender No. SLL 939 for 5,000 MT of LPG to M/s Silver Sand General Trading Co. and opened two Letters of Credit for this purpose. However, the supplier failed to deliver the contracted quantity despite repeated reminders, citing expiry of the Letters of Credit and logistical issues of Qatar refinery. The supplier later requested reinstatement of LCs after sourcing LPG from Omani Group. Instead of invoking contractual remedies and taking action to recover losses, management cancelled the Purchase Orders. Audit further noted that the cancelled Tender SLL-939 had a quoted price of US$ 562.00 per MT with evaluated cost of Rs 778.370 million, while the subsequent Tender No. SLL-942, opened on November 18, 2024, had offered price of US$ 657.5 per MT. This resulted in an additional cost of US$ 0.477 million (Rs 132.267 million).

Audit is of the view that weak contract management led to failure in enforcing supplier obligations and recovering losses.

The matter was reported to the management in September 2025, but no reply was received till finalization of the report.

Audit recommends to assess damages and enforce contractual remedies to recover financial losses.

[DP No. 3909]

Financial Management

2.6.2.3.4 Non-payment of Workers Profit Participation Fund (WPPF) - Rs 166.873 million

According to Section 3 of Sindh Companies Profits (Workers' Participation) Act, 2015, every company falling under the scheme is required to establish a Workers Profit Participation Fund (WPPF) within nine months of the

close of the applicable financial year, contribute 5% of its annual profits (subject to adjustments) to the Fund, and furnish duly audited accounts to the Board and the Sindh Revenue Board within the prescribed period. The law further allows the Sindh Revenue Board to grant an extension of up to 90 days. All contributions are deemed allocated to the Fund from the first day of the following year.

During audit of SLL for the FY 2024-25, it was observed that the management earned profits of Rs 3,337.514 million during FYs 2020-21 to 2024-25 but did not create mandatory provision or deposit of amount of Rs 166.873 million into the WPPF as required under the relevant Act. This non-compliance deprived workers of their rightful share of profits. While the parent company, SSGC, recognized WPPF obligations of Rs 911.973 million in its consolidated accounts, SLL failed to account for Rs 166.873 million in its standalone accounts, resulting in understated liabilities and unpaid statutory dues.

Audit is of the view that due to weak financial control, SLL failed to create provision and deposit Rs 166.873 million into the WPPF from FYs 2020-21 to 2024-25.

The matter was reported to the management in September 2025. The management in its reply dated January 12, 2026 stated that SLL sought advice from a third-party consultant, who on July 4, 2025 advised that, being SOE, SLL was not an industrial establishment and was therefore exempt from WWF/WPPF. Audit contended that since reliance was placed on advice from a consultant rather than obtaining a formal exemption from Sindh Revenue Board.

Audit recommends to recognize and deposit the outstanding WPPF liability.

[DP No. 3912]

THEMATIC AUDIT

Chapter-3

Thematic Audit

3 Subsidy of differential amount for RLNG diversion to domestic & commercial sectors

3.1 Introduction

This thematic audit aims to evaluate the financial, regulatory, and operational aspects of the subsidy mechanism for RLNG diversion to domestic and commercial sectors, determine its compliance with relevant laws and policies, and assess its impact on public finances.

3.2 Background

Persistent decline in indigenous gas production, along with rapid reserve depletion and the lack of significant new discoveries, has significantly widened the gap between natural gas demand and supply. To address the acute gas shortage, particularly during winter months, the Federal Government decided in 2018 to divert imported Re-gasified Liquefied Natural Gas (RLNG), which had primarily been supplied to the power sector since 2015, to the domestic and commercial sectors. Accordingly, the Economic Coordination Committee (ECC) of the Cabinet, vide Case No. ECC-136/27/2018 dated Nov 27, 2018, approved the injection of RLNG by M/s SNGPL for domestic and commercial consumption during winter 2018-19.

RLNG is significantly more expensive than indigenous natural gas and is governed by a separate tariff regime. Despite this, RLNG was supplied to domestic and commercial consumers at indigenous gas tariffs, creating a substantial differential cost. Initially, this differential was managed through seasonal swapping: RLNG was supplied to domestic consumers in winter at indigenous gas tariffs, while indigenous gas was supplied to the power sector in summer at RLNG tariffs, with both differentials adjusted against each other.

Over time, declining indigenous gas supplies and increasing winter demand led to higher RLNG diversion volumes, making the seasonal swapping mechanism inadequate. Consequently, the ECC, vide Case No. ECC-266/31/2020 dated July 3, 2020, decided that OGRA should provisionally allow

recovery of RLNG shortfall based on month-wise actual diversion volumes, subject to verification.

SNGPL diverted RLNG to domestic and commercial sectors from November 2018 to October 2023, claiming total diverted volumes of 188,426,487 MMBTUs. The company submitted subsidy claims amounting to Rs 370,361 million to the Petroleum Division / DG (Gas). Against these claims, the Federal Government released Rs 116,058 million through federal budgets and unbudgeted releases, leaving an outstanding balance of Rs 254,303 million as claimed by SNGPL.

In October 2023, the ECC, vide Case No. ECC-319/41/2023 dated October 23, 2023, directed OGRA to include the cost of RLNG diversion in the revenue requirement determination of Sui companies to enable appropriate pricing and cost recovery. OGRA implemented this decision and incorporated RLNG diversion costs into the Final Revenue Requirement for FYs 2023-24 and 2024-25.

3.3 Establishing the Audit Theme

3.3.1 Reasons of selection

Thematic Audit on Subsidy of RLNG Diversion is linked to Sustainable Development Goal (SDG) 7, which aims to ensure access to affordable, reliable, sustainable, and modern energy for all. This audit assesses whether the mechanisms for financing RLNG diversion, including subsidies and fixed charges levied through gas billing, are in compliance with ECC decisions and government policies. It also examines whether these arrangements place an undue financial burden on the government or the public. By ensuring proper administration of subsidies and efficient use of financial resources, the audit contributes to sustaining affordable energy access. Furthermore, greater transparency in energy related financial transactions helps prevent misallocation of funds and strengthens overall energy security.

Any inefficiencies or irregularities in the subsidization of RLNG diversion can adversely affect energy affordability and sustainability. To address this, the Government of Pakistan (GoP) paid the differential cost of RLNG diversion through subsidies to help reduce the gas circular debt. In addition, the

government implemented cost-recovery measures by imposing fixed charges and incorporating the cost of RLNG diversion into gas bills.

Sub themes / Audit Areas of thematic audit on subsidy of differential amount for RLNG diversion to domestic & commercial sectors are given below:

i) Compliance with ECC directives / guidelines

ii) Financial Impact and Recovery Mechanism

iii) Measures for payment/recovery of differential payment of RLNG Diversion (Subsidy, Fixed Charges in gas bills, Cost factor of RLNG diversion included in gas pricing)

iv) Impact on Public and Stakeholders

3.3.2 Purpose / Objectives

i) Assess whether the Petroleum Division ensured that RLNG diversion by SNGPL during the winter months was in accordance with the ECC's decision.

ii) Examine the basis for the continued supply of RLNG to the domestic and commercial sectors during the summer months despite the absence of explicit approval.

iii) Review the rationale and effectiveness of imposing fixed charges in domestic gas bills to reduce the accumulation arising from RLNG diversion.

iv) Verify whether financial transactions related to RLNG diversion payments are transparent and well documented. Additionally, assess whether their impact on reducing the accumulated RLNG diversion differential has been accurately reported and monitored.

v) Evaluate whether any financial mismanagement, inefficiency or non-compliance exists in RLNG diversion related transactions.

vi) Assess the implications of financial adjustments for end consumers, government finances, and the overall gas sector.

3.3.3 Scope

Field audit activity was conducted at the office of the Director General (Gas), Islamabad, and relevant data was obtained from SNGPL through the DG (Gas) office. Thematic audit covered the period from 2021-22 to 2024-25, based on a desk audit carried out at the Directorate General of Audit, Petroleum and Natural Resources, Lahore.

3.4 Legal frame work governing the theme

i) OGRA Ordinance, 2002
ii) ECC decisions and policy guidelines of Federal Government
iii) OGRA's directives given in Final Revenue Requirement of SNGPL

3.5 Stakeholders and governmental organizations identified as directly / indirectly involved

Following are the major stakeholders:

i) Ministry of Energy (Petroleum Division)
ii) Oil and Gas Regulatory Authority
iii) SNGPL
iv) Domestic and Commercial Gas Consumers
v) Public at large

3.6 Field Audit Activity

3.6.1 Methodology

The audit team conducted field audit activity at DG (Gas) office and relevant records / details were also obtained from SNGPL. The methodology of thematic audit involved review and analysis of relevant policies, Cabinet / ECC decisions, budgetary documents, subsidy claims and regulatory determinations governing RLNG pricing and its diversion to domestic and commercial sectors. The audit conducted a review of the verification of actual volumes of RLNG diverted to domestic and commercial sectors through a third-party consultant appointed by OGRA, as well as the mechanism for pre-audit of SNGPL's claims. Meetings were held with officials of Petroleum Division and gas utilities companies to obtain explanations and supporting evidence.

3.6.2 Audit Analysis

3.6.2.1 Unjustified diversion of RLNG in summer months despite availability of sufficient indigenous gas - Rs 100,906.638 million

According to Economic Coordination Committee (ECC) decision vide case No. ECC-136/27/2018 dated November 27, 2018, ECC of the Cabinet considered the summary dated November 19, 2018 during winter of FY 2018-19 and approved that SNGPL was allowed to inject RLNG volumes for consumption by domestic and commercial consumers, provided OGRA allows volumetric adjustment and financial impact in line with ECC decision dated May 11, 2018. According to ECC decision vide Case No. ECC-319/41/2023 dated October 23, 2023, OGRA may include the cost of RLNG diversion in the determination of Revenue Requirement of Sui companies. Further, Federal Budgets for the FY 2022-23, 2023-24, and 2024-25 under grant 043 Fuel and Energy 043202 - IB5503 Subsidy to Domestic Consumers through SNGPL (RLNG) allocated budget grants of Rs 6,250 million, Rs 29,000 million and Rs 10,000 million, respectively.

During thematic audit of Subsidy of differential amount for RLNG diversion to domestic & commercial sectors at DG (Gas) office for the FYs 2021-22 to 2024-25, it was observed that SNGPL diverted RLNG during the summer months in 15 cases, even though sufficient indigenous gas was available as per the demand & supply data and indigenous gas supply exceeded the demand of domestic and commercial consumers. Further, in 13 cases, the supply of indigenous gas exceeded total demand across all consumer categories, making diversion of RLNG to any category of system or indigenous gas unjustified. The details are given in Table-34:

Table-34

(Rs in million)

Sr. No.	Month	Indigenous gas supplies (MMCFD)	Indigenous gas demand (MMCFD)	Demand of dom. & com. sectors (MMCFD)	RLNG diversion claim (MMBTU)	Subsidy claim
1	July, 2021	990	843	476	272,099	446
2	Aug, 2021	905	853	484	2,665,835	4,590
3	Sep, 2021	909	797	482	909,374	1,934
4	Oct, 2021	964	914	545	1,954,329	4,332
5	May, 2022	926	840	631	809,902	2,972

					Total (FY 2021-22)	**14,274**
6	July, 2022	902	788	491	294,686	1,047
7	Aug, 2022	964	874	486	823,067	2,556
8	Sep, 2022	907	876	487	1,502,846	4,907
9	Oct, 2022	921	886	525	2,837,120	7,639
10	April, 23	986	981	555	4,728,409	14,070
11	May, 23	902	886	468	2,719,729	8,244
					Total (FY 2022-23)	**38,463**
12	July, 23	1011	989	456	413,573	1,173
13	Aug, 23	1041	1002	446	11,351	34
14	Sep, 23	969	981	457	1,408,536	4,076
15	Oct, 23	912	1049	513	5,211,063	15,008
					Total (FY 2023-24)	**20,291**
					Grand Total	**73,028**

(Source: Demand and Supply data provided by SNGPL through DG (Gas) for FYs 2023-24 & 2024-25 and for FY 2022-23 statement of field-wise gas purchases)

This resulted in submission of unjustified subsidy claim of Rs 73,028 million by SNGPL. Further, OGRA started inclusion of RLNG diversion volumes in the cost of gas for the Final Revenue Requirement of SNGPL for FYs 2023-24 and 2024-25 which also included the RLNG diverted during the summer months despite sufficient indigenous gas supply. The details are given in Table-35:

Table-35

(Rs in million)

Month	**Systems gas supplies (MMCFD)**	**System gas consumption / demand (MMCFD)**	**Demand of dom. & comm. sectors (MMCFD)**	**RLNG diversion claim (MMBTU)**	**Subsidy claim**
April, 2024	801	923	482	4,767,937	15,988.323
				Total (FY 2023-24)	**15,988.323**
Aug, 2024	810	850	408	1,980,375	5,743.800
Sep, 2024	853	855	413	702,568	2,037.700
April, 2025	712	740	414	1,416,657	4,108.815
			Total 2024-25	**4,099,600**	**11,890.315**
				Grand Total (FYs 2023-24 and 2024-25)	**27,878.638**

(Source: Demand and Supply data provided by SNGPL through DG (Gas) for FY 2023-24 & 2024-25)

Audit is of the view that non-compliance with ECC decisions led to RLNG diversion during the summer months, despite sufficient indigenous gas for domestic and commercial consumers, resulting in an unjustified subsidy claim of Rs 73,028 million.

The matter was reported to the management on December 12, 2025. The management in its reply dated January 14, 2026 stated that RLNG diversion was only 1%–18% of total gas volumes. RLNG diversions were government-approved under ECC decisions and implemented through OGRA's approved mechanisms. Audit contended that Government approved diversion of RLNG for domestic and commercial consumers in winter months whereas SNGPL diverted RLNG to other category of consumers in summer months despite availability of sufficient supply of gas to meet with the demand of domestic and commercial consumers. Further, funds were released through Federal Budgets only for RLNG diverted to domestic and commercial consumers.

Audit recommends that SNGPL's summer subsidy claims may not be entertained due to sufficient indigenous gas supply for domestic and commercial consumers, and that RLNG diversion claims be bifurcated, disallowing diversion to other consumers.

3.6.2.2 Irregularities in release of subsidy on account of RLNG diversion

According to the ECC decision vide case No. ECC-136/27/2018 dated November 27, 2018, M/s SNGPL was allowed to inject RLNG volumes for consumption by domestic and commercial consumers during winter. Further, according to the ECC decision vide case No. ECC-266/31/2020 dated July 3, 2020, the ECC decided that OGRA should provisionally allow recovery of the RLNG shortfall, considering the month-wise actual RLNG volumes diverted to the domestic and commercial sectors by SNGPL, subject to verification of volumes supplied to domestic and commercial consumers. Moreover, the Federal Budgets for FY 2022-23 and 2023-24 under grant 043 Fuel and Energy - 043202 - IB5503 Subsidy to Domestic Consumers through SNGPL (RLNG) allocated budget grants of Rs 6,250 million and Rs 29,000 million respectively.

During thematic audit for the FYs 2021-22 to 2024-25, it was observed that Petroleum Division / DG (Gas) released a subsidy of Rs 116,058 million from November 2018 to October 2023, against budget grants of Rs 35,250 million and a supplementary grant of Rs 50,000 million. Further, OGRA

included RLNG diversion volumes in the cost of gas for the Final Revenue Requirement of SNGPL for the FYs 2023-24 and 2024-25. Following irregularities were observed:

i) SNGPL's Annual Reports for 2023-24 and 2024-25 disclosed claims of Rs 370,361 million as receivables from the GoP for RLNG diverted to system gas consumers. However, these claims included RLNG diverted to all system consumers, whereas subsidies were only approved for domestic and commercial consumers.

ii) Petroleum Division / DG (Gas) paid an unbudgeted subsidy of Rs 30,808 million for RLNG diversion to the domestic and commercial sectors.

iii) Petroleum Division / DG (Gas) did not conduct a pre-audit of all claims filed by SNGPL up to October, 2023. Further, OGRA conducted verification of RLNG volumes diverted up to FY 2019-20 and no requisite audit / verification of RLNG diversion volume was conducted of the claims for the period FY 2020-21 to 2024-25.

Audit is of the view that non-compliance with ECC decisions and Federal Budgets led to inadmissible subsidy claims for RLNG diversion to other categories of consumers than domestic / commercial consumers. Additionally, inadequate budgeting and weak financial controls resulted in an unbudgeted subsidy of Rs 30,808 million up to October, 2023 and non-conducting of pre-audit and proper verification of SNGPL's claims.

The matter was reported to the management on December 12, 2025. The management in its replies dated January 14, 2026 stated that subsidies of Rs116,058 million were released against approved budgetary allocations and a supplementary grant, based on SNGPL's verified claims. Actual RLNG diversion costs incurred by SNGPL were much higher than subsidies released. Audit contended that there was budgetary allocations of Rs 85,250 million and OGRA conducted verification of RLNG volume diverted up to the FY 2019-20 only. Further, SNGPL's claimed subsidy for RLNG diversion to all system gas consumers whereas only domestic and commercial consumers were entitled for the subject subsidy.

Audit recommends to conduct verification of all subsidy claims as per ECC decision dated July 3, 2020, with a consumer-wise breakdown of RLNG diversion. Moreover, subsidy claims should only be entertained for RLNG diverted to domestic and commercial consumers, and future subsidies be limited to the approved budget and entertained after third party audit or verification.

3.6.2.3 Collection of monthly fixed charges through gas billing by SNGPL and non-framing of any mechanism for adjustment by Petroleum Division

According to DG (Gas) letter vide No. DGO(AC)-5(26)/2023-24 dated November 7, 2023, conveying the ECC decision vide Case No. 182/31/2023 dated October 30, 2023, the gas price revision as proposed in Table-I shall take effect prospectively from November 1, 2023. Table-A contained the proposed sales prices / tariffs for domestic (residential) consumers, including fixed monthly charges of Rs 400 for protected consumers and Rs 1,000 for non-protected consumers up to gas consumption of 1.5 hm^3, and Rs 2,000 for gas consumption above 1.5 hm^3.

During thematic audit for the FYs 2021-22 to 2024-25, it was observed that DG (Gas) submitted a summary related to gas sales prices, including monthly fixed charges, to the ECC of the Cabinet, which was approved on October 30, 2023. However, the purpose and utilization of these fixed charges were not mentioned in the summary. As a result, SNGPL management collected a significant amount of Rs 117,379.418 million from consumers. Petroleum Division / DG (Gas) did not establish any mechanism for adjusting the large amounts collected as fixed charges. As a result, SNGPL management neither offered this significant income to OGRA for inclusion in the revenue requirement, nor was the amount adjusted against the previous years' revenue shortfall.

Audit is of the view that collection of fixed charges through gas bills imposed an additional burden on gas consumers. Furthermore, huge amount collected by SNGPL remained unadjusted because Petroleum Division / DG (Gas) failed to establish a mechanism for its adjustment.

The matter was reported to the management on December 12, 2025. The management in its reply dated January 14, 2026 stated that gas tariff structure with protected, non-protected categories and fixed charges was similar to the power sector tariff system. Fixed charges were introduced with government

approval to ensure cost recovery and OGRA treated fixed charges as operating income included in revenues. Audit contented that the management did not provide any proof of claimed treatment in FRRs because OGRA's determined FRRs did not reflect the same and other operating income of Rs 22,487 million and Rs 23,507 million were determined by OGRA in the FRRs for the FY 2023-24 and 2024-25 without including fixed charges.

Audit recommends to ensure the adjustment of fixed charges against revenue shortfall determined by OGRA or against outstanding claims related to RLNG diversion.

3.6.2.4 Non-formulation of policy for recouping cumulative revenue shortfall of SNGPL as determined by OGRA

According to Para 14.2 of Final Revenue Requirement of SNGPL for FY 2023-24 finalized on March 28, 2025, OGRA decided to refer the matter regarding previous years' shortfall to Federal Government for devising an appropriate policy so that revenue shortfall, as determined by OGRA, is met.

During thematic audit for the FYs 2021-22 to 2024-25, it was observed that Petroleum Division / DG (Gas) did not frame any policy for retrieval of cumulative revenue shortfall of SNGPL from Federal Government, which was determined by OGRA to Rs 529,345 million as of March 28, 2025. Further, DG (Gas) failed to resolve the issue of ever-increasing revenue shortfall of SNGPL from FYs 2018-19 to 2024-25, despite repeated directives from OGRA.

Audit is of the view that weak pursuance and follow-up by Petroleum Division / DG (Gas) resulted in non-implementation of OGRA's directives regarding policy formulation for recovery of SNGPL's revenue shortfall.

The matter was reported to the management on December 12, 2025. The management in its replies dated January 14, 2026 stated that revision of consumer gas prices was solely the Federal Government's authority under the OGRA Ordinance. Non-revision of prices and lack of subsidies caused tariff shortfalls, which OGRA adjusted and later resumed including after price revisions from November 2024 when revenue cushion became available. Audit contended that OGRA refused the request of gas companies regarding inclusion of revenue shortfall in the yearly revenue requirement and referred the matter to

the Federal Government but Petroleum Division / DG Gas did not frame any policy / mechanism for recovery of revenue shortfall of SNGPL.

Audit recommends to justify delay in implementing OGRA's directives and frame policy / mechanism for recovery of SNGPL's revenue shortfall from Federal Government.

3.6.2.5 Non-implementation of ECC decision regarding Cost of Gas Equalization Agreement to ensure transfer of surplus revenues

According to ECC decision vide Case No. ECC-319/41/2023 dated October 23, 2023 (ratified by Federal Cabinet vide Case No. 182/31/2023 dated October 30, 2023), in order to ensure the transfer of surplus revenues created in one Sui company due to uniformity of consumer gas prices across the country but different mixes of natural gas and RLNG, both SNGPL and SSGC would enter into a "Cost of Gas Equalization Agreement." OGRA would consider the inter-company adjustments under this arrangement while determining the revenue requirements of the Sui companies once the Agreement is executed between the Sui companies.

During thematic audit for the FYs 2021-22 to 2024-25, it was observed that in compliance with ECC decision dated October 23, 2023, both Sui companies did not enter into Cost of Gas Equalization Agreement, and surplus revenues were not worked out for consideration by OGRA in the RERR during the mid-year determination. OGRA also noted, as per para 7.6 of the FRR for FY 2023-24, that the requisite agreement was not executed, and details of any inter-company adjustments or calculations were not provided. Petroleum Division / DG (Gas) failed to ensure the implementation of the ECC decision despite the lapse of more than two years. As a result, tariff differential in RLNG diversion to domestic sector could not be met.

Audit is of the view that non-compliance with the ECC decision resulted in non-transfer of surplus revenues and shortfall in differential amount for RLNG diversion to domestic sector by SNGPL, as well as SSGC's revenue shortfall in Balochistan, could not be met.

The matter was reported to the management on December 12, 2025. The management in its reply dated January 14, 2026 stated that non-implementation of ECC's decision dated 23.10.2023 requiring a Cost of Gas Equalization

Agreement between SNGPL and SSGCL to transfer surplus revenues arising from uniform gas prices. The agreement was not finalized mainly due to SSGCL's own revenue shortfalls, UFG losses in Balochistan, and non-acceptance of its claims by OGRA. Audit contended that ECC decision was not implemented yet and latest position reported by DG (Gas) showed that incorrect surplus amount was reported to ECC through summary submitted by Petroleum Division.

Audit recommends to justify delay in implementation of ECC decision / OGRA's directives and implement ECC decision regarding execution of agreement between both gas companies and transfer of surplus revenues through OGRA's determinations.

3.7 Departmental Reply

The management in its reply dated January 14, 2026 stated that:

3.7.1 RLNG diversion accounted for only 1%–18% of total gas volumes. These diversions were government-approved under ECC decisions and implemented through OGRA's approved mechanisms.

Audit contended that the Government approved the diversion of RLNG for domestic and commercial consumers in the winter months, whereas SNGPL diverted RLNG to other categories of consumers in the summer months despite the availability of sufficient indigenous gas to meet the demand of domestic and commercial consumers. Further, funds were released through Federal Budgets only for RLNG diverted to domestic and commercial consumers.

3.7.2 A subsidy of Rs 116,058 million was released against approved budgetary allocations and a supplementary grant, based on SNGPL's verified claims. Actual RLNG diversion costs incurred by SNGPL were much higher than the subsidies released.

Audit contended that there were budgetary allocations of Rs 85,250 million and that OGRA conducted verification of RLNG volumes diverted up to FY 2019-20 only. Further, SNGPL claimed a subsidy for RLNG diversion to all system gas consumers, whereas only domestic and commercial consumers were entitled to the subject subsidy.

3.7.3 The gas tariff structure with protected and non-protected categories as well as fixed charges was similar to the power sector tariff system. Fixed

charges were introduced with government approval to ensure cost recovery and OGRA treated these fixed charges as operating income included in revenues.

Audit contented that the management did not provide any proof of claimed treatment in FRRs because OGRA's determined FRRs did not reflect the same and other operating income of Rs 22,487 million and Rs 23,507 million were determined by OGRA in the FRRs for the FY 2023-24 and 2024-25 without including fixed charges.

3.7.4 The revision of consumer gas prices was solely within the Federal Government's authority under the OGRA Ordinance. The non-revision of prices and a lack of subsidies caused tariff shortfalls, which OGRA adjusted and later resumed including after price revisions from November 2024, once a revenue cushion became available.

Audit contended that OGRA refused the request of gas companies regarding inclusion of revenue shortfall in the yearly revenue requirement and referred the matter to the Federal Government but Petroleum Division / DG Gas did not frame any policy / mechanism for recovery of revenue shortfall of SNGPL.

3.7.5 Non-implementation of ECC's decision dated October 23, 2023 requiring a Cost of Gas Equalization Agreement between SNGPL and SSGCL to transfer surplus revenues arising from uniform gas prices. The agreement was not finalized mainly due to SSGCL's own revenue shortfalls, UFG losses in Balochistan, and non-acceptance of its claims by OGRA.

Audit contended that ECC decision was not implemented yet and latest position reported by DG (Gas) showed that incorrect surplus amount was reported to ECC through summary submitted by Petroleum Division.

3.8 Recommendations

Petroleum Division / DG (Gas) may take steps to:

i) Ensure admissibility of subsidy claims lodged by SNGPL in accordance with ECC decisions and Federal Budgets, which specify that RLNG diversion is allowed only to domestic and commercial consumers;

ii) Reconsider SNGPL's subsidy claims for the summer months, as sufficient indigenous gas was available to meet the demand of domestic and

commercial consumers and such claims may not be entertained for payment;

iii) Take up the issue of the steadily increasing RLNG diversion volume with the Federal Government for better forecasting and to minimize the impact on consumers, as directed by OGRA;

iv) Arrange verification of all subsidy claims lodged by SNGPL to validate the calculation of claims for each category of system gas consumers;

v) Frame a mechanism/policy for the adjustment of collected fixed charges from gas consumers by SNGPL to ensure the adjustment against the revenue shortfall determined by OGRA or against outstanding claims related to RLNG diversion; and

vi) Implement the ECC decision regarding the execution of the agreement between both gas companies and the transfer of surplus revenues through OGRA's determinations to address the shortfall from one gas company to the other.

3.9 Conclusion

In response to the acute gas shortage and the increased demand from domestic and commercial consumers during the winter, the Federal Government allowed SNGPL to divert RLNG starting in November 2018. This initiative, involving a subsidy worth billions of rupees, was undertaken without proper planning or an execution methodology. Critical measures such as estimating the volume to be diverted, budgeting, billing and measurement methods, payment mechanisms, and pre-audits or verification of the actual volume diverted and claims were not implemented.

SNGPL began RLNG diversion in November 2018, which continues to date. SNGPL claimed differential amounts for RLNG diversion to system gas consumers, amounting to Rs 370,361 million (without consumer-wise bifurcation). In response, the Government released Rs 116,058 million, leaving an outstanding balance of Rs 254,303 million. Despite ECC decisions, SNGPL diverted RLNG to all system gas consumers throughout the year, even though RLNG diversion was only permitted for domestic and commercial consumers during the winter months. Additionally, weak financial controls and improper

budgeting led to an unbudgeted subsidy of Rs 20,808 million was granted, with subsidies released without conducting proper pre-audits or verifications.

Pursuant to ECC decision dated October 23, 2023, OGRA included RLNG diversion volume in the Cost of Gas, noting that the diversion volume had steadily increased over the years. OGRA advised SNGPL to address this issue with the Ministry of Energy (Petroleum Division) / Federal Government for better forecasting and to minimize its impact on consumers. However, this advice has yet to be implemented.

Federal Government also approved the charging of fixed charges through gas bills, in addition to the gas tariff. However, Petroleum Division has yet to establish a mechanism for adjusting the collected amount of Rs 117,379.416 million. As a result, SNGPL has retained this large sum. Moreover, the issue of SNGPL's increasing revenue shortfall from 2018-19 to 2024-25 has not been addressed with the Government, despite repeated directives from OGRA.

3.10 References

Following are the main references which are used in the thematic audit:

i) Article 90 of The Constitution of Pakistan; Constitution of the Federal Cabinet is the principal decision-making body and is competent to approve major policy matters, subsidies, and financial commitments;

ii) Schedule V of Rules of Business, 1973; Constitution of ECC exercises delegated authority to consider and decide urgent economic and financial matters, including price mechanisms, energy-related subsidies, and inter-ministerial financial adjustments. Decisions of the ECC are placed before the Cabinet for ratification;

iii) Annual Finance Acts / Federal Budget 2022-23, 2023-24 and 2024-25;

iv) Decisions of the Federal Cabinet and ECC;

- Economic Coordination Committee (ECC) of the Cabinet, vide Case No. ECC-136/27/2018 dated Nov 27, 2018, approved the injection of RLNG by M/s SNGPL for domestic and commercial consumption during winter 2018-19;
- ECC, vide Case No. ECC-266/31/2020 dated July 3, 2020, decided that OGRA should provisionally allow recovery of RLNG shortfall

based on month-wise actual diversion volumes, subject to verification; and

- ECC, vide Case No. ECC-319/41/2023 dated October 23, 2023, directed OGRA to include the cost of RLNG diversion in the revenue requirement determination of Sui companies to enable appropriate pricing and cost recovery.

v) Notifications and determinations of the Oil and Gas Regulatory Authority (OGRA); and

- Final Revenue Requirement for FYs 2023-24 and 2024-25.

vi) Audited financial statements of SNGPL for FYs 2023-24 and 2024-25.

ANNEXES

Annex-1

MFDAC PARAS

(Rs in million)

Sr. No.	Formation	DP No.	Subject	Amount
1	DG PC	4074	Non-fulfilment of work commitments by E&P companies due to non-monitoring by DG (PC)	-
2	DG PC	4083	Non-realization of training fund from E&P companies	90.300
3	DG PC	4085	Irregular allocation / sale of natural gas to 3rd party from Dhodak Deep gas field	-
4	DG PC	4086	Non-implementation of decision of Government regarding conditional approval of sale of natural gas from Mamikhel South to 3rd party on competitive price	-
5	DG PC	4087	No progress in blocks auctioned during last 10 years due to defective formation / selection of blocks resulting in slow exploration and production of hydrocarbon	-
6	DG PC	4088	Unsuccessful bidding of blocks since 2020	-
7	DG PC	4090	Failure of DG(PC) to achieve the Key Performance Indicators	-
8	DG PC	4091	Non–implementation of judgement of Islamabad High Court Islamabad involving government revenue	-
9	DG Oil	3631	Delay in implementation of Refining Policy, 2023	-
10	DG Oil	3633	Non-finalization of Deed of Settlement for recovery of outstanding Petroleum Levy and non-imposition of LPS	21,664.000
11	DG Oil	3632	Sub-optimal capacity utilization of crude oil processing by refineries	-
12	DG Oil	3634	Loss due to payment against shortfall in guaranteed annual throughput Asia Petroleum Ltd.	1,749.465
13	DG Oil	4092	Short-payment of Petroleum Levy on imported/ex-bonded POL products	7,765.849
14	DG Oil	4093	Short-payment of Petroleum Levy on sale of petroleum products as per monthly returns of production furnished by refineries	12,439.808
15	DG Oil	4094	Loss due to capacity payment against	15,208.209

			shortfall in guaranteed throughput to PAPCO and delay in payment of 08 years resulting in exchange loss	
16	DG Gas	3618	Non-realization of Off-the-Grid (Captive Power Plants) Levy from Sui Companies	9,290.470
17	DG Gas	3636	Non realization of GDS from MEL	1,828.415
18	DG Gas	3637	Non-realization of Gas Development Surcharge (GDS) from M/s SNGPL and SSGCL	7,585.880
19	DG Gas	3638	Non-recovery of GIDC from consumers	9,434.688
20	DG Gas	3639	Non-realization of LPS on the delayed payment of GIDC from SNGPL and SSGC	-
21	DG Gas	4107	Non-production of Record - payment / adjustments of Gas Development Surcharge for Mari Energies Limited	-
22	DG Corporate Affairs	4095	Irregular appointment of excess ex-officio members on SOEs Boards by Petroleum Division	-
23	DG Corporate Affairs	4096	Non-reconstitution of the Board of SSGC and PLL by the Petroleum Division	-
24	DG Corporate Affairs	4097	Non-appointment of regular Managing Directors	-
25	DG Corporate Affairs	4098	Non-entering in Performance Contract with each board member and non-conducting performance evaluation of board members	-
26	DG Corporate Affairs	4099	Unauthorized appointment of subsidiary of board members of SOE's without proper approval/nomination by Federal Government	-
27	DG Corporate Affairs	4100	Weak regulatory oversight in monitoring of SOE / Companies' BoD	-
28	DG Special Projects	4101	Non-implementation of ECC decision	-
29	DG Corporate Affairs	4103	Irregular nomination of Ex-Officio Directors on the Boards of Companies below BS-20	-
30	JS Admin PD	4102	Unjustified implementation of FST order after filling appeal before Supreme Court of Pakistan against FST order	-
31	JS Admin PD	4105	Unauthorized retention of service of Assistant Private Secretary after expiry of deputation period	3.544

32	DoE	3624	Non-blacklisting of M/s Khewra Kohsar Services due to unreported loss of imported explosives consignment	-
33	DoE	3625	Non-Imposition and non-recovery of penalties for illegal LPG storage	20.000
34	DoE	3627	Doubtful transaction of explosives under license EL-01 without having storage permissions under license EL-02	-
35	DoE	3628	Weak regulatory oversight led to non-restricting of manufacturing of dangerous Webex based nitroglycerine	-
36	DoE	3630	In-ordinate delay in issuing of expiry notice to a licensee after lapse of seven years	-
37	DoE	3715	Irregular issuance of Form-Q licenses with excess capacity	-
38	DoE	3716	Irregularities in EL-02 licensing due to weak enforcement by the department	-
39	DoE	3717	Non-realization of revenue due to non-renewal of licenses	66.989
40	DoE	3718	Non-imposition of penalties due to unauthorized possession, use, and excess quantity sale of Explosives	5.700
41	DoE	3719	Weak regulatory oversight due to weak enforcement of explosives rules	-
42	DoE	3720	Undue favor by granting Form-R licenses and construction approvals without imposing penalties for illegal transportation of LPG	26.157
43	DoE	3721	Weak regulatory control leading to doubtful explosives transactions	-
44	DoE	3722	Non-imposition of penalty on non-submission of fortnightly reports	-
45	DoE	3723	Short recovery of security deposit and penalty due to ineffective enforcement of Explosives Rules	1.200
46	DoE	3741	Irregular and excess manufacture of gun powder in violation of license conditions	31.065
47	DoE	3743	Irregular renewal, grant, and amendment of explosives licenses without mandatory authorization and federal government approval	-
48	DoE	3744	Irregular grant, renewal, and cancellation of licenses in Form-Q and Form-K without approval of competent authority	72.000
49	DoE	3745	Unauthorized payment of HBA and motor car advance without sanction of funds	3.115

50	DoE	3746	Irregular issuance of EL-06 licenses allowing transportation beyond permissible explosive limits	-
51	DoE	3747	Undue favor to OMC by granting license 'Form-K' without penalty of Rs 1 million	1.000
52	DoE	3748	Non-imposition of penalty due to illegal storage and sale of petroleum products without Form-L	1.000
53	DoE	3749	Weak regulatory oversight in granting Form-K licenses and non-imposition of penalty	6.000
54	DoE	3750	Grant of license on the basis of bogus undertaking by M/s Gas & Oil Pakistan Limited and Ali International Trade Co. Pvt Limited	-
55	DoE	3751	Undue favor to Shell Pakistan by granting Form-K license without consent of PSO	-
56	DoE	3752	Irregular renewal of license 'Form-S' to M/s E-Gas (Pvt.) Ltd	-
57	DoE	3753	Non-imposition of penalty on illegal operations	2.000
58	DoE	3754	Irregular issuance and transfer of 'Form B-I' licenses	-
59	DoE	3755	Non-renewal of licenses in Form- C, L, M, N, O & P due to pending inspection	-
60	DoE	3756	Significant control failures undermining regulatory oversight	-
61	DoE	Para 19/30-2025	Non-updating of authorized nomenclature under clause 26 of Petroleum Act, 1934, leading to ineffective enforcement	-
62	DoE	Para 10/30-2025	Discriminatory treatment with PSO while granting license/approval as compared to other OMCs	-
63	DoE	Para 37 & 39/27-2025	Irregular renewal and issuance of Form-R Licenses due to inadequate documents	-
64	DoE	Para 12/31-2025	Illegal operation of industrial gases in cylinder, vessels, bowzers under MIGS Rules 2010 by M/s Pakistan Oxygen without obtaining license in Form GC-05/GC-06 and non-imposition of fine and penalty	5.000
65	OGDCL	3602	Loss due to mis-appropriation in crop compensation payments and misuse of company resources	8.522

66	OGDCL	3605	Loss due to non-award of contract to most advantageous bidder	176.967
67	OGDCL	3606	Excess payment to the vendors without receipt of ordered materials	5.601
68	OGDCL	3607	Mis-procurement in award of crude oil storage tank contract	143.199
69	OGDCL	3610	Unauthorized direct procurement of used compressor	823.675
70	OGDCL	3611	Mis-procurement due to change in scope of work	13.366
71	OGDCL	3646	Potential Loss of revenue due to curtailment of production due to line pack issue	-
72	OGDCL	3648	Non-Completion of OGDCL-TF Grammar School Project within stipulated time	197.465
73	OGDCL	3649	Undue retention of amount in CSR Trust Fund	2,873.291
74	OGDCL	3650	Non-recovery of demurrage charges from suppliers	23.541
75	OGDCL	3652	Splitting of procurement in violation of PPRA Rules	44.240
76	OGDCL	3653	Loss due to expiry of useful life of chemicals	7.892
77	OGDCL	3687	Non-disposal of obsolete inventory lying beyond ten years	7,468.491
78	OGDCL	3691	Non-blacklisting of bidders for forged documents and missing guarantees	-
79	OGDCL	3692	Non-deposit of Social Welfare Obligations due to non-opening of Joint Bank Account	28.891
80	OGDCL	3693	Irregular award of contract for hiring of security services without open competitive bidding	2,047.059
81	OGDCL	3694	Unjustified payment of Sales Tax on purchase of Solar Panel	20.678
82	OGDCL	3696	Deviations from Health, Safety, and Environment (HSE) protocols resulting in three	-
83	OGDCL	3697	Unjustified enhancement of estimates by including BRA Tax despite having exemption from Tax Authority	21.964
84	OGDCL	3698	Poor planning in selection of project site resulting in extra cost	10.717
85	OGDCL	3699	Loss due to award of contract at higher rates in Bettani Field Development Project	14.863
86	OGDCL	3700	Loss due to delay in de-hiring of leased	5.433

			land	
87	OGDCL	3701	Non-recovery of invoiced amounts from gas companies and refineries	-
88	OGDCL	3702	Unjustified extension in contract resulting in mis-procurement	1,394.938
89	OGDCL	3703	Irregular extension in rate running contract beyond 03 years	161.304
90	OGDCL	3704	Discrepancies in SAP Ariba software used by OGDCL	-
91	OGDCL	3791	Loss due to theft of material from sites	9.880
92	OGDCL	3794	Irregular hiring of services of legal counsels	54.690
93	OGDCL	3795	Non-appointment of BoD of the company and payment of unjustified remuneration	9.846
94	OGDCL	3796	Non-entering into Performance Contract with the MD / CEO	-
95	OGDCL	3797	Non-completion of 2,415 committed work units	-
96	OGDCL	3798	Non-recovery of advances from employees	3.109
97	OGDCL	3799	Irregular absorption of staff from M/s Spud Energy (Pvt.) Ltd in the OGDCL	53.368
98	OGDCL	3800	Unjustified excess expenditure in South Kharan Block resulting in loss	1,088.819
99	OGDCL	3801	Non-recovery of decreed amount despite lapse of a considerable time period	141.384
100	OGDCL	3804	Non-execution of Seismic activities at Kohlu Exploration License despite lapse of 2 decades	-
101	OGDCL	3805	Non-observance of Provincial Quota in recruitment of Management Trainee	-
102	OGDCL	3806	Unjustified exemption from the State-Owned Enterprises (Governance and Operations) Act, 2023	-
103	OGDCL	3807	Non-observance of HSE standards causing adverse effect on environment	-
104	OGDCL	3808	Non-achievement of targets and non-performance of assigned work by seismic parties	-
105	OGDCL	3809	Non-monetization of 09 discoveries resulting in non-injection of 1,041 BCF Gas and 40.92 MM BBL Oil into system	-
106	OGDCL	3609	Non-recovery of invoiced amount from M/s ENAR due to yield dispute	335.024
107	OGDCL	3643	Short-recovery of liquidated damages due to late shipment	304.818
108	OGDCL	3644	Unjustified expenditure on staked Rig	67.467
109	OGDCL	3645	Cost escalation due to non-installation of	3,252.43

			Jhal Magsi Plant despite Gas allocation	
110	OGDCL	3647	Loss due to expiry of procured accessories for Jhal Magsi Plant	45.385
111	OGDCL	3651	Non-resolution of long outstanding issue and recovery of with-held amount from JV partner M/s POL	16.800
112	OGDCL	3686	Unjustified expenditure due to hiring of rigs while keeping own rigs idle	1,497.020
113	OGDCL	3689	Wasteful expenditure on construction work of Jhal Magsi Plant resulting in loss to company	17.031
114	OGDCL	3792	Non-recovery of invoiced amount from M/s Attock Refinery Ltd	1,292.000
115	OGDCL	3802	Non-imposition of LD charges on delayed installation of Jhal Magsi Plant	40.270
116	OGDCL	3803	Excess expenditure due to acquisition of working interest at higher price than approved by the BoD	33.840
117	OGDCL	3641	Loss due to unjustified cancellation of letter of Intent and grant of contract to second lowest bidder	135.416
118	OGDCL	Para 28/24-2025	Loss due to award of contract to the second lowest bidder	11.603
119	OGDCL	Para 11/23-2025	Non-verification of degrees / certificates of OGDC employees	-
120	OGDCL	Para 02/25-2025	Non-recovery of share from Joint Venture Partners	11,881.172
121	OGDCL	Para 24/23-2025	Non-adjustment / refund of excess paid income tax despite case decided in favour of company	-
122	OGDCL	Para 18/23-2025	Unjustified promotion of the officer having less than required qualification	-
123	OGDCL	Para 20/23-2025	Non-transparent method of recruitment of Management Trainee officers	-
124	OGDCL	Para 03/25-2025	Non-finalization of audited accounts for the Joint Ventures for the CY 2024	-
125	OGDCL	Para 06/25-2025	Irrational development of Strategic Business Plan and non-approval from BoD	-
126	OGDCL	Para 04/26-2025	Non conducting of performance evaluation of the Board	-

127	OGDCL	Para 14/24-2025	Potential revenue loss due to delayed completion of Jhal Magsi project	-
128	OGDCL	Para 20/24-2025	Defective contract management resulted in non-completion of Jhal Magsi MNCH hospital within stipulated period	40.270
129	OGDCL	Para 26/23-2025	Irregular sale of LPG due to non-compliance with LPG Policy 2016	-
130	PPL	3676	Non-completion of land acquisition process despite lapses of period ranging up to 34 years	76.095
131	PPL	3679	Un-authorized sales of Plant & Machinery and non-deposit of sale proceed in government treasury	402.698
132	PPL	3680	Unjustified payment of rent due to non-dehiring of land since FY- 2022	22.166
133	PPL	3681	Irregular Expenditure Violating Federal Government's Centralized Advertisement Policy	122.433
134	PPL	3682	Non-finalization of Gas Sale Agreements (GSAs)/Crude Oil Sale Agreement (COSA) with buyers	-
135	PPL	3683	Non-compliance with the payment terms as mentioned in the Gas Sale Agreements (GSAs) / Crude Oil Sale Agreement (COSA	-
136	PPL	3916	Irregular production/extraction of petroleum product from Adhi Field	2,859.528
137	PPL	3917	Unjustified expenditure due to non-performing of substantial exploration activities	501.691
138	PPL	3918	Poor performance of PPL Euro and PPL Asia since incorporation - Impairment Loss	-
139	PPL	3919	Non-monetization of gas discovery from Wafiq-X-1 despite incurrence of expenditure	1,292.133
140	PPL	3921	Short calculation of un-spend Training Fund Obligation	58.265
141	PPL	3922	Weak pursuance of High Court cases involving WPPF	3,433.617
142	PPL	3923	Un-justified charging of depreciation in respect of assets which were capitalized on last two days of Financial Year	596.554
143	PPL	3924	Failure to settle the issues involving recovery despite lapse of period ranging up to 12 years	-

144	PPL	3925	Non-construction of office building despite lapse of 15 years	1,327.857
145	PPL	3926	Short payment of production bonus in respect of Sui D&PL	28.185
146	PPL	3927	Un-necessary procurement due to non-utilization of stock and store	390.215
147	PPL	3929	Blockage of refund in court case ordered sine-die in 2014	26.000
148	PPL	3930	Non-Compliance of guidelines by late deposit of training fund with delay up to 3574 days - Loss of interest	138.301
149	PPL	3931	Non-payment of Late Payment Surcharge on late payment of Gas Development Surcharge	-
150	PPL	3932	Un-justified payment against supply of defective items	107.623
151	PPL	3933	Unjustified Payment of Rent for Land Already Purchased	48.625
152	PPL	3934	Short charging of take or pay amount to GENCO-II	1,042.729
153	PPL	3935	Failure to adjust the advances from vendors / suppliers despite lapse of period ranging up to 18 years	185.434
154	PPL	3937	Short-deduction of income tax from salary	121.128
155	PPL	3938	Non-Deposit of GDS in government treasury even though collected from GENCO-II	3,005.259
156	PPL	3939	Failure to provide EDB clarification and non-deposit of duties and taxes	121.838
157	PPL	3940	Irregular payment to HQFC (South) General Cash account-Askari Bank Ltd instead of public exchequer	1,890.191
158	PPL	3941	Un-justified payment of security charges	455.435
159	PPL	3942	Non-deduction of provincial sale tax from security services	146.868
160	PPL	3943	Inadmissible expenditure from Training Fund	20.587
161	PPL	3944	Incurrence of extra cost under EOBI contribution due to non-compliance to EOBI Act	33.147
162	PPL	3945	Late payment of lease rent with delay ranging from 977 days to 1069 days and non-payment of interest / default surcharge	31.032
163	PPL	3946	Non-deposit of Social Welfare obligations	1,488.981
164	PPL	3947	Failure to recover bid security and	548.134

			advances deposited by PPL pending since 2017 despite lapse of period ranging up to 8 years	
165	PPL	3948	Irregular supply/sale of LPG in violation of OGRA's direction	46.936
166	PPL	3949	Failure to settle long outstanding matter relating to security deposit and non-deposit of stamp duty despite lapse of period ranging up to 14 years	63.390
167	PPL	3950	Short-deposit of EOBI Contribution by showing less number of employees than actual employees of PPL	91.607
168	PPL	3951	Failure of PPL management to resolve yield dispute with ARL despite lapse of 12 year	91.781
169	PPL	3952	Unjustified operating cost on rigs which remained mostly non-operational	2,795.000
170	PPL	3953	Board's failure to hold senior management accountable on non-achievement of targets, resulted in extra cost	1,031.250
171	PPL	3954	Curtailment in production from Sui gas field resulting in revenue loss	-
172	PPL	3956	Irregular production/ extraction of petroleum product from Sui Field beside non-payment royalty and lease extension bonus	910.918
173	PPL	3957	Unauthorized processing of payment against purchase order beyond PO values and validity dates	16,177.875
174	PPL	3958	Overstatement of GDS receivable from GENCO-II thereby non deposit of collected GDS	-
175	PPL	3959	Irregular exemption due to non-fulfilment of condition of SRO 678(I)/2004	386.079
176	PPL	3960	Non-payment of tender fee to PPRA	1.308
177	PPL	3961	Undue retention of Lease Extension Bonus	8,925.901
178	PPL	3962	Unjustified increase in annual salary and performance bonus of the Chief Executive Officer	114.800
179	PPL	3963	Consistent Late/Non deposit of annual fee to OGRA with delay ranging up to 386 days	94.225
180	PPL	3964	Non-Payment of EOBI Contribution as per prevailing minimum wages rate	36.396
181	PPL	3965	Unjustified procurement and non-	346.883

			utilization of rig spares & hydraulic accumulator	
182	PPL	3966	Non-payment of training fund by Operator	99.236
183	PPL	3967	Un-justified reduction in capitalized cost of asset during 2024-25 in respect of assets which were capitalized long ago	3,421.068
184	PPL	3969	Irregular promotion without availability of seat in relevant grade and section	35.187
185	PPL	3970	Non-payment of rent of blocks	323.944
186	PPL	3971	Late Deposit of Social Welfare Obligation -Exchange and interest Loss	66.312
187	PPL	3972	Non-Deposit of un-spend Training Fund Obligation into DG PC Account	51.130
188	PPL	3973	Weak performance of Oversight Committee on GPF-III Project resulted in abnormal delay of the Project	47.700
189	PPL	3955	Supply of LPG in violation of LPG Policy, 2016	-
190	PPL	3677	Non-compliance with SRO 678(I)/2004 and non-payment of Duty and Taxes	367.946
191	PPL	3968	Non-compliance of conditions provided under SRO 678(I)/2004 and non-payment of duty & taxes on disposal of fixed assets imported under the SRO	247.942
192	PPL	3928	Reduced gas offtake by GENCO-II against committed quantity	10,558.220
193	PPL	Para 13/14-2025K	Non-deduction of income tax on sale of vehicles to employees below the fair market value	1.196
194	PPL	Para 09/11-2025K	Un-justified advance payment of Income Tax	7,000.00
195	PPL	Para 12/11-2025K	Exchange loss due to late payment of training fund	83.348
196	SNGPL	3582	Non-recovery of decreed amount	870.548
197	SNGPL	3757	Delay in decision/recovery due to non-provision of document by company in sine-die adjourned cases	1,167.546
198	SNGPL	3810	Excess determination of required return due to use of assumed debt equity Ratio	2,408
199	SNGPL	3813	Supply of RLNG to KPK province against the provisions of the Constitution of Pakistan	-
200	SNGPL	3814	Misalignment of BOD UFG Targets with OGRA Benchmarks	-
201	SNGPL	3816	Wasteful expenditure on jobs for UFG	235.899

			control	
202	SNGPL	3821	Non-implementation of Minimum wage rate	10.410
203	SNGPL	3822	Depriving the wager of third-party contractor from Minimum wage rate as notified by the Punjab Government in contracting with Third party	1.012
204	SNGPL	3823	Depriving the casual staff / labour from minimum wage rate as notified by the Punjab Government	5.949
205	SNGPL	3825	Issuance of Provisional Bills against the Billing Manual	-
206	SNGPL	3828	Short deductions of Income Tax on salaries	6.137
207	SNGPL	3829	Short deduction and payment of Punjab Sales Tax on Services	4.007
208	SNGPL	3830	Short deduction of Punjab Sales Tax on Services	5.258
209	SNGPL	3831	Weak follow up record after Sine die adjournment leading to non -recovery of decreed amount	463.280
210	SNGPL	3832	Non-pursuance of the recovery suits in execution phase	716.338
211	SNGPL	3833	Non-pursuance of the recovery suits in execution phase	1,082.909
212	SNGPL	3834	Failure to charge CSR expenditure to end consumers	56.500
213	SNGPL	3835	Inadmissible charging of cost of Study on Oil and Gas sector to consumers	27.000
214	SNGPL	3836	Non-completion of government-funded gas development job within stipulated time	853.776
215	SNGPL	3837	Non-utilization/allocation of savings to other Government funded job million	69.039
216	SNGPL	3838	Non-finalization of FPCs and Completion Reports of commissioned gas development jobs	200.428
217	SNGPL	3839	Non-refund of security deposit to the consumer who opted not to get a connection	252.024
218	SNGPL	3842	Non-completion of cost sharing job within stipulated time	134.271
219	SNGPL	3843	Non-utilization/allocation of savings to other Government funded jobs	126.642
220	SNGPL	3844	Delay in Completion of Government funded Jobs	833.049
221	SNGPL	3845	Delay in Completion of 100% Cost Sharing Jobs Despite Receipt of Full	469.350

			Payment	
222	SNGPL	3847	Depriving the consumers fall in Rahimyar Khan from provision of System Gas Facility	-
223	SNGPL	3848	Blockage of funds due to over costing of system rehabilitation jobs	2,401.846
224	SNGPL	3849	Non-Recovery of amount from disconnected consumers	6,161.216
225	SNGPL	3850	Weak Internal Control resulted in Excess Tires Replacement Cost	0.435
226	SNGPL	3851	Remain Passive despite the sub-standard work	-
227	SNGPL	3852	Non-implementation of disciplinary Policy in letter & Spirit	-
228	SNGPL	3853	Non-Rectifications of anomalies/gas leakages pointed out in Quality Assurance Audit & HSE Audit	-
229	SNGPL	3854	Weak Pursual of FIRs	-
230	SNGPL	3855	Holding of position more than the five years in violation of Company's Policy	-
231	SNGPL	3856	Non-Recovery on account of theft charges	33.910
232	SNGPL	3857	Deputation from Government against the Company's Policy	-
233	SNGPL	3858	Non-updation of Employee's Monthly Contribution to EOBI	13.109
234	SNGPL	3859	Non-completion of government-funded gas development jobs within stipulated time	1,479.438
235	SNGPL	3860	Non-utilization/allocation of savings to other Government funded job	154.235
236	SNGPL	3861	Inefficient utilization of funds due to non-availability of TBS material	215.705
237	SNGPL	3862	Delay in completion of Government funded jobs resulting in cost overrun	95.565
238	SNGPL	3863	Non-finalization of Job Completion Reports of Bannu West Project resulted in non-financial closure	-
239	SNGPL	3864	Non-refund to DHA Multan deposit payable due to cancellation of job	327.425
240	SNGPL	3865	Non-completion of cost sharing job within stipulated time	3,912.711
241	SNGPL	3867	Non-compliance of Prime Minister's office directives and non-completion of gas infrastructure	181.756
242	SNGPL	3868	Improper planning resulted in cost over in 5 KM Radius Project	141.370
243	SNGPL	3869	Non-completion of process of mutation	220.549

			of land in favour of company for advances paid to LAC	
244	SNGPL	3871	Improper planning resulted in increase of budget and cost overrun in FFC Mirpur Mathelo Project	198.402
245	SNGPL	3872	Non-recovery of refundable security from NHA	19.000
246	SNGPL	3874	Inefficient utilization of funds due to non-availability of TBS material	456.755
247	SNGPL	3875	Unjustified over billing due to negligence of the billing department	7.300
248	SNGPL	3876	Improper HSE management resulted in fire incident causing death of one casual staff	-
249	SNGPL	3877	Discrepancies in punching complaint / AGLR data in CC&B system	-
250	SNGPL	3878	Non/short-recovery of gas pilferage theft charges from consumers	38.561
251	SNGPL	3879	Non-disconnection of old network of 56 KM by maintenance department resulted in UFG	-
252	SNGPL	3880	Violation of merit list criteria in installation of commercial special meters	-
253	SNGPL	3881	Need to rationalize security charges	-
254	SNGPL	3882	Non-finalization of inquiries against the persons responsible for theft at Manga Store and non-action against officials/ officers verified stock during the period of theft	366.630
255	SNGPL	3883	Non-replacement of 106 casual staff of metering workshops with permanent staff despite approval of BoD may cause increase in gas theft	-
256	SNGPL	3884	Absence of EOBI registration deprived the casual employees	1.970
257	SNGPL	3885	Non-deposit of employee and employer contribution in EOBI account	22.445
258	SNGPL	3886	Non-deposit of employee and employer contribution in EOBI account	6.712
259	SNGPL	3887	Un-necessary procurement resulting into blockage of funds	907.928
260	SNGPL	3888	Discrepancies in store inventory showing poor performance of Stores department	1,317.637
261	SNGPL	3889	Loss due to inefficient procurement of domestic gas regulators	5.473
262	SNGPL	3890	Non-disposal of scrapped items	-
263	SNGPL	3891	Non-compliance of OGRA's directions and issuance of MIRs with a delay up to	-

			325 days	
264	SNGPL	3892	Discrepancies in punching dates showing issuance of MIR up to 226 days prior to replacement / receipt date of meters for inspection	-
265	SNGPL	3893	Manual smashing of scrapped meters instead of through smashing machine despite directions by the management	-
266	SNGPL	3894	Existence / non-removal of nine illegal networks and taps	-
267	SNGPL	3895	Non-completion of rehabilitation jobs within stipulated time	273.525
268	SNGPL	3896	Non-maintenance of RLNG transmission pipeline right of way may disrupt RLNG supply	-
269	SNGPL	3840	Non-refund of savings to developers in cases of cost sharing jobs	4.556
270	SNGPL	3846	Non-refund of savings to consumers in cost sharing jobs	9.633
271	SNGPL	3873	Non-finalization of completion reports of commissioned jobs resulted in non-refund of savings to the customers	1,261.747
272	SNGPL	3841	Non-recovery of cost overrun from consumer in cost sharing job	4.601
273	SNGPL	3866	Cost overrun in cost sharing jobs despite zero percent completion of jobs	15.721
274	SNGPL	3870	Non-recovery of cost overrun from consumer in cost sharing/relocation jobs	971.981
275	SNGPL	3817	Incurrence of expenditure more than the admissible limit of Regulator	9,054
276	SNGPL	Para 19/20-2025	Need to review decision to shift from bulk meter to individual meters system	-
277	SNGPL	Para 05/41-2025	Non-transparent procurement of reference electrodes	10.176
278	SNGPL	Para 21/20-2025	Discrepancies in Health Safety Environment (HSE) management	-
279	SNGPL	Para 12/18-2025	Discrepancies in HSE management	-
280	SNGPL	Para 17/19-2025	Discrepancies in Health Safety Environment (HSE) management	-
281	SNGPL	Para 19/32-2025	Discrepancies in HSE management	-

282	SNGPL	Para 02/42-2025	Loss of 105,365 MCF Gas due to rapture despite huge payment for pipeline security	169.53
283	SNGPL	Para 11/20-2025	Non-realization of gas charges from consumer	18,987.074
284	SNGPL	Para 06/19-2025	Non-realization of gas charges from consumer	-
285	SNGPL	Para 02/18-2025	Non-realization of gas charges from consumer	-
286	SSGC	4002	Loss due to theft of gas by registered / non-registered consumers	6,586.960
287	SSGC	4004	Loss of gas through direct taping on high pressure distribution mains by un-registered persons	3,831.000
288	SSGC	4005	Non-achievement of production target due to non-utilization of full production capacity of Manufacturing Plant	-
289	SSGC	4006	High UFG due to ineffective control over Sales Meter Stations (SMS)	-
290	SSGC	4007	Unjustified award of contract to the bidder being involved in corrupt practices & non-declaration of blacklist	524.211
291	SSGC	4008	Loss to the company due to award of contract on higher price due to defective evaluation	2.562
292	SSGC	4009	Mis-procurement due to violation of Public Procurement Rules	1,382.027
293	SSGC	4010	Mis-procurement due to extending undue favor to non-compliant bidder	132.784
294	SSGC	4011	Irregular procurement due to extending undue favor to non-compliant bidder	191.895
295	SSGC	4012	Irregular procurement of Risk Management ERM software due to violation of PPRA, 2004	12.600
296	SSGC	4013	Non completion of project of installation and commissioning of compressor unit at HQ-SIBI	8,162.000
297	SSGC	4014	Un-authorized withdrawal of funds from Assignment Account for payment of bank loan	1,205.012
298	SSGC	4015	Non completion of project resulting into depriving area of un-interrupted gas supply in Balochistan	3,999.000
299	SSGC	4016	Inaction against the defaulters after disconnection and non-killing service of	1,307.570

			disconnected customer	
300	SSGC	4017	Delay in completion of Jhal Magsi pipeline project causing cost overrun and Non-compliance of Prime Minster directives	54.670
301	SSGC	4018	Un-authenticated receipts of interconnection charge by PLL without installation of check meters by SSGC	307.478
302	SSGC	4019	Short-deduction of Income Tax from the salaries of employees	20.905
303	SSGC	4020	Award of contract on abnormal high prices in negation to Procurement Department Policy Document	527.970
304	SSGC	4021	Unjustified exoneration of accused involved in illegal new gas connection to the defaulter without recovery of government dues- Rs. 3.507 million	3.507
305	SSGC	4022	Oversight of the Board over decentralization of HR functions without the approval of the Organizational Structure	-
306	SSGC	4023	Non-implementation of the IT Strategy resulted in the non-automation of Unaccounted-for-Gas (UFG) data	-
307	SSGC	4024	Irregular grant of acting Charge to Deputy General Manager to the post of AGM	0.437
308	SSGC	4025	Non initiation of disciplinary action against executive due to violation of company policy	-
309	SSGC	4026	Irregular appointment of Deputy Chief Manager against Employment Policy	-
310	SSGC	4040	Irregular appointment of Senior General Manager (HR&MS) due to non-fulfilment of required criteria for the post	17.222
311	SSGC	4027	Irregular appointment of Deputy Chief Engineer (Mechanical Gas Engine) due to non-fulfilment of relevant experience	-
312	SSGC	4028	Failure for Non-Compliance of the Public Accounts Committee (PAC) Directives	-
313	SSGC	4029	Non initiation of action against person involved in theft and misappropriation	20.375
314	SSGC	4030	Irregular payment of qualification allowance to employees in violation of HR Policy	16.921
315	SSGC	4031	Unjustified grant of Performance Ratings to General Managers in absence of Performance Evaluation Reports	-

316	SSGC	4032	Irregular increase in salary of the executives without approval of the Board resulting into violation of HR Policy Manual, 2022 - Rs 32.734 million	32.734
317	SSGC	4033	Irregular appointment of Town Boarder Station Operators without observing recruitment Policy of the company	-
318	SSGC	4034	Non-appointment of regular Company Secretary in SSGC resulting into violation of Company Act, 2017	-
319	SSGC	4035	Non realization/collection of Gas Development Surcharge (GDS)	6,028.358
320	SSGC	4036	Unjustified payment of Janitorial services without execution of agreement	9.371
321	SSGC	4037	Non-realization of Gas Infrastructure Development Cess	6,837.837
322	SSGC	4038	Irregular payment due to hiring of manpower through third party contract without open competition	3,129.772
323	SSGC	4039	Unjustified payment of additional sales tax due to non- observance of law	161.470
324	SSGC	4041	Unjustified payment of rental charges of ROW by SSGC to M/s SCORE resulted in violation of SOP	763.970
325	SSGC	4042	Non-settlement of insurance claims	46.389
326	SSGC	4043	Non-completion of process of mutation of land in favour of company and non-adjustment of advances	29.024
327	SSGC	4045	Irregular re-imbursement on account of pay & allowance to account of Police Department- Quetta instead of Govt. treasury	24.586
328	SSGC	4046	Irregular re-imbursement on account of pay & allowance to the account of police department-Sindh instead of Govt. treasury	106.610
329	SSGC	4047	Non-preparation of mandatory PC-II and PC-IV resulting into violation of guidelines issued by Planning Commission	418.820
330	SSGC	4048	Unjustified payment of security license fee to M/s Score without executing of ROW agreement with SSGC	15.000
331	SSGC	4049	Non pursuance of claim on account of supervision and rental charges for illegal occupation/construction over SSGC owned ROW resulting into a loss million	51.140
332	SSGC	4051	Loss due to non-commencement of	12.006

			commercial activity by the subsidiary company of SSGC	
333	SSGC	4052	Unjustified advance payment to SNGPL without execution of Cost of Gas Equalization Agreement	20,000.00
334	SSGC	4053	Delay in completion of rehabilitation of Gas Development Schemes resulting into cost overrun	2.178
335	SSGC	4054	Unjustified payment of rent made on expired lease agreements	3.971
336	SSGC	4055	Non-recovery of outstanding dues from defaulter Customers and non-disconnection of gas connection due to non-availability of adequate Security Deposit	295.908
337	SSGC	4056	Non installation of gas connection despite depositing of new connection charges	72.306
338	SSGC	4057	Unjustified payment on account of purchase of POL products	4.328
339	SSGC	4058	Failure to obtain shortfall in security deposits of consumers	28.198
340	SSGC	4059	Inaction against the defaulters after disconnection and non-killing service of disconnected customer	9.668
341	SSGC	4060	Non installation of gas connection despite depositing of new connection charges	12.501
342	SSGC	4061	Wasteful expenditure on rehabilitation schemes due to failure on reducing UFG in the network	99.516
343	SSGC	4062	Non-completion of customer paid mains jobs in time causing additional cost to the customer	16.241
344	SSGC	4063	Failure to obtain shortfall in security deposits of consumers	-
345	SSGC	4064	Unjustified payment to the contractor on account of rehabilitation of Gas Development Schemes due to non-conformance of TORs	29.666
346	SSGC	4065	Non-finalization of evaluation of bid within validity period resulted into non-observance of provision of PPRA, 2004	1.520
347	SSGC	4066	High UFG trend due to weak control over sales meter stations (SMS) in the region	-
348	SSGC	4067	Un-justified delay in initiation of rehabilitation of Gas Development resulting loss of gas	5.758

349	SSGC	4068	Loss due to UFG beyond permissible limit	915.568
350	SSGC	4069	Unjustified delay in execution of rehabilitation of Gas Development Schemes resulting into loss of gas	18.524
351	SSGC	3562	Unauthorized increase in meeting fee of the Directors	24.700
352	SSGC	4050	Loss due to disallowance of expenditure exceeding the allowable limit approved by OGRA	3,505
353	SSGC	Para 04/18-2025K	Non initiation of action against the employees involved in theft of meter parts	3.115
354	SSGC	Para 01/19-2025K	Non-recovery of outstanding dues from industrial consumers	3,129.858
355	SSGC	Para 03/15-2025K	Irregular procurement due to violation of condition of bidding documents	106.660
356	SSGC	Para 09/15-2025K	Non replacement/recovery of rejected material	13.367
357	SSGC	Para 06/15-2025K	Irregular award of contract to non-compliant bidder in spite of defective technical evaluation	14.039
358	SSGC	Para 11/15-2025K	Non-renewal of Bank Guarantees	1,524
359	SSGC	Para 10/15-2025K	Non- imposition of liquidity damages charges	1.561
360	SSGC	Para 07/18-2025K	No action against the industrial units violating GSA	-
361	SSGC	Para 08/18-2025K	No action against the commercial units violating GSA	-
362	SSGC	Para 07/16-2025K	No action against the commercial units violating GSA	-
363	SSGC	Para 13/02-2025K	No action against the commercial units violating GSA	-
364	SSGC	Para 09/18-2025K	No installation of Remote Monitoring Unit causing effective monitoring of consumption of gas at Industrial Units & commercial units	-
365	SSGC	Para	No installation of Remote Monitoring	-

		14/02-2025K	Unit causing effective monitoring of consumption of gas at Industrial Units & commercial units	
366	SSGC	Para 15/03-2025K	No installation of Remote Monitoring Unit causing effective monitoring of consumption of gas at Industrial Units & commercial units	-
367	SSGC	Para 03/16-2025K	Irregular award of contract of Hiring of rental premises due to defective evaluation	2.88
368	SSGC	Para 08/16-2025K	Non initiation of action against the registered consumers due to non-recovery of theft of gas	4.468
369	SSGC	Para 09/16-2025K	Non-reconciliation at TBS Level	-
370	SSGC	Para 12/02-2025K	Non-reconciliation at TBS Level	-
371	SSGC	Para 10/16-2025K	Improper authorization of movement of vehicle without entering into ERP system by Regional Office, Sukkur	-
372	SSGC	Para 14/16-2025K	Non-Disposal of retired vehicles	-
373	SSGC	Para 02/02-2025K	Unjustified payment on account of purchase of POL products due to non-observing PPRA Rules,2004	39.784
374	SSGC	Para 03/02-2025K	Improper authorization of movement of vehicle without entering into ERP system by Regional Office, Hyderabad	-
375	SSGC	Para 04/02-2025K	Non-recovery of outstanding dues from industrial consumers	177.295
376	SSGC	Para 05/02-2025K	Loss due to theft by registered / non-registered consumer	29.539
377	SSGC	Para 15/02-2025K	Issuance of Provisional bill beyond three billing cycles resulting into violation of Performance and Service Standard, 2019	-
378	SSGC	Para 10/03-2025K	Issuance of Provisional bill beyond three billing cycles resulting into violation of Performance and Service Standard, 2019	-
379	SSGC	Para 02/03-2025K	Loss due to theft by non-registered consumers	2.801
380	SSGC	Para 04/03-	Improper authorization of movement of vehicle without entering into ERP system	-

		2025K	by Regional Office, Nawabshah	
381	SSGC	Para 05/03-2025K	Avoidable expenditure on account of rental expenses in view of timely shifting of office premises to newly constructed building	2.935
382	SSGC	Para 09/03-2025K	Non-reconciliation of gas at Town Border Station (TBS) level	-
383	SSGC	Para 11/03-2025K	Non-recovery of outstanding dues from customers	31.100
384	SSGC	Para 02/19-2025K	Loss due to rejection of insurance claim by NICL	2.700
385	SSGC	Para 05/19-2025K	Non initiation of 15 govt. funded jobs despite the sanction of funds from assignment account	370.400
386	SSGC	Para 18/19-2025K	Loss due to non-withdrawal of funds stuck in dormant bank accounts of SSGC	0.434
387	SSGC	Para 02/20-2025K	Wasteful expenditure on hiring process for appointment of Managing Director of SSGC	6.675
388	SSGC	Para 06/20-2025K	Unauthorized exercise of authority as Acting General Manager (E&D) due to non- existence of the post in approved organogram	-
389	SSGC	Para 11/20-2025K	Irregular appointment of Deputy General Managers in Grade-VII	-
390	SSGC	Para 13/20-2025K	Deployment of excess executives in different department beyond approved establishment resulting violation of HR Policy of the company	-
391	SSGC	Para 14/20-2025K	Irregular payment of honorarium over and above the board fee to the Chairperson of BoD resulting into violation of SOE Policy	2.567
392	SSGC	Para 15/20-2025K	Non-compliance of Board Directives due to managing the post of Managing Director through interim arrangement	-
393	SSGC	Para 16/20-2025K	Non-Conducting of Elections of Board of Directors of SSGCL after three years resulting into violation of Companies Act, 2017	-
394	SSGC	Para 19/20-2025K	Irregular payment of rent due non-renewal of expired lease agreements	5.102

395	SSGC	Para 20/20-2025K	Unjustified acquisition of Medical Services without executing agreement	175.946
396	SSGC	Para 21/20-2025K	Non-deduction of income tax on sale vehicles to employees below the fair market value	0.714
397	SSGC	Para 22/20-2025K	Non-recovery of outstanding dues from choric defaulters and non-disconnection of gas connection due to non-availability of adequate Security Deposit	2,395.278
398	SSGC	Para 31/20-2025K	Un-justified laid down and commissioned transmission pipeline from CTS Bin Qasim to Pakland since December, 2020	2,213
399	GHPL	3563	Unjustified payment of vehicle maintenance and petrol monetization allowance	97.906
400	GHPL	3564	Inaction against the persons involved in irregularities in disposal of GHPL's share of LPG from TAL Block resulting in loss	267.300
401	GHPL	3565	Unjustified payment of terminal benefits	15.881
402	GHPL	3566	Non-Settlement of operator's disputed rig charges	75.498
403	GHPL	3567	Irregular expenditure on advertisement	24.135
404	GHPL	3568	Short Deposit of Dividend into Federal Consolidated Fund	4,000.000
405	GHPL	3569	Prolonged dispute with JV operator over excessive gas processing charges may lead to significant financial exposure	-
406	GHPL	3570	Non-recovery of outstanding dues from consumers	-
407	GHPL	3571	Irregular procurement of document management software and hardware	102.446
408	GHPL	3572	Irregular appointment of office secretary	-
409	GHPL	3573	Irregular reimbursement of professional fees	1.402
410	GHPL	3574	Scrapping of Hiring Process without the approval of the competent authority	-
411	GHPL	3513	Mis-procurement of timber in violation of PPRA Rules	55.201
412	PMDC	3514	Irregular appointment / promotion of staff on fake degrees	47.048
413	PMDC	3515	Undue benefit and award of contract to 02nd lowest bidder resulting in loss	9.395
414	PMDC	3516	Loss due to purchase of sub-standard Generator	26.790
415	PMDC	3517	Non-submission of assets and beneficially held investment and	-

			properties of BoD members and Senior Management of Company	
416	PMDC	3518	Non-recovery of advances from terminated employees	2.407
417	PMDC	3520	Irregular production due to non-renewal of leases of mines	444.120
418	PMDC	3521	Non-return of security deposit of contractors / suppliers and irregular investment in terms deposits	120.000
419	PMDC	3523	Faulty contract resulted delay in completion of contract within stipulated period	21.000
420	PMDC	3524	Non-Compliance of SOE (Governance and Operations) Act, 2023 with respect of Business Plan	-
421	PMDC	3525	Ill-planning resulting in non-implementation of Annual Procurement plan of Capex expenditure due to non / delay approval of capital budget by BoD	1,617.680
422	PMDC	3528	Encroachment of 232.68 Marla PMDC land by illegal occupant	46.536
423	PMDC	3530	Loss of revenue due to non-auction of shops	1.566
424	PMDC	3531	Defective technical evaluation by HSE department resulted in procurement at higher rates	5.013
425	PMDC	3532	Non conducting of performance evaluation of the Board for the year 2022-23 & 2023-24	-
426	PMDC	3533	Non-forfeiture of security deposits	1.400
427	PMDC	3534	Non-imposition of penalty on raising contractor of salt for non-achievement of annual targets	1.759
428	PMDC	3535	Non-compliance of safety protocols posing risks to employees and public safety	-
429	PMDC	3536	Loss of revenue due to closure of Mine No. 12 & 49 at Makrach Section	33.349
430	PMDC	3537	Non-recovery of net margin, penalty and additional net margin	3.426
431	PMDC	3538	Non-completion of director training program within stipulated period of six month	-
432	PMDC	3539	Non-achievement of operational targets	2,758.400
433	PMDC	3540	Non-implementation of recommendations of HSE Audit Reports	-
434	PMDC	3541	Blockage of funds due to non-utilization of land acquired for residential colony of	11.048

			PMDC	
435	PMDC	3542	Non-insurance of assets with NICL	546.841
436	PMDC	3543	Irregular appointment in violation of Rules	-
437	PMDC	3544	Non entering into Performance Contract with The MD /CEO	-
438	PMDC	3545	Non-recovery / settlement of attachment of company amounts by SRB	3.319
439	PMDC	3575	Irregular promotion of Deputy Manager (Taxation) resulting in overpayment of pay and allowances	-
440	PMDC	3585	Mis-procurement through direct contracting in violation of open competitive bidding	331.148
441	PMDC	3587	Short payment of royalty to Government of the Punjab against salt produced	46.422
442	PMDC	3588	Excessive distribution of Workers Profit Participation Fund	11.850
443	PMDC	3592	Irregular increase in salary without signing a performance-based contract with the MD /CEO	3.435
444	PMDC	3654	In-admissible award of performance increment of CFO and GM(HR)	3.343
445	PMDC	3655	Undue price reduction on Sale of salt to M/s LCI	10.123
446	PMDC	3656	Non-consideration of annual fees in financial evaluation of bid	12.042
447	PMDC	3657	Short deduction of income tax due to non-inclusion of expenses in taxable salary	1.065
448	PMDC	3658	Non-Achievement of Sales Targets of Salt and Coal	350.472
449	PMDC	3705	Potential revenue loss due to non-auction/tendering of commercial outlets	16.809
450	PMDC	3707	Deficient tendering process led to price variation and procurement at higher rates	0.455
451	PMDC	3708	Unauthorized procurement and failure to enforce quality control in supply of explosive material	-
452	PMDC	3709	Delay in finalization and non-signing of minutes of BoD and its Committee Meetings	-
453	PMDC	3710	Weak pursuance of land ownership case of 18,606 Kanals at Khewra	-
454	PMDC	3711	Delay in Foreign Direct Investment due to non-implementation of JV agreement provisions	-
455	PMDC	3712	Blockage of revenue due to non-auction	32.956

			of scraped items and non-retendering of auction-able items	
456	PMDC	3713	Irregular procurement of material without tendering in violation of PPRA Rules	52.454
457	PMDC	3714	Delay and non-execution of development works at Warcha Salt Mines	26.644
458	PMDC	3737	Non-implementation of recommendations of Health, Safety and Environment audit reports	-
459	PMDC	3739	Irregular production due to non-renewal of leases of mines	46.139
460	PMDC	3740	Mis-procurement due to defective financial evaluation of single bid without reasonability analysis	91.462
461	PMDC	3576	Lack of independent directors in BoD composition	-
462	PMDC	Para 02/07-2025	Procurement delays in Jumbo Drill Machine for Khewra and Makrach Projects owing to defective technical evaluation	140
463	PMDC	3527	Un-authorized mining of rock salt resulting in imposition of penalty	1,415.687
464	PMDC	3529	Irregular sale of coal without competition	901.668
465	SSGC LPG	3577	LPG import through vessel sanctioned by the United States of America	1,376.985
466	SSGC LPG	3578	Cost Escalation due to Tender Cancellation	120.235
467	SSGC LPG	3580	Irregular appointments due to discrepancies in recruitment process	-
468	SSGC LPG	3581	Governance lapses and undue favour in senior management promotions and appointment in SLL	-
469	SSGC LPG	3903	Non-blacklisting of defaulting bidder and inaction for delay in LOI issuance	-
470	SSGC LPG	3904	Failure to obtain mandatory performance bond from contractor - Rs 1.579 million	1.579
471	SSGC LPG	3905	Non-verification of certificates/degrees employees of SSGC LPG	-
472	SSGC LPG	3906	Non-Appointment of Permanent Chief Internal Auditor	-
473	SSGC LPG	3907	Non-Compliance with Mandatory Board Performance Evaluations and Annual Board Survey Requirements	-
474	SSGC LPG	3908	Overpayment due to non-pursuance of premium rate reduction (3% to 1.5%)	5.335
475	SLL	3910	Serious lapses in LPG procurement from foreign suppliers	
476	SSGC	3911	Non-Preparation of Business Plan under	-

	LPG		SOEs Act, 2023	
477	SSGC LPG	3913	Short payment of customs duty and taxes Rs 1.530 million	1.530
478	SSGC LPG	3914	Non-existence of SOP / Policies and Manuals of core departments	-
479	SSGC LPG	3915	Non appointment of Managing Director of SSGC LPG	-
480	Mari Energies	4106	Non-production of Record - Mari Energies Limited	-
481	PRL	3787	Non-production of record by Pakistan Refinery Ltd. (PRL)	-
482	PARCO	3788	Non-production of record by PARCO	-
483	SSGC LPG	Para 03/10-2025K	Loss due to non-filing of refund claim for overpaid duties and taxes	4.995
484	SSGC LPG	Para 08/10-2025K	Inefficient procurement planning of LPG reliance on short-term arrangements instead of long-term agreements resulted in decrease of sales by 259%	-
485	SSGC LPG	Para 04/10-2025K	Appointment of board members of SOE's subsidiaries without nomination by Federal Government	-
486	SSGC LPG	Para 13/10-2025K	Non-disposal of auction able vehicles	7.600
487	SSGC LPG	Para 02/10-2025K	Unjustified expenditure on account of demurrages	61.243

Annex-2

Audit profile of Ministry of Energy (Petroleum Division)

(Rs in million)

Sr. No.	Description	Total Nos.	Audited	Expenditure involved FY 2024-25	Revenue / Receipts involved FY 2024-25
1	**MoE (PD)/Bodies/Dep.**				
	Audited MoE (PD)/Bodies/Dep.				
(i)	Ministry of Energy (PD)	1	1	687.263	1,511,838.075
(ii)	Department of Explosives	1	1	138.889	1,052.165
	Un-audited MoE (PD)/Bodies/Dep				
(i)	GSP *	1	-	1,827.940	-
(ii)	HDIP (expenditure & receipts)	1	-	877.846	877.846
	Profile of MoE (PD)/Bodies/Dep.	**4**	**2**	**3,531.938**	**1,513,768.086**
2	**Autonomous Bodies / PSEs etc. under the PAO**				
	Audited Autonomous Bodies / PSEs etc. under the PAO				
(i)	OGDCL	1	1	418,281.597	544,618.758
(ii)	PPL	1	1	245,090.580	301,563.523
(iii)	PSO	1	1	3,150,204.614	3,406,637.171
(iv)	SNGPL	1	1	1,446,988.837	1,673,521.256
(v)	SSGC-LPG	1	1	11,048.646	13,637.238
(vi)	SSGC	1	1	494,083.687	545,687.992
(vii)	PMDC	1	1	6,592.374	9,489.388
(vii)	GHPL	1	1	97,775.703	143,288.618
	Sub-total	**8**	**8**	**5,870,066.038**	**6,638,443.944**
3	**Un-Audited Autonomous Bodies / PSEs etc. under the PAO**				
(i)	ISGS	1	-	1,063.936	27.664
(ii)	PLL	1	-	141,541.835	182,859.476
(iii)	SML	1	-	9,502.205	18,101.381
(iv)	ENAR	1	-	129,614.000	92,969.000
(v)	MARI ENERGIES	1	-	198,722.477	211,464.083
(vi)	LCDCL**	1	-	-	-
(vii)	PARCO	1	-	-	-
(viii)	PRL	1	-	-	-
(ix)	MOL	1	-	-	-
(x)	PMPL	1	-	-	-
	Sub-total	**10**	**-**	**480,444.453**	**505,421.604**
	Profile of autonomous Bodies / PSEs etc. under the PAO	**18**	**8**	**6,350,510.491**	**7,143,865.548**

(Source: Annual Audited Accounts)

** In case of GSP certification audit of appropriation accounts was conducted and compliance audit was not planned in audit year 2025-26. Similarly, compliance audit of HDIP was not planned in audit year 2025-26.*

***LCDCL is not performing its function due to non-renewal of Lakhra lease by Sindh Government which was under litigation.*

Annex-3

Non-submission of Annual Audited Accounts by PSEs

Annual audited accounts of Public Sector Enterprises for the financial year 2024-25 were to be provided to the Directorate General Audit, Petroleum and Natural Resources, Lahore by December 31, 2025. Despite requests, the below mentioned organizations did not provide their annual audited accounts for the year 2024-25 or for the previous years by the prescribed date. While non-submission of audited accounts needs to be explained, efforts need to be made to finalize and provide the accounts immediately.

Sr. No.	Name of Ministry / Division / Organization	Year of Accounts
	Petroleum Division	
1	ENAR	2023-24 & 2024-25

Annex-4

Illegal storage and sale of petroleum products without Form-K and non-recovery of fine - Rs 380 million

Sr. No.	Name of Retail Outlets	Location
1	M/s Allied P/S Al Madina F/S Pump	Ouch Timergarah Road Dir Lower
2	M/s Hascol Diya F/S	Timergarah Dir Lower
3	M/s Caltex Techron Abdullah F/S	Talah Timergarah Road Dir Lower
4	M/s PSO Saeed Khan F/S Dhaba Station	Talah Timergarah Road Dir Lower
5	M/S PSO Golf F/S Dhaba Station	Talah Timergarah Road Dir Lower
6	M/s PSO Sada Bahar I Petroleum Agency	200 Meter from G.T Road on Akbar Pura Road Toru Jabba Nowshera
7	M/s PSO Sada Bahar II Petroleum Agency	7000 Meter from G.T Road on Akbar Pura Road Toru Jabba Nowshera
8	M/s PSO Khattak F/S Dhaba Station	Shamshatto Road 800 meter inside from Phandu Urmur Road Peshawar
9	M/s PSO Sajjad F/S Dhaba Station	Shamshatto Road 1KM inside from Phandu Urmur Road Peshawar
10	M/s PSO Asfandyar F/S Dhaba Station	2 KM inside from Ring Road at Phandu Road Peshawar
11	M/s PSO Yousaf Khan Petroleum Oil Agency	3 KM from Ring Road on Phandu Road Zindigi Camp Gul Market Peshawar
12	M/S PSO Mashallah P.S	3 KM from Ring Road on Phandu Road Peshawar
13	M/S PSO Umur FS Dhaba Station	4 KM Inside from Ring Road on Urmar Phandu Road Peshawar
14	M/s PSO Shinwari Pewtroleum Oil Agency	Shamshatto Road 200 Meter from Urmar Road Peshawar
15	M/S PSO Azad FS Dhaba Station	Shamshatto Road 400 Meter from Urmar Road Peshawar
16	M/S PSO Ahmed FS Oil Agency	Nasir Pur 200 meter inside from G.T Road on Phattak Road Peshawar
17	M/s Askari 1 Afridi FS Dhaba Station	Shamshatto Road 500 meter inside from Phandu urmar Road Peshawar
18	M/s Aya n Petroleum Service Dhaba Station	Bahran Khan Kale Nowshera
19	M/s My Petroleum Insaf Market Unit Oil Agency	Insaf Plaza Miskinabad Nowshera
20	M/s Askar 1 Three Star F/S Pump	Tarbela Ghazi Road Haripur
21	M/s Quality 1 Mehran Shams Petroleum Pump	Tarbella Ghazi Road Haripur
22	M/S PSO Dhaba Station	Tarbela Ghazi Road Jharian Haripur
23	M/s Vital Petroleum Petrol Pump	Adjacent to above PSO Dhaba Station At Tarbela Ghazi Road Haripur

24	M/s Hascol Huzaima F/S Pump	Gadoon Road Swabi
25	M/s PSO Asad Khan F/s Dhaba Station	Gadoon Road Swabi
26	M/s Flow Petroleum Shahid Khan FS Dhaba Station	On Bypass Topi Ghazi Road Swabi
27	M/s PSO Oil Agency	On Bypass Topi Ghazi Road Swabi
28	M/s Shell Azam F/s Pump	Mardan Road Near Maneri District Swabi
29	M/s Wali Petroleum Pump	Adjacent to Wali CNG Mardan Road Swabi
30	M/s Flow M.Ishfaq Advocate Pump	Shah Mansoor Swabi
31	M/s Hascol Punjab F/S Pump	Kambotan Kabal Road Swat
32	M/S PBS Dhaba Station	Kambotna Kabal Road Swat
33	M/s Askar 1 Abdul F/s Pump	Kabal Road Swat
34	M/s Askar 1 H and M F/s	Shinghar Kabal Road Swat
35	M/s My Petroleum Javed F/s	Dhadatra Kabal Road Swat
36	M/s Askar 1 Alharam F/s Pump	Jarandd Kabal Road Swat
37	M/s Askar 1 Rehan F/S Pump	Sharif abad Kabal Road Swat
38	M/s Askar1 Abbas P/S Dhaba Station	Akhoon Kalay Kabal Road Swat
39	M/s Caltex Golf F/S Dhaba Station	Kabal Chowk Swat
40	M/s Quality 1 Lucky F/S	Kabal Opposite Tyo Muhammadi LPG Swat
41	M/s Quality 1 Al wahid F/s	Shamozai Bypass Road Swat
42	M/s Quality 1 Swat Malakand Petroleum	Thana District Malakand
43	M/s Kepler Afaq P/s	Thana District Malakand
44	M/s Aya n Petroleum Service	Bahran Khan Kale Nowshera
45	M/s My Petroleum Insaf Market Unit Oil Agency	Insaf Plaza Miskinabad Nowshera
46	M/s Quality 1 Sudaid F/s	Shangla Road Matwani Mera Chgarzai Buner
47	M/s Kepler Shayan F/S	Chagarzai Road Shangla Road Matwani Mera Buner
48	M/s PSO Noor Muhammad Shop X unit Oil Agency	Tehkal Road Tehkal Bala Peshawar
49	M/s PSO Nelab F/s	Chughal Pura Ring Road Near Bridger NADRA/TCS Office Peshawar
50	M/S PSO ICC F/s	Opposite Animal & Fruit Mandi Tarnab G.T Road Peshawar
51	M/S Quality 1	Canal Road University Town to Bara Gate Road Peshawar
52	M/s My Petroleum	Canal Road University Town to Bara Gate Road Peshawar
53	M/S PSO Zam Zam F/s	Bara Gate Road Peshawar
54	M/S Kepler	Canal Road University Town to Bara Gate Road Peshawar
55	M/s PSO Ayub F/s	Takhtabad Road Merra Stop Babuzai Shah alam Peshawar
56	M/S PSO Mashmarez F/s	Babuzai Road Near Interchange Toward

		Buner Tehsil Katlang Mardan
57	M/s Askar 1	Babuzai Road Near Interchange Toward Buner Tehsil Katlang Mardan
58	Iqbal Pump & Hotel	
59	M/s PSO Babuzai F/s	Babuzai Road Near Interchange Toward Buner Tehsil Katlang Mardan
60	M/s PSO Wali F/s	Inside Market Babuzai Road Buner Toward katlang Mardan
61	M/S Quality 1 Saleem Khan	Babuzai Road Near Interchange Toward Buner Tehsil Katlang Mardan
62	M/s Askar 1 Mansoor F/s	Kingar Gali Buner
63	M/s Askar 1 Buner P/S	Bampukha Buner
64	M/s Quality 1 Jan F/s	Karra Kharr Buner
65	M/s PSO Asad Khan F/s Dhaba Station	Daggar Buner
66	M/s PSO Gul Roz Khan F/s	Daggar Buner
67	M/s Askar 1 Shah F/s	Kinger Gali Buner
68	M/s Askar 1 Shin F/s	Shin Khwazakhela Swat
69	M/S My Petroleum Rahatabad F/s	For Rahatabad Khwazakhela Swat
70	M/s Hascol Asala Petroleum	Naway Kalay Khwazakhela Swat
71	M/S Askar Gulabad Petroleum	Naway Kalay Khwazakhela Swat
72	M/s Askar 1 Sohail Kohistan Petroleum	Chalyar Khwazakhela Swat
73	M/s Go H & M F/s	Alamganj Khwazakhela Swat
74	M/S Hascol Insaf Motor & Petroleum Pump	On Malakand Road Shergarh Mardan
75	M/S Caltex M.s P/s	Malakand Road Shergarh Mardan
76	M/S Hascol Abbasi F/s	Jalala Malakand Road Mardan
77	M/S Caltex Jalala P/s	Jalala Malakand Road Mardan
78	M/s Flow Muhammad Ashfaq Advocate	Qandhar Malakand Road Mardan
79	M/S PSO	Qandhar Malakand Road near to Millat CNG Mardan
80	M/s PSO Shah Petroleum Oil Agency	Malakand Takht Bhai Market Mardan
81	M/S PSO Bahadur Khan Petroleum Pump	Malakand Road Takht Bhai Mardan
82	M/s Byco	Malakand Road Takht Bhai in front of PSO Pump Mardan
83	M/s PSO	Near to Takht Bhai Ring Road Mardan
84	M/s PSO	Near Charsadda Road Ring Road Mardan
85	M/s Askar 1	Towards Sarhad University Ring Road Mardan
86	M/S Shell bashir & Co F/s	Kalam Road Bahrain Market Swat
87	M/s Flow Atta F/s	Bahrain Road Sattal Garh Bahrain Swat
88	M/S PSO Hamza F/.s	Bahrain Road Sattal Garh Bahrain Swat
89	M/s PSO Madyan F/s	Madyan Road Madyan Market Swat
90	M/S Askar 1 Zaryab F/s	Madyan Road Jaree Madyan Swat

91	M/S My Petroleum Ehtram F./s	Madyan Road Jarree Madyan Swat
92	M/S Quality 1 Q1 F./s	Madyan Road Bagh Dhri Khwazakhela Swat
93	M/S Hascol Bagh Dagh Dheri Filling Station Pump	Madyan Road Bagh Dheri KhwazaKhela Swat
94	M/S PSO Dhaba Station	Peshawar Road Near Ishfaq General Store Charsadda
95	M/S Askar 1 Dhaba Station	Peshawar Road in front of Malik Auto Electrician Charsadda
96	M/s Askar 1	Charsadda Peshawar Road Opposite Forces School System Charsadda
97	M/S Caltex Charsadda Petrol Pump	Opposite Peshawar Plan coach Adda Near Tarnab Road Charsadda
98	M/S PSO Riaz F/s	Opposite to Universal CNG Station at Peshawar Road Sardaryab Charsadda
99	M/S Askar 1	Sardaryab Chowk on Doaba Sadaryab Road Charsadda
100	M/S PSO Khan G F/s	Shabqadar Road Gul Abad Sadaryab Charsadda
101	M/S Go Mudasir F/s	Shabqadar Sardaryab Road Near Hassan Khel Road Charsadda
102	M/S PSO Wisal Petroleum 1	Rashakai Link/Bypass Road near Railway Phattak Nowshera
103	M/S PSO Unit Wisal Petroleum-II	Rashakai Link/Bypass Road Toward main Nowshera Mardan Road Nowshera
104	M/s GO Dhaba Station	Rashakai Link/Bypass Road towards Village Near Railway Phattak Nowshera
105	M/S PSO New Contruction	Rashakai Link/Bypass Road Toward main Nowshera Mardan Road Nowshera
106	M/S Hascol Al Madina FS Petrol pump	At Rashakai Toll Plaza Towards Peshawar Nowshera Mardan Road Nowshera
107	Oil Agency in Shop	Inside the Bacha Electric General Store Shop at Rashakai Main Market Nowshera Mardan Road Nowshera
108	M/S PSO 2 Askari Petroleum Petrol Pump	At Nowshera Mardan Road Adjacent to KFC-Subway Mardan
109	M/S PSO Dhaba Station	At Ghaladher Toru Rashakai Icon Valley Road Mardan
110	M/S Quality 1 Miyan FS Dhaba Station	Opposite to Icon Valley Toru Rashakai Link Road Mardan
111	M/S PSO Dhaba Station	Icon Valley Toru Rashkai Link Road Mardan
112	M/S PSO unit Ismaeel Auto Shop Oil Agency	Toru Rashakai Icon Valley Link Road Mardan
113	Askar 1 Dhaba Station	Tarnab Road District Charsadda
114	PSO Dhaba Station	Tarnab Road District Charsadda
115	PSO	Inside Haji Camp Exit Side Bus Stand Peshawar
116	M/S PSO Dhaba Station	Charsadda Road Near Uama Wariach Flyover Peshawar

117	PSO Dhaba Staion	Ring Road Near Prime Hospital Peshawar
118	M/s Noor Alam F/s PSO	Charsadda Road near Abasin CNG Peshawar
119	M/s Total Parco Petrol Pump	Charmari Road Kanal Subhan Abad Road Tehkal Payan Peshawar
120	M/s Amin F/S PSO	Ismalia Interchange (exit side) Mardan Swabi Road Swabi
121	M/S PSO Dhaba Station	Saleem Khan Road Maneri Bala Swabi
122	M/s Attock P/s Dhaba Station	Dara Adam Khel Peshawar Road Near Sarwar Clinic Dara FR Kohat
123	M/s Quality 1 Dhaba Station	Dara Adam Khel Near Abasin Hojra Hotel FR Kohat
124	Haji Gul Wadood F/s PBS	On Tangi Road at Near Umarzai Bazar/Chowk District Charsadda
125	PSO oil Agency	Nisatta Nowshera Road Opposite Super Gold Gym District Charsadda
126	Askar Dhaba Station	Near Main Nisatta Chowk Kalay Road Opposite Muslim Education Academy District Charsadda
127	PSO Oil Agency Danial FS	Nisatta Nowshera Road Near the Inveter School, District Charsadda
128	PSO Oil Agency	Main Nowshera Road Inside Open Old Plaza Plot Charsadda
129	PSO Al Rehman F/s	Charsadda Road opposite to Asim CNG Budgni Pull Peshawar.
130	PSO Shah Bahadur F/S	Wahid Garhi Charsadda Road near Ashraf Bagh Shadi Hall Peshawar.
131	Naguman P/S PSO	Shabqadar Road Naguman Chawk Near Police Chawki Naguman Peshawar.
132	M/s Shell PK Ltd	At Kabapyan Warsak Road Peshawar
133	M/s Caltex	Near FATA Sectrerate Warsak Road Peshawar.
134	M/s PSO	Opposite to Go Petrol Pump Warsak Road Peshawar.
135	PSO Dhaba Station Bluestar FS	Mardan Road Maneri Bala Swabi
136	Hascol Dhaba Station Shah FS	Mardan Road Maneri Bala Swabi
137	Askar 1 Dhaba Station Ayan FS	Swabi Charbagh Mardan Road Swabi
138	Be Energy Dhaba Station Arsalan Fs	Swabi Charbagh Mardan Road Swabi
139	PSO Dhaba Station Azlan Petroleum	Swabi Near Seena Medical Center Nawan Clay Mardan Road Swabi
140	Exceed Saeed Amwar FS	Shewa Adda Mardan Road Swabi Near Adena Pull District Swabi
141	Admore/Puma Adina FS	Adina Bazar Mardan Road Swabi
142	Askar 1 Dhaba Station	Mardan Road At Adina Swabi
143	PSO Dhaba Station	Saleem Khan Road Maneri Bala Swabi
144	My Petroleum Dhaba Station	Mardan Road Gohati Swabi Near Ijaz F/S PSO District Swabi
145	PSO Oil Agency Ahmed FS	KM Canal Road Gohati Near College Cricket

		Statdum District Swabi
146	PSO Dhaba Station Shah FS	Adjacent to M1 Toll Plaza Northern Bypass Area Peshawar Entry Side to Peshawar District Peshawar
147	PSO Oil Agency	Opposite Malik Farid Abad Ring Road Peshawar
148	Kepler Illegal Petrol Pump Lalazar Fs	Tarnab Farm Near Animal Mandi G.T Road Opposite Maryland CNG Peshawar
149	PSO Dhaba Station Motorway Petroleum Service	Nisatta Nowshera Road Near Motorway Peshawar Interchange M1 Opposite Shama Associate Charsadda District Charsadda
150	PSO Oil Agency	Nisatta Nowshera Road Opposite Super Gold Gym District Charsadda
151	Askar Dhaba Station	Near Main Nisatta Chowk Kalay Road Opposite Muslim Education Academy District Charsadda
152	PSO Oil Agency Dhani FS	Nisatta Nowshera Road Near the Inveter School, District Charsadda
153	PSO Oil Agency	Main Nowshera Road Inside Open Old Plaza Plot Charsadda
154	Askar Oil Agency	Nowshera Road Shah Pasand Kalay Chowk Oppoiste Muqbara Nissata APS Govt High School District Charsadda
155	PSO Petrol Pump usman Ghani FS	Opposite Marhaba Gatherig Hall Azakhel G.T Road Nowshera
156	PSO Khalid Fs	Opposite Marhaba Gatherig Hall Azakhel G.T Road Nowshera
157	Caltex Pump Excel FS	Pabbi Near Gas Land CNG Nowshera
158	PSO Afridi FS	Pabbi Near Gas Land CNG Nowshera
159	3 Star Petroleum Dhaba PSO	Bad Rashi Kaka Sahab Road Nowshera
160	Bad Rashi Petrol Pump PSO	Bad Rashi Kaka Sahab Road Nowshera
161	3 Star FS My Petroleum Dhaba	Bad Rashi Kaka Sahab Road Nowshera
162	MHK Al Rehman Petroleum Dhaba Askar 1	Bad Rashi Kaka Sahab Road
163	Quality Dhaba Station	Dara Adam Khel Road Near Lucky Afridi/ Abaseen Hojra Restaurant Hotel District Dra FR Kohat
164	PSO Dhaba Station	Dara Adam Khel Peshawar Road Near Abdul Latif Sweat Hotel Adjacent Hotel District Dra FR Kohat
165	Quality 1 Dhaba Station	Dara Adam Khel Peshawar Road District Dra FR Kohat
166	Attock Petroleum Service Dhaba Station	Dara Adam Khel Peshawar Road Near Doctor Sarwar Clinic District Dra FR Kohat
167	PSO Oil Agency	Tehkar Bala Road Tango Adda Peshawar
168	PSO Dhaba Station	Tango Adda Near Jamil Ata Chakki Tehkal Bala Road Peshawar
169	PSO Petrol Pump	Tehkal Bala Palosi Road Near Bachano

		Chowk Peshawar
170	PSO Dhaba Station	Tehkar Bala Road Palosi Gravyard Peshawar
171	PSO Oil Agency	Chalmari Road kanal Subhanabad Road Tehkal Payan Peshawar.
172	Total Parco Petrol Pump	Chalmari Road kanal Subhanabad Road Tehkal Payan Peshawar.
173	PSO Dhaba Station	Chalmari Road Tehkal Bala Village Peshawar.
174	PSO Oil Agency	Kanal Road Near Hasan Ghari 30 Meters from Kababyan to Shami Road Peshawar
175	PSO Petrol Pump	Pajjagi Road Opposite Tableghi Markaz Pesshawar.
176	Kapler Petrol Pump	Pajjagi Road Opposite Bacha Khan Markaz Pesshawar.
177	Askar Filling/Dhaba Station	Dalazak Road Kabotar Chowk to Pakha Ghulam Peshawar
178	ZK Filling Station My Petroleum	Inqelab Road Chamkani Peshawar
179	Askar Chamkani Filling Station	Inqelab Road Chamkani Peshawar
180	Kapler Petrol Pump/ Inqelab F/S	Inqelab Road Chamkani Peshawar
181	PSO Dhaba Station / Friends Fuels Station	Phandu Road Opposite ‘All in One Mart’ 200 Meters Phandu Chowk Peshawar
182	Nasratzai F/s Millat Petroleum	Nasratzai Shabqadar Battagram Road Charsadda.
183	Faizan Hashmi F/S	Nasratzai Shabqadar Battagram Road Charsadda.
184	M/s Wajid Ali F/s Askar 1	Battagram Road Gunda Charsadda.
185	Askar 1	Ashara Battagram Charsadda.
186	AL MADINA P/S	Battagram Chawk Charsadda.
187	PSO Battagram F/s	Battagram Chawk Charsadda.
188	Malik P/s	Near Police Station Battagram Charsadda.
189	Bilawal F/s My petroleum	Battagram Road Kharkai korona Charsadda.
190	Askar 1	Sukkar Shabqadar Road Charsadda
191	Hascol	Doaba Road Sardaryab Charsadda.
192	Yousaf F/s PSO	Gulabad Sardaryab Charsadda.
193	Malak F/s Askar 1	Near Shah Medical Complex Sardaryab Chowk Charsadda.
194	Mohmand F/S Caltex	Shabqadar Road at Bunyadi Charsadda .
195	Insaf P/S PSO	Mamu Hatki Near Mamu Hatki Police Station Charsadda.
196	Maaz F/s Quality 1.	Hajizai Shabqadar Road Opposite Police Chawki Hajizai Charsadda.
197	Ittehad P/S Askar 1	Hajizai Naguman Road Near Kachehri Hajizai Charsadda.
198	PSO Nijat P/S	Kangra Road Hajizai near Hajizai medical complex Charsadda.
199	PSO Saad F/S	Kangra Road Hajizai near Hajizai medical complex Charsadda.
200	Habib F/S Quality 1	Shabqadar Road Hajizai Charsadda.
201	Shabnan F/S Askar 1	Near Pak Afghan Restorant at Major Qella

		Charsadda.
202	Fazal & Company F/S	Adjacent to DSP Office Shabqadar Charsadda.
203	Ibad Khan F/S PSO	Shabqadar Batagram Road opposite Shabqadar Police Station Charsadda.
204	M Jahan F/s PSO	Opposite to Frontier Model School Shabqadar Battagram Charsadda.
205	Riaz F/s PSO	Gilkarano Korona Shabqadar Battagram Road Charsadda.
206	PSO Al Rehman F/s	Charsadda Road opposite to Asim CNG Budgni Pull Peshawar.
207	PUMA Khan F/S	Charsadda Road near Khan CNG Sherojangi Peshawar.
208	Noor Alam F/s PSO	Charsadda Road Near Abbasin CNG Peshawar.
209	PSO Shah Bahadur F/S	Wahid Garhi Charsadda Road near Ashraf Bagh Shadi Hall Peshawar.
210	Naguman P/S PSO	Shabqadar Road Naguman Chawk Near Police Chawki Naguman Peshawar.
211	M/s Shell PK Ltd	Kabapyan Warsak Road Peshawar
212	M/s Caltex	Near FATA Sectrerate Warsak Road Peshawar.
213	M/s PSO	Opposite to Go Petrol Pump Warsak Road Peshawar.
214	Chacha F/S	On Umerzai Charsadda Road at Mandani District Peshawar
215	Mardan FS	On N.C.C Road Opposite Khyber Tobbaco Mills Mardan
216	Saeed F/S	On N.C.C Road at Dargai Malakand Agency
217	Riaz FS	On Peshawar Kohat Road at Matani District Peshawar
218	Fazal Brothers F/S	At Serozi Payanb District Peshawar
219	Shah F/S	On Sadda Para chinar Road at Village Gharbina Kurram Agency
220	Honey F/S	On Peshawar Ring Road at Phari Pur District Peshawar
221	Al Noor FS	Para Chinar road at Uchat kalay Kurram Agency
222	Amanullah & Son F/S	On Bannu Miran Shah Road at Bannu
223	M/s. Pakistan State Oil Company Limited.	at Village bhajana shakargarh Narowal
224	M/s. Pakistan State Oil Company Limited.	Aklaspur Road Shakar Garh Narowal.
225	M/s. Pakistan State Oil Company Limited.	Haq Fareed State Faisalabad.
226	M/s. Pakistan State Oil Company Limited.	Jattanwala chowk Faisalabad
227	M/s. Pakistan State Oil Company Limited.	Sulemania Colony Faisalabad

228	M/s. Pakistan State Oil Company Limited.	Kanjwani Tandlianwala Faisalabad
229	M/s. Pakistan State Oil Company Limited.	Gojra Toba road Toba Tek Singh
230	M/s. Pakistan State Oil Company Limited.	At Chak no. 371/GB Gojra Toba Tek Singh
231	M/s. Pakistan State Oil Company Limited.	At mouza Illabad Thesil Chunian District Kasur
232	M/s. Pakistan State Oil Company Limited.	At Rafiq chowk Shorkot Cantt District Jhang
233	M/s. Pakistan State Oil Company Limited.	At 70 stop Sadar Faisalabad
234	M/s. Flow Petroleum Pvt Ltd (Sufi Filling Station.)	At Mouza Tamboli Mianwali Bangla Sadhki road Tehsil Kamoki district Gujranwala
235	M/s. Allied Petroleum Pvt ltd(Siddique FS)	At Mouza Mitranwali Mianwali Sadhoke Tehsil Kamoki District Gujranwala
236	M/s. Be Energy Pvt Ltd (Bismillah FS)	At Main GT Road Muredke District Sheikhupura
237	M/s. Askar Petroleum Services (Ch Hamza Farooq FS)	At Chak No. 28 main Muredke Sheikhupura road District Sheikhupura
238	M/s. Pakistan State Oil Company Limited.	At Tahir Umer industries computerized Canta main Muredke Sheikhupura road district Sheikhupura
239	M/s. My Petroleum pvt ltd(Ch Habib Petroleulm)	At Samundri Gojra road Samundri District Toba tek singh
240	M/s. Horizon Oil Company Pvt ltd(Safdar Petroleum)	At Safdar Petroleum at Gojra Samundri road District Toba Tek Singh
241	M/s. Pakistan State Oil Company Limited.(Al Jameel FS0	At Chechawatni Rajana road Rajana Tehsil Peer mahal District Toba Tek Singh
242	M/s. Allied Petroleum Pvt ltd(Ch Habib FS)	At Chak no. 252/GB District Toba Tek Singh
243	M/s. Allied Petroleum Pvt ltd	At Gojra Samundri road District Toba Tek Singh
244	M/s. Euro Oil Pvt ltd (Kallu Petroleum)	At Chak No 98 Gojra Samundri Road Distrcit Toba Tek Singh
245	M/s. Jinn Petroleum Pvt ltd	At Chak no. 288 Phatak adda tehsil & District Toba Tek Singh
246	M/s. Allied Petroleum PVt Ltd (Mukhtar Dogar Petroleum)	At Peer kihatti Road Renala khurd Okara
247	M/s. Pakistan State Oil Company Limited. (Oasis Petroleum)	At Okara road Okara
248	M/s. Admore Gas Pvt ltd (admore FS)	At Pind mana Tibba Nankana Bucheke road District Nankana Sahib
249	M/s. Askar Petroleum Services (Askar 1 FS)	At Pind Chand Pur Bucheke Bijli Ghar road District Nankana Sahib
250	M/s. Pakistan State Oil Company Limited. (Raza FS)	at Mouza Kariali Sharif Nankana Barbatan Road District Nankana Sahib
251	M/s. My Petroleum pvt ltd(AA	At Mouza Khira by pass road mor Khunda

	Filling station)	Tehsil & District Nankana
252	M/s. Caltex oil Pvt Ltd (Al Noon FS)	at Mouza Bijlighar Jaranwala Bucheki Road Tehsil & District Nankana Sahib
253	M/s. Shell Pakistan Ltd (Bhatti Fs)	At Mouza Bucheki Jaranwala Faisalabad District Nankana Sahib
254	M/s. Askar Ol Service(Abdul Rehman FS)	At Mouza Bucheki Jaranwala Faisalabad District Nankana Sahib
255	M/s. Askar Ol Service(Mujeeb Ur Rehman FS)	At Mouza Bucheki Jaranwala Faisalabad District Nankana Sahib
256	M/s. Askar Oil Service (Haider FS)	At mouza Jalsani road district Nankana Sahib
257	M/s. Allied petroleum Pvt Ltd (Ghous Sakhi PS)	At Pind Mangit Mouza Azeemwala Nankana Mangtanwala road District Nankana
258	M/s. Shell Pakistan Ltd (Zaib Petroleum)	At Mini Wala Lahore Jaranawala road District Nankana Sahib
259	M/S. Fossil Energy Pvt Ltd	At 118 RB Tehsil Sangla Hil District Nankana
260	M/s. Pakista State Oil Copmany Limited (FDD-1699-1700/P)	At Chak no. 371/GB Km No. 4-5 on Gojra by pass Road
261	M/s. Caltex oil Pvt Ltd (Gulshan FS)	At 144 ft from km stone 11 from Toba Tek Singh Gojra Road at Janni wala Dist Toba Tek Singh
262	M/s. Pakistan State Oil Company Limited.	At b/w km no. 48-49 on Jhnag Toba Tek Singh Chechawatni Road at Chak No. 291gb Tehsil & district Toba Tek Singh
263	M/s. Pakistan State Oil Company Limited.	At Km No. 1161- on national highway section okara to Lahore at Akhtarabad the Khurd dist Okara
264	M/s. Vital Petroleum Pvt ltd.	At Mouza Saianwala on sama kutiala sheikha Gujrat road Tehsil Phalia District Mandi Bahaudin
265	M/s. Pakistan State Oil Company Limited.	At mile 58-1 of Faisalabad Rajana peer mahal road district toba tek singh
266	M/s. Pakistan State Oil Company Limited. (Munchi khan FS)	At b/w km no. 80-81 on Jhang Toba Tek Singh Chechawatni Road Chak No. 736/GB Tehsil Kamilia Dist Toba Tek Singh
267	M/s. Pakistan State Oil Company Limited. (Rana Usman Trucking station)	At b/w km. no 8-9 from Sheikhupura on Sheikhupura Muredke road mouza Dera Dogra dist Sheikhupura
268	M/s. Shell Pakistan Limited (Kala Shah Kaku F/s)	At Kala Shah Kaku on N-5 B/w km 19-20 from Lahore tehsil Ferozwala
269	M/s. Shell Pakistan Limited (Sitara Hilal PS)	At b/w km no. 13-15 from Lahore at Rana Town district Sheikhupura
270	M/s. Pakistan State Oil Company Limited.	At Rana town tehsil ferozwala dist Sheikhupura
271	M/s. Flow Petroleum PVt ltd.(Cheema FS)	At Gojra road Sambrial District Sialkot
272	M/s. Pakistan State Oil Company Limited.	At national highway m-5 km 50-51 on Lahore Multan road at dinanath district Kasur

273	M/s. Pakistan State Oil Company Limited.	At Tajpura chowk Tajpura scheme Lahore
274	M/s. Pakistan State Oil Company Limited. (Tariq Ghaffar FS)	At B/w km no. 15-16, on Toba Tek Singh Khekha road Khekha Banglu Killa no. 25/1, 24j, District Toba tek singh
275	M/s. Pakistan State Oil Company Limited.	At Mouza Muredke (Agriculture) b/w km no. 1284-1285 national highway section Gujranwala to Lahore Road tehsil Muredke dist Sheikhupura
276	M/s. Vital Petroleum Pvt ltd.	At Mouza Baroke on Sialkot Pasroor Road tehsil & District Sialkot
277	M/s. Vital Petroleum Pvt ltd.	At Mouza Qilla Sahib Singh km no 1.40 coming from Mardianwala chow towards Pindi bhattian on by pass road Hafiazabad Tehsil & dist Hafizabad
278	M/s. Vital Petroleum Pvt ltd.	At Mouza Seroch Barhuman In b/w km no. 5-6 from Shakargarh situated on kot naina road tehsil Shakargarh dist Narowal.
279	M/s. Pakista State Oil Company Limited.	At Plot in Revinue state in Gujrat old GT road Tehsil & Dist Gujrat
280	M/s. Hi Tech Lubricants Pvt Ltd.	At Mouza Basti kasu Chak no. 388/JB on Toba Tek Singh Road Tehsil & Dist Toba Tek Sing
281	M/s. Hi Tech Lubricants Pvt Ltd.	At Mouza Nona in b/w km no 8-9 on Qilla Ahmadabad to Tapyala road tehsil Zafarwal dist Narowal
282	M/s. Total Parco Pakistan ltd.	At Mouza khot b/w km no. 1311-1312 GT Road Kamoke Dist Gujranwala
283	M/s. Fuelers Pvt ltd.	At Mouza Satgarha on Okara Satgarha road km no. -12-13 tehsil & dist Okara
284	M/s. Total Parco Pakistan ltd.	At Plot No. 44 Block B-111 MA Johar Town Twhsil Model town Dist Lahore
285	M/s. Pakista State Oil Company Limited (Shamshair FS)	At on Gujrat Sargodha Road at village bhiki Dist mandi Bahaudin
286	M/s. pakista State oil company Limited	At Station road dist Toba Tek Singh
287	M/s. pakista State oil Company Limited.(Mukhtar FS)	At km no. 5-6 on Shakargarh zafarwal road village raiba chakla dis narowal
288	M/s. Exceed Peteoleum Pvt Limited	At 300 meter form km 99 on lahore sargodha road Thatha khario mithal tehsil pindi bhattian dist hafizabad.
289	M/s. pakista State oil Company Limited.	At mile 22/4-5 Gujrat Sargodha road Tehsil Phalia Distt mandi bahaudin
290	M/s. Allied Petroleum Pvt ltd (Malik Petroleum)	At Sialkot Jala pur Jattan Road tehsil Sambrial dist Sialkot
291	M/s. Gas & Oil (Al Sardar Petroleum Services)	At Sialkot Jala pur Jattan Road tehsil Sambrial dist sialkot
292	M/s. Gas & Oil (Al Syed	At Sialkot Jala pur Jattan Road tehsil Sambrial

	Petroleum Services)	dist Sialkot
293	M/s. Jinn Petroleum Pvt ltd(Rai Akbar Khan Kharal FS)	At Mangtawala Nankana sahib road district Nankana sahib
294	M/s. Vital Petroleum Pvt ltd.(Lasani PS)	At Shahkot Nankana sahib road district Nankaan sahib
295	M/s. Jinn petroleum Pvt ltd	At Burala Shahkot Nankana sahib Road distt Nankana sahib
296	M/s. My Petroleum Pvt ltd (Bilal Petroleum)	At Dograwala Waraich Gujranwala Alipur Chattha the Wazirabad dist Gujranwala
297	M/s. My Petroleum Pvt ltd	At near Qazi rise mills 13 Km Jalaalpur Bhattian road Hafizabad
298	M/s. My Petroleum Pvt ltd	At Sargodha Faisalabad Road near old Lari adda tehsil & district Chiniot
299	M/s. My Petroleum Pvt ltd	At km no. 3.5-4 form Daska Gujranwala Raod mouza Mosewala Sialkot
300	M/s. My Petroleum Pvt ltd	At mouza Manga 30-km from Narowal on Narowal
301	M/s. Hi Tech Lubricants Pvt Ltd.	At Mouza Butrian wala Gujranwala
302	M/s. Hi Tech Lubricants Pvt Ltd.	At mouza Mandiali Dega on dewan road tehsil kamoke dist gujranwala
303	M/s. Hi Tech Lubricants Pvt Ltd.	at mouza Chari bahadar on Faisalabad Sargodha Road Distt Chniot
304	M/s Euro Oil PVT Limited	Khewat No.83/2/83, Khatooni No.2142, Khasara No.38/24 On Okara Depalpur Road, District Okara
305	GM Chandio Filling Station (M/s GO)	Kamber ShahdatKot, Sindh
306	Jolay Lal Filling Station (M/s Fast Oil Company)	Kamber ShahdatKot, Sindh
307	Al Shahbaz Filling Station (M/s Petrowell Pvt Ltd)	Kamber ShahdatKot, Sindh
308	Sadam Hussain Petroleum Services (M/s GO)	Kamber ShahdatKot, Sindh
309	Aadil Petroleum Services (M/s PSO)	Kamber ShahdatKot, Sindh
310	Sijawel Junejo Filling Station (M/s Kepler Petroleum Pvt Ltd)	Kamber ShahdatKot, Sindh
311	Bangar Petroleum Services (M/s Hascol Petroleum Ltd)	Kamber ShahdatKot, Sindh
312	Al-Bakht Filling Station (M/s GO)	Kamber ShahdatKot, Sindh
313	M/s Fast Oil Company Pvt Ltd	Kamber ShahdatKot, Sindh
314	Joohlay Laal Filling Station (M/s Hascol Petroleum)	Kamber ShahdatKot, Sindh
315	Al-Rehman Chandio Filling Station (M/s Fast Oil Company Pvt Ltd)	Kamber ShahdatKot, Sindh
316	Abdullah Filling station (M/s Be	Kamber ShahdatKot, Sindh

	energy Ltd)	
317	Emaan Petroleum Services (M/s Hascol Petroleum Ltd)	Kamber ShahdatKot, Sindh
318	Motorway Filling Station (M/s PSO)	Kamber ShahdatKot, Sindh
319	Samad Petroleum Services (M/s Fast Oil Company Pvt Ltd)	Kamber ShahdatKot, Sindh
320	Al-Manzoor Petroleum Services (M/s N3 Petroleum Company)	Kamber ShahdatKot, Sindh
321	Mir Karam Khan Brohi Petroleum Services (M/s PSO)	Kamber ShahdatKot, Sindh
322	Ayyan Filling Station (M/s GO)	Kamber ShahdatKot, Sindh
323	Al-hakim Petroleum Services (M/s Fast Oil Company Pvt Ltd)	Kamber ShahdatKot, Sindh
324	Fida Filling station (M/s Hascol Petroleum Ltd)	Kamber ShahdatKot, Sindh
325	M/s Samad Petroleum Service (Allied Petroleum Pvt Ltd)	Kamber ShahdatKot, Sindh
326	Al-Farooq Petroleum Services (M/s GO)	Kamber ShahdatKot, Sindh
327	Mustafa Filling Station Ratokot	Kamber ShahdatKot, Sindh
328	Hussaini Petroleum Services (M/s Kepler Petroleum Service)	Kamber ShahdatKot, Sindh
329	Zuhaib Petroleum Service (M/s Fast Oil Company Pvt Ltd)	Kamber ShahdatKot, Sindh
330	Areeb Ali Filling Station (M/s Fast Oil Company Pvt Ltd)	Kamber ShahdatKot, Sindh
331	Al-Makkah Petroleum Service (M/s LaGuardia Petroleum Pvt Ltd)	Kamber ShahdatKot, Sindh
332	Sahil Ghaffar Filling Station (M/s Go)	Kamber ShahdatKot, Sindh
333	Ali Petroleum Service Warah (M/s Fast Oil Company Pvt Ltd)	Kamber ShahdatKot, Sindh
334	Fast Oil Company Pvt Ltd	Kamber ShahdatKot, Sindh
335	M Zareen Khan Magsi (M/s Kepler Petroleum Service)	Kamber ShahdatKot, Sindh
336	Hi Tech Lubricants	Peshawar
337	M/s PSO	Peshawar
338	Daewoo Bus Terminal	Islamabad
339	Ahmad filling station	Bhakkar
340	Ramzan filling station	Bhakkar
341	Kakra Petroleum	Khushab
342	Awan Petroleum	Khushab
343	Al Shaheer Petroleum	Khushab
344	Mitha Tiwana Filling Station	Khushab
345	Khokhar Petroleum	Khushab
346	Intiaz Petroleum Service	Khushab

347	AA-Heer Petroleum	Khushab
348	Umar Petroleum	Khushab
349	Mudasar Petroleum	Mianwali
350	Wajahat Petroleum	Bhakkar
351	Aolakh Petroleum	Bhakkar
352	Subhan Allah Petroleum	Sargodha
353	Ali Sheer Petroleum	Bhakkar
354	Abbas Petroleum Service	Bhakkar
355	Utra filling station	Bhakkar
356	Fakhr e Khushab	Khushab
357	Al Haj Fateh Muhammad Petroleum	Khushab
358	Mustafvi Petroleum Service	Khushab
359	Fahad filling stations	Khushab
360	Thal gold petroleum	Khushab
361	Mian filling station	Khushab
362	Khan filling station	Bhakkar
363	Pushia filling station	Bhakkar
364	Muzammil Petroleum	Bhakkar
365	Ameer & Sons	Bhakkar
366	Cheenz Petroleum service	Bhakkar
367	Al Madian Petroleum	Mianwali
368	Khalilia Petroleum	Mianwali
369	Khatak Waziristan	Mianwali
370	Khawaja Petroleum	Mianwali
371	Al Madian Petroleum	Bhakkar
372	Malik Petroleum	Bhakkar
373	Mohsin Kharal filling station	Bhakkar
374	Chishti filling station	Bhakkar
375	Asif filling station	Bhakkar
376	Al Madina petroleum	Bhakkar
377	Friends filling station	Bhakkar
378	Baloch Petroleum	Bhakkar
379	Talha Petroleum	Mianwali
380	Imtiaz Petroleum Service	Bhakkar