



**FORENSIC AUDIT REPORT ON  
OIL SHORTAGE DURING JUNE, 2020  
PETROLEUM DIVISION  
AND  
OIL AND GAS REGULATORY  
AUTHORITY  
AUDIT YEAR 2020-21**

**AUDITOR-GENERAL OF PAKISTAN**



## **PREFACE**

The Auditor-General of Pakistan conducts audit under Articles 169 and 170 of the Constitution of the Islamic Republic of Pakistan, 1973 read with Sections 10 and 15 of the Auditor-General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001. The forensic audit on oil shortage during June, 2020 was carried out accordingly, as per request received from Ministry of Energy (Petroleum Division), Islamabad dated March 24, 2021, on the decision of Federal Cabinet dated March 16, 2021. The objective of forensic audit was to assess whether any OMC violated its licence conditions, by hoarding petroleum products in anticipation of price hike or involved in any other unlawful act.

The Directorate General of Audit, Petroleum and Natural Resources, Lahore conducted forensic audit of top 10 OMCs, Director General (Oil) and Oil & Gas Regulatory Authority (OGRA) during May-June, 2021 with a view to report significant findings to the Federal Government. The Forensic Audit Report contains analysis of overall oil supply chain, major reasons and contributory factors for oil shortage during June, 2020.

The Forensic Audit Report indicates specific action that, if taken, will help the management streamline oil supply chain to minimise the risk of oil shortages in future. Most of the findings included in the report have been finalized in the light of replies and discussions in the DAC meeting held on November 03, 2021.

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

Islamabad  
Dated: May 30, 2024

-sd-  
(Muhammad Ajmal Gondal)  
**Auditor-General of Pakistan**



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## **ABBREVIATIONS AND ACRONYMS**

AGP	Auditor-General of Pakistan
AOSPL	Askar Oil Services (Pvt.) Limited
APL	Attock Petroleum Limited
ARL	Attock Refinery Limited
BEE	Be-Energy Limited
BPD	Barrels per day
BPPL	Byco Petroleum Pakistan Limited
COB	Close of Business
DG I&I	Director General Intelligence & Investigation
DGPC	Directorate General of Petroleum Concessions
DOE	Department of Explosive
ECC	Economic Coordination Committee
FG	Federal Government
FOTCO	Fauji Oil Terminal & Distribution Company Limited
GOPL	Gas & Oil Pakistan Limited
GoP	Government of Pakistan
HDIP	Hydrocarbon Development Institute of Pakistan
HPL	Hascol Petroleum Limited
HSD	High Speed Diesel
IFEM	Inland Freight Equalization Margin
KPK	Khyber Pakhtunkhwa
KPT	Karachi Port Trust
LayCan	Laydays and Cancelling
LNG	Liquid Natural Gas
LPG	Liquid Petroleum Gas
MMS	Minimum Mandatory Stock
MT	Metric Ton
MMT	Million Metric Ton
MoE-PD	Ministry of Energy-Petroleum Division
NOR	Notice of Readiness
NRL	National Refinery Limited
OCAC	Oil Companies Advisory Council
OGRA	Oil & Gas Regulatory Authority

OMC	Oil Marketing Company
PARCO	Pak-Arab Refinery Company Limited
PEPL	PUMA Energy Pakistan (Pvt.) Ltd
PMG	Premier Motor Gasoline
PPC	Pakistan Penal Code
PQA	Port Qasim Authority
PRL	Pakistan Refinery Limited
PRM	Product Review Meeting
PSO	Pakistan State Oil
SPL	Shell Pakistan Limited
SRO	Statutory Regulatory Orders
TPPL	Total Parco Pakistan Limited

## **EXECUTIVE SUMMARY**

During June, 2020, Pakistan faced nationwide shortage of Premier Motor Gasoline (PMG). In order to assess the reasons of the oil shortage, Petroleum Division requested for conducting forensic audit on Oil Shortage of June, 2020 on March 24, 2021. The main objective of forensic audit was to assess whether any OMC violated its licence conditions by hoarding oil products in anticipation of price hike on July 1, 2020 or involved in any unlawful activity.

The Directorate General Audit, Petroleum and Natural Resources, Lahore conducted forensic audit of top 10 Oil Marketing Companies (OMCs), Director General (Oil) and Oil & Gas Regulatory Authority (OGRA) as per Terms of Reference (ToRs) finalized with Ministry of Energy (Petroleum Division). The field audit was carried out in Lahore, Karachi and Islamabad during May-June, 2021. The forensic audit involved scrutiny of record of 10 OMCs besides refineries, Oil Companies Advisory Council (OCAC), DG, Oil, OGRA, Department of Explosives, Hydrocarbon Development Institute of Pakistan (HDIP), Pakistan Customs, and Port Authorities. ToRs for the forensic audit included:

1. Given the projected demand, did the OMCs order sufficient quantity of Motor Gasoline, from local refineries and through imports, for the month of June 2020?
2. Did the local refineries provide the ordered quantities, and if not, why?
3. Did OMCs have sufficient stocks during the month of June 2020 to meet the licence conditions imposed by OGRA? If not, what was the shortfall in stocks? How much of this shortfall was caused by short ordering and how much by non-delivery?
4. Are there instances where an OMC had stock in the storage tanks, but its petrol pumps were not being supplied this product, resulting in a dry out?
5. Did any OMC order imported product, and this product was available on high seas, but was deliberately not berthed, in order to gain expected price advantage on July 1, 2020?

6. Was there product on outer anchor, and if so, was there any port constraint in berthing these vessels? If the port did not have any unloading constraints, could this have mitigated the shortage?
7. What is typical demand of the month of June given seasonal variation? What was the total recorded demand for the month of June, 2020? If the demand for June 2020 represents an anomaly, what are the reasons for it?
8. How did the market share for each of the top 10 OMCs change in the month June 2020 compared to their share a few months earlier or a few months later?
9. Is there evidence of any OMC booking sales but not delivering to their petrol pumps?
10. Is there any evidence of any government agency or department colluding with any OMC?
11. How did smuggled product affect the demand / supply position in June, 2020?
12. What was the profitability of each such OMC for the month of June, 2020, and how did that compare with typical monthly profitability for the month of June in pre-covid times as well as just after when COVID restrictions were lifted?

The procedural formalities of Forensic Audit Report have been completed. However, in the light of restraining orders of Honourable Sindh High Court, Karachi dated September 13, 2021 and September 28, 2021 granted in favour of M/s Hascol Petroleum Limited (HPL) and M/s Gas & Oil Pakistan Limited (GOPL) and directed that “not to finalize or publish any report and if any report or proceedings have been prepared / initiated against the plaintiff pursuant to the impugned notices as stated above, no further steps in pursuant to that report should be taken against the plaintiff, till the next date of hearing”. Audit finalized the report after excluding audit findings relating to HPL and GOPL.

Audit found instances of negligence and mismanagement throughout the oil supply chain. The OMCs failed to supply Premium Motor Gasoline (PMG) to general public in violation of their licence conditions and the regulators failed to ensure supply of PMG by the OMCs. This report has highlighted issues faced at

each level of supply chain and has recommended the steps that, if taken, can avoid such occurrences in future.

### **Key Audit Findings**

- i. A firm demand for the month of June, 2020 could not be determined by DG, Oil accurately and timely. Four Product Review Meetings were held for the purpose, last one of which was held on June 8, 2020;<sup>1</sup>
- ii. OMCs sent projected demand without factoring in the shortfall in Minimum Mandatory Stock (MMS) held by OMCs. DG, Oil determined deficient demand by 194,944 MT;<sup>2</sup>
- iii. DG, Oil fixed low refinery production targets. Besides, refineries also withheld a quantity of 37,261 MT of PMG;<sup>3</sup>
- iv. OMCs reduced the supply of PMG to Retail Outlets and Retail Outlets further slowed down sales to end consumers as per inventory record;<sup>4</sup>
- v. Non-berthing of 84,488 MT imported PMG by OMCs and non-clearance of 86,500 MT bonded PMG by OMCs;<sup>5</sup>
- vi. OGRA failed to initiate timely action when OMCs abandoned regulated activity of seamless supply of fuel in the market reflecting a sizable reduction in their market share as compared to PSO;<sup>6</sup>
- vii. Six OMCs overstated the sales figures by 179,283 MT;<sup>7</sup>
- viii. Ambiguity in law regarding responsible authority for ensuring maintenance of Minimum Mandatory Stock accentuated the issue;<sup>8</sup>
- ix. Petroleum Division and OGRA failed to develop strategic storage. This strategic storage, if developed earlier, could have been utilized to cope with oil shortage, as was envisaged under OGRA Ordinance, 2002;<sup>9</sup>

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<sup>1</sup> Para 4.1.1

<sup>2</sup> Para 4.1.1

<sup>3</sup> Para 4.2.1

<sup>4</sup> Para 4.4.1

<sup>5</sup> Para 4.6.1

<sup>6</sup> Para 4.8.1

<sup>7</sup> Para 4.8.1

<sup>8</sup> Para 4.10.1

<sup>9</sup> Para 4.10.1

- x. DG, Oil imposed irrational ban of imports, delayed permission for berthing of vessel, curtailment in production by refineries and inaction on non-implementation of PRM decisions;<sup>10</sup> and
- xi. Pricing mechanism of petroleum products in vogue in June, 2020 did not cater for extraordinary decrease in international prices. On this plea, the OMCs and refineries abandoned their regulated activity of continuous oil supply to avoid financial losses due to inventory losses.<sup>11</sup>

### **Recommendations**

- i. DG, Oil and OGRA may make efforts to determine demand accurately by developing a database of oil supply chain on real-time basis. Further, annual growth, consumption pattern and seasonal variation may also be considered in PRM;
- ii. PRM may ensure factoring in the minimum mandatory stock requirement in demand determination;
- iii. A balance between local supply and import allocation should be maintained. Refinery production may be kept at the optimum level keeping in view their capacity and availability of crude oil. Import targets may only be fixed to meet the deficit to minimize the reliance on imports with a view to reduce burden on foreign exchange;
- iv. OGRA may ensure compliance of licence condition by OMCs for continuity of PMG supply to their retail outlets and take punitive action promptly;
- v. OCAC and OMCs may ensure timely berthing of vessels as per SOP in vogue and ensure prompt clearance of the bonded PMG from Customs authorities in the light of instructions of Government and Regulator for uninterrupted supply of PMG in the market;
- vi. OGRA may enforce licence' conditions to prevent OMCs for abandonment of regulated activity and punitive action be taken against delinquent OMCs promptly;
- vii. To authenticate the sales and stock figures provided by OMCs, a mechanism for independent reporting of product movement may be developed;

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<sup>10</sup> Para 4.10.1

<sup>11</sup> Para 4.12.1

- viii. Petroleum Division and OGRA may take remedial action on the loopholes in existing rules as identified by Audit to remove ambiguity in roles of regulator and administrative authorities;
- ix. OGRA may ensure to develop strategic petroleum storage for fuel reserve in the event of a public emergency;
- x. Federal Government may take appropriate action for irrational ban of imports, delayed permission for berthing of vessel, curtailment in production by refineries. Further, Petroleum Division may ensure implementation of decisions taken during Product Review Meetings (PRM); and
- xi. To avoid oil crisis in future, pricing mechanism of petroleum products may be reviewed on periodical basis and mechanism for adjustment of any inventory losses to refineries and OMCs due to extraordinary circumstances may also be considered under subsequent pricing.



## **1. Introduction of the Petroleum Sector**

The petroleum products are lifeline for Pakistan's economy as the country's energy needs rely heavily on them. The petroleum products are the largest source of energy consumed in the country. Petroleum / Oil sector is functionally categorized into upstream, midstream, and downstream sectors. The upstream sector is involved in exploration and production of crude oil and natural gas consisting of Exploration & Production companies which are involved in exploration, production and sale of crude oil, natural gas and LPG to refineries and gas companies. The midstream sector is involved in processing raw material into final products comprising of refineries whereas downstream sector is involved in marketing and distribution of oil and gas to the end-users. The downstream sector consists of Oil Marketing Companies (OMCs).

### **1.1 Legal Framework of Petroleum Sector**

The downstream petroleum sector in Pakistan is governed under the following laws and Rules:

#### **i) The Petroleum Act, 1934**

It deals with import, transport, storage, production, refining, of petroleum and other inflammable substances and it is administered by Ministry of Industry and Production and MoE-PD.

#### **ii) The Petroleum Rules, 1937**

The Rules are made under the Petroleum Act, 1934 and Department of Explosives issues Forms K (retail outlets), L (storage tanks), Q (Transportation vehicles; oil tankers and lorries) under these rules.

#### **iii) The Regulation of Mines and Oilfields and Mineral Development [Government Control] Act, 1948**

MoE-PD administers the Act dealing with the refinement of ores and mineral oils and the control of production, storage and distribution of minerals and mineral oils.

#### **iv) The Pakistan Petroleum (Refining, Blending and Marketing) Rules, 1971**

The Rules were made under the Section 2(5&6) of the Regulation of Mines and Oil-Fields and Mineral Development (Government Control) Act, 1948. MoE-

PD and DG, Oil administers the Rules dealing with refining and marketing of petroleum products in collaboration with OGRA.

**v) The Oil and Gas Regulatory Authority Ordinance, 2002**

The Ordinance governs midstream and downstream petroleum sector and an Authority namely OGRA was established under the Ordinance entrusting the specific functions to OGRA which inter alia include:

- a) Issuance and enforcement of licences for Oil sector;
- b) Validation of computation of prices of petroleum products;
- c) Complaint resolution regarding service delivery;
- d) Safeguard public interests and protection of consumers; and
- e) Frame Rules for downstream petroleum sector.

**vi) The Pakistan Oil (Refining, Blending, Transportation, Storage and Marketing) Rules, 2016**

OGRA framed the Rules to govern refining, transportation, storage and marketing under Section 41 of the OGRA, 2002, however, the rules do not cover whole oil supply chain:

- a) Grant, renew, modify and revoke permission / licences for refinery operation and marketing and storage of petroleum products (Rules 3 to 6 & 28 to 36);
- b) Maintenance of minimum mandatory stock by OMCs (Rule 37);
- c) Supply of petroleum products to its retail outlets (Rule 38);
- d) Imposition of licence conditions (Rule 53) to ensure continuity of supply and not to abandon any regulated activity, maintenance of minimum mandatory stock, etc.;
- e) Entry and Inspection (Rule 54); and
- f) Imposition of penalties (Rule 69).

**1.2 Administration of Mid/Down-Stream Petroleum Sectors**

**i) Petroleum Division**

As per Rule 3(3)(29) of Rules of Business 1973, Petroleum Division is responsible for all matters relating to oil, gas and mineral at the national and international levels, including- (i) policy, legislation, planning regarding exploration, development and production; (ii) import, export, refining,

distribution, marketing, transportation and pricing of all kinds of petroleum and petroleum products. Administration of Regulation of Mines and oil fields and Mineral Development (Federal Control) Act, 1948 and Marketing of Petroleum Products (Federal Control) Act, 1974.

Petroleum Division consists of 04 Wings i.e. Administrative, Development (Infrastructure development projects & JV), Mineral Wing and Policy Wing (DG Oil, DG Gas, DG LG, DG PC). DG, Oil deals with oil sector and performs its role in regulating oil supply chain in collaboration with OGRA, Department of Explosives.

## **ii) DG, Oil**

DG, Oil is responsible for administration of Regulation of Mines and oil fields and Mineral Development (Federal Control) Act, 1948 and rules made thereunder, in so far as the same relate to refining and marketing of oil. DG, Oil administers the Pakistan Petroleum (Refining, Blending and Marketing) Rules, 1971 as given below:

- a) Approval of refinery production and processing of crude oil, minimum crude oil stock (Rules 7 to 10);
- b) Authority to approve agreements (Rule 30);
- c) Holding of PRM under Rule 30B for setting conditions for imports / import quota allocation to OMCs; and
- d) Under rules 14, 24, 32, 34 and 42 collections of information from OMCs / refineries and entry / inspection of premises, storage facility or installation and enforcement of Rules.

## **iii) OGRA**

OGRA is mainly responsible for administration of OGRA Ordinance, 2002 promulgated with the objective to foster competition, increase private investment and ownership in the midstream and downstream petroleum industry to protect the public interest while respecting individual rights. OGRA is regulator for midstream and downstream petroleum sectors both for oil and gas but this report will discuss Authority's functions relating to oil sector only. The Authority framed the Pakistan Oil (Refining, Blending, Transportation, Storage and Marketing) Rules, 2016 under Rule 41 of OGRA Ordinance, 2002 which were promulgated in 2018 to govern refining, blending, transportation, storage and marketing of petroleum products and lubricants. OGRA is also responsible for administration of approval of registration,

grant of permission for marketing, inspection, sampling & testing, permission for construction of storage of petroleum products, etc. vide Rules 16, 16B, 17, 18, 26, 27, 28, 33, 35, 36, 38, 40, 41, 41A and 43 of the Pakistan Petroleum (Refining, Blending and Marketing) Rules, 1971.

**iv) Department of Explosives**

Department of Explosives is responsible for administration of the Explosive and safety measures under the Petroleum Act, 1934 and Rules made thereunder i.e. the Petroleum Rules, 1937. The Department of Explosives issues Forms K (retail outlets), L (storage tanks), Q (Transportation vehicles; oil tankers and Lorries) under Petroleum Rules, 1937.

**v) Oil Companies Advisory Council (OCAC)**

OCAC is an independent body formed by the OMCs, refineries and pipeline companies to represent them at various forums. It collects data regarding OMC demand for upcoming month and procurement of petroleum products from the refineries and presents that information to the PRM. The PRM allocates import quotas to the OMCs on the basis of this data presented by OCAC. OCAC also coordinates berthing of import cargoes of OMCs.

**1.3 Oil Supply Chain in Pakistan**

Petroleum supply chain infrastructure in Pakistan starts from ports at Karachi in case of imported crude/refined oil and oil fields in case of local production. The imported petroleum products are transported to storage facilities of the refineries for crude oil and OMCs for refined oil, through road, pipelines and railways. Crude oil produced locally is transferred from E & P companies to refineries either through pipelines or by road. From the refineries, the refined oil is supplied to the storage depots of the OMCs spread throughout the country by road.

**i) Oil Marketing Companies (OMCs)**

The OMCs obtain refined oil from local refineries and through imports. For marketing of petroleum products, OMCs are liable to first construct storage facilities and followed by establishment of retail outlets.

**ii) Storage Depots**

There is total storage capacity of 788,877 MT for PMG and total storage capacity of all refined products is 2,398,365 MT constructed by OMCs, 111,500

MT of PARCO, 221,800 MT of PAPCO, 38,824 MT of Joint Ventures. Total storage facilities 2,770,489 MT for all refined products available with OMCs at 33 locations all over the country. Storage facilities / infrastructure for PMG are mainly available at Karachi (Kemari, PQA and ZOT) and 30 upcountry situated all over the country as detailed in **Annex-A**.

### **iii) Retail Outlets**

OMCs sell petroleum products at Retail outlets or filling stations to the end consumers. The establishment of retail outlets requires licence from Department of Explosives and NOC from the district administration. OGRA sets criteria for establishment of retail outlets for each OMC in each province keeping in view storage facilities constructed by them all over the country. According to Pakistan Oil Report, 2019-20, there were 7,491 retail outlets throughout the country as given in **Annex-B**.

### **1.4 Pricing Mechanism in vogue**

According to the pricing mechanism effective during the oil shortage crisis of June, 2020, the prices of oil were reviewed at the end of every month on the basis of weighted average cost of PSO's imports plus cost of incidentals incurred during the month and new prices announced at the beginning of the new month.

### **1.5 Background of Oil Shortage**

After Covid-19 outbreak in December, 2019, the oil prices in the international market dropped drastically. From US\$ 51.9 per barrel on March 2, 2020, the price of Brent plummeted to US\$ 27.15 per barrel on March 24, 2020. Global crude oil prices hit the lowest point of US\$ 20.46 per barrel on April 28, 2020. By the end of May, 2020, the oil prices in the international market had started increasing with the price of one-barrel Brent at US\$ 35.53 on May 28, 2020. The government reduced the oil prices and set ex-refinery price of Rs 23.99 per litre on June 01, 2020 against average import cost of more than ex-refinery price. Resultantly, most of the OMCs either curtailed imports despite quota allocation in PRM meetings or halted supplies to their retail outlets. The crises exacerbated over next few days with complaints of retail outlet dry outs throughout the country. The shortage of oil continued till government announced higher oil prices on June 26, 2020, four days before the designated date and the oil supply normalized.

## **2. Audit Objective / Terms of Reference (ToRs) of the Forensic Audit**

The objective of forensic audit was to assess whether any OMC violated its licence conditions, hoarded product in anticipation of price rise or was involved in any other illegal activity. The ToRs for the forensic audit were communicated to DG Audit, PNR by the Petroleum Division. The ToRs are as under:

1. Given the projected demand, did the OMCs order sufficient quantity of Motor Gasoline, from local refineries and through imports, for the month of June 2020?
2. Did the local refineries provide the ordered quantities, and if not, why?
3. Did OMCs have sufficient stocks during the month of June 2020 to meet the licence conditions imposed by OGRA? If not, what was the shortfall in stocks? How much of this shortfall was caused by short ordering and how much by non-delivery?
4. Are there instances where an OMC had stock in the storage tanks, but its petrol pumps were not being supplied this product, resulting in a dry out?
5. Did any OMC order imported product, and this product was available on high seas, but was deliberately not berthed, in order to gain expected price advantage on July 1, 2020?
6. Was there product on outer anchor, and if so, was there any port constraint in berthing these vessels? If the port did not have any unloading constraints, could this have mitigated the shortage?
7. What is typical demand of the month of June given seasonal variation? What was the total recorded demand for the month of June 2020? If the demand for June 2020 represents an anomaly, what are the reasons for it?
8. How did the market share for each of the top 10 OMCs change in the month June 2020 compared to their share a few months earlier or a few months later?
9. Is there evidence of any OMC booking sales but not delivering to their petrol pumps?
10. Is there any evidence of any government agency or department colluding with any OMC?

11. How did smuggled product affect the demand/supply position in June 2020?
12. What was the profitability of each such OMC for the month of June 2020, and how did that compare with typical monthly profitability for the month of June in pre-covid times as well as just after when COVID restrictions were lifted?

### 3. Audit Scope and Methodology

#### 3.1 Audit Scope

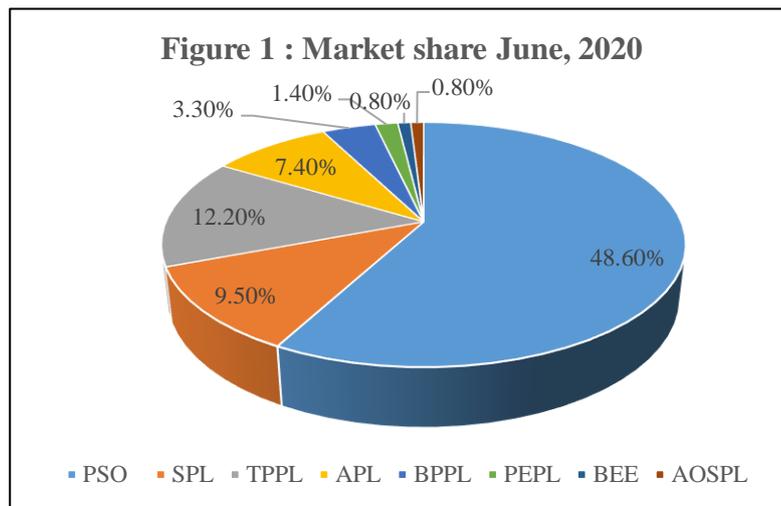
The scope of audit included scrutiny of the record of top 08 OMCs pertaining to January to September, 2020 in general and June, 2020 in particular. The list of these OMCs on the basis of market share is given in Table-1.

**Table 1- Comparison of Market share of the OMCs**

Sr. No.	Name of OMC	Market share March to May, 2020	Market share June, 2020
1	PSO	38.70%	48.60%
2	SPL	11.60%	9.50%
3	TPPL	13.84%	12.20%
4	APL	8.70%	7.40%
5	BPPL	3.55%	3.30%
6	PEPL	2.06%	1.40%
7	BEE	2.43%	0.80%
8	AOSPL	1.52%	0.80%
	<b>Total</b>	<b>82.40%</b>	<b>84.00%</b>

(Source: OCAC data)

Market share of 08 OMCs was 84% which were selected for audit. The audit of M/s Hascol Petroleum Limited (HPL) and M/s Gas & Oil Pakistan Limited (GOPL) were the part of the assignment but owing to restraining orders from Honourable Sindh High Court



at Karachi, the audit findings pertaining to these two OMCs are excluded from this report.

### **3.1.2 Other Organizations**

Apart from OMCs, record of OGRA, DG, Oil and Department of Explosives in Islamabad and Ports i.e. KPT & PQA and HDIP in Karachi were also selected for scrutiny.

### **3.1.3 Scope limitation**

Audit Report contains overall analysis of oil supply chain and major reasons and contributory factors of oil shortage June, 2020 excluding audit findings relating to HPL and GO due to restraining orders issued by the Honourable Sindh High Court at Karachi in their favour on September 13 and 28, 2021.

Further, Audit did not access to data relating to smuggling and mainly relied upon data provided by FBR. The profitability of the OMCs for PMG could not be calculated because the OMCs calculated the combined profitability of all petroleum products, hence, profitability of one product i.e., PMG could not be ascertained.

## **3.2 Audit Methodology**

The Audit employed effective audit procedures in line with the established ToRs and audit scope to gather evidence. To form the conclusion with reasonable assurance, Audit used a combination of both qualitative and quantitative methods of data collecting and analysing techniques that include substantive testing, test of key controls, analytical procedures, formal interviews, previous years' audit observations, field audit inspection, recalculation of certain items and media information. Data was collected as per ToRs through focal persons appointed by Ministry and OGRA. Audit criteria was set as per lines of ToRs. For the purpose of gathering information / record, the audit teams visited DG, Oil, OGRA, Port Qasim, Kemari, OCAC and head offices, depots & retail outlets of OMCs.

## **4. Audit Findings and Recommendations**

Forensic Audit was conducted in accordance with twelve (12) approved ToRs. Audit findings and recommendations are given against each ToR.

### **4.1 TOR-1: Given the projected demand, did the OMCs order sufficient quantity of Motor Gasoline from local refineries and through imports for the month of June, 2020?**

#### **Legal Framework**

As per Rule 3(3)(29)(1) of Rules of Business 1973, Petroleum Division is responsible for all matters relating to oil, gas and minerals at the national and international level including import, export, refining, distribution, marketing, transportation and pricing of all kinds of petroleum and petroleum products<sup>12</sup>. Further, according to Rules 7 to 10 of the Pakistan Petroleum (Refining, Blending and Marketing) Rules, 1971, every refinery shall submit to the Authority (DG, Oil) for its approval the program of production which it proposes to follow in that half year having due regard to the economic interests of the country and its own ability to meet the demands of the market as economically as possible. The Authority may approve a program of production submitted under Rule 7 of Rules *ibid*<sup>13</sup>. Furthermore, according to Rule 30B of Rules *ibid*, “where the production of petroleum products by the local refineries is found insufficient, the Authority i.e., DG, Oil may, subject to such condition as it may impose from time to time, a marketing company may import such products”<sup>14</sup>.

#### **Procedure and Role of Product Review Meeting (PRM)**

The Product Review Meeting (PRM) chaired by DG, Oil and attended by representatives of OCAC (a representative body of OMCs and refineries), refineries, OMCs and OGRA. PRM is held in the second half of each month to assess, review and determine demand of petroleum products for the coming month projected by OCAC / OMCs and set refinery production whereas shortfall is met through import as per Rule 30B of the Pakistan Petroleum (Refining, Blending and Marketing) Rules, 1971. OCAC prepares working papers for the meeting on the basis of information submitted by OMCs / refineries.

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<sup>12</sup> Rules of Business 1973, PP-64

<sup>13</sup> Pakistan Petroleum (Refining, Blending and Marketing) Rules, 1971, PP-3&4

<sup>14</sup> Pakistan Petroleum (Refining, Blending and Marketing) Rules, 1971, PP-7

PRM reviews the following<sup>15</sup>:

- i. Stock required for Minimum Mandatory Stock (MMS) of OMCs equal to 20 days average sales and shortfall;
- ii. Available stock of petroleum products with OMCs / refineries;
- iii. Last month's sales and local purchases / imports made by OMCs as compared to previous months allocations;
- iv. Fixing targets for local production with import quota of crude oil for each refinery;
- v. Finalization of projected demand for coming month; and
- vi. Assigning targets / quotas for local purchases from refineries and imports for each OMC.

#### **4.1.1 Audit Findings:**

Before delving into the issue of sufficient ordering by the OMCs, it is pertinent to analyse the determination of demand. A scrutiny of the minutes of PRM and data provided by OCAC, OMCs and DG, Oil revealed that Petroleum Division could not determine a firm demand for the month of June, 2020 on time. A total number of four PRMs for finalizing the demand for June, 2020 were conducted during May and June, 2020 in which various levels of demands were finalized as depicted in Figure 2 below. Besides, the demand finalization was done without any considerations to the OMCs' Minimum Mandatory Stock (MMS) of 332,381 MT. On June 01, 2020, the OMCs had 137,437 MT of PMG leaving a shortfall of 194,944 MT in their MMS<sup>16</sup> (**Annex-C-I**). Projected demand of PMG relating to 08 OMCs was 699,300 MT (**Annex-C-II**). Audit was of the view that the Petroleum Division and all other stakeholders were unable to accurately project the demand of June, 2020. Audit is of the view that the Petroleum Division and all other stakeholders were unable to accurately project the demand of June, 2020.

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<sup>15</sup> Based on the Minutes of PRM dated June 08, 2020

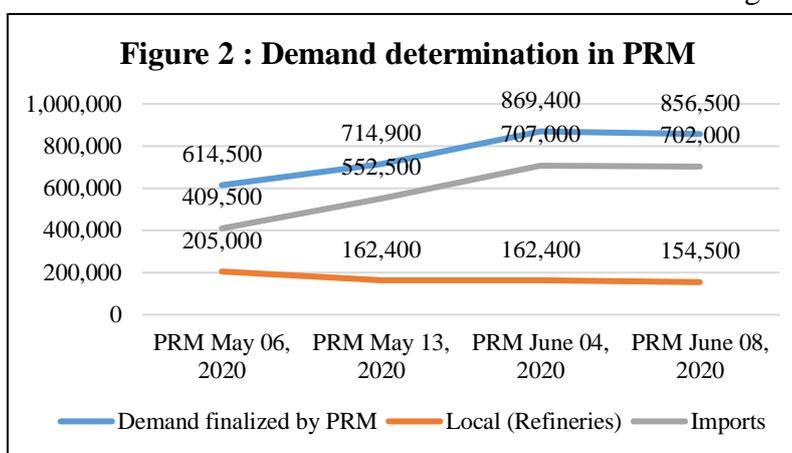
<sup>16</sup> PRM minutes dated June 08, 2020 and data provided by OGRA

**Table 2: Demand determination in PRM for June, 2020<sup>17</sup>**

(Quantities in MT)

PRMs	PRM May 6, 2020	PRM May 13, 2020	PRM June 4, 2020	PRM June 8, 2020
OMCs demand sent to Ministry/PRM	627,047	651,747	683,257	673,057
<b>Demand finalized by PRM</b>	<b>614,500</b>	<b>714,900</b>	<b>869,400</b>	<b>856,500</b>
Local (Refineries)	205,000	162,400	162,400	154,500
Imports	409,500	552,500	707,000	702,000

Petroleum Division and DG Oil conducted four PRMs for finalizing the demand for June, 2020 during May and June, 2020 in which various levels of demands were finalized. PRM kept local production of PMG by oil refineries at



minimum level and increased the target of imports in disregard of insufficient time available with OMCs when demand for the month of June was determined on June 08, 2020.

As far as ordering sufficient quantities of imported PMG by 8 OMCs under audit was concerned, it was observed that they ordered less quantity of PMG by 15,943 MT than finally established demand for the month of June, 2020. Even this ordered quantity of imported PMG could not be fully unloaded at ports primarily due to delay in berthing by 8 OMCs<sup>18</sup>. A large quantity of 84,488 MT of PMG was not unloaded due to berthing issue (**Annex-D**).

Furthermore, it was also revealed from Customs data that OMCs did not ex-bond (got cleared) a large quantity of 86,500 MT from bonded warehouses. Thus, a large quantity of 86,500 MT, which was available in Customs bonded warehouses

<sup>17</sup> PRM Minutes dated June 08, 2020

<sup>18</sup> PRM Minutes dated July 15, 2020 and port data

could not be brought into the market for sale during the month of June, 2020 (**Annex-E**).

The matter was reported to the PAO and OMCs in September, 2021. In DAC meeting held on November 03, 2021, DG, Oil stated that, “by applying the correct basis, both supplies planned and supplies actually arranged were adequate as per 20 days’ mandatory stock maintenance requirements”. Individual replies were also received from the OMCs which are **annexed at F-II**. Audit contended that explanation by DG, Oil was not tenable because 20 days’ MMS (332,381 MT) was required to be factored in the demand placed before the PRM. However, in the PRM, this was included partially at a belated stage, resultantly OMCs could not achieve target of imports and stock remained deficient.

DAC directed OMCs to provide the break-up of demand sent to OCAC for placing before PRM within a week. DAC further directed OMCs to provide import data with supporting documents to Audit for verification and justify non-finalizing of imports in first half of June, 2020. No further progress was reported till finalization of this report.

Audit recommends that the Petroleum Division should make efforts to improve its demand determination mechanism in order to include MMS requirements and to authenticate the figures provided by the OMCs through independent sources. Besides, there is a need to justify the delay in demand determination for June, 2020 and non-implementation of import quota. A dash board may be established at the Ministry level to watch over the position of fuel supply in the country on real time basis.

## **Conclusion**

Audit is of the view that Petroleum Division, DG, Oil and PRM failed to project and finalize demand of PMG on time accurately. Both the Minimum Mandatory Stock (MMS) requirement (shortfall of 194,944 MT) and projected demand of PMG (699,300 MT) for the month of June, 2020 were not catered for. However, the demand of 562,000 MT finalized on June 8, 2020 was not fully ordered leaving a shortfall of 15,943 MT. Even the ordered quantity (546,057 MT) could not reach the consumers due to delayed berthing of vessels carrying 84,488 MT of PMG.

Another factor contributing to the shortfall was that the OMCs (APL, SPL TPPL and AOSPL) did not ex-bond 86,500 MT of PMG from the Customs bonded warehouses till June 26, 2020 i.e., when the prices were revised upward. Overall,

there was a shortage of 381,875 MT due to non-factoring in MMS in demand (194,944 MT), short ordering (15,943 MT), less berthing of vessels (84,488 MT) and non-clearance from customs bonded warehouses (86,500 MT). Petroleum Division, DG, Oil, and OGRA could have averted shortage of oil, had they taken into account the above-mentioned factors. Therefore, they, prima facie, appear to be responsible for oil crises in the country.

## 4.2 TOR-2 Did the local refineries provide the ordered quantities, and if not, why?

### Legal Framework

According to Rules 7 to 10 of the Pakistan Petroleum (Refining, Blending and Marketing) Rules, 1971 “every refinery shall submit to the Authority (OGRA) for its approval the program of production which it proposes to follow in that half year having due regard to the economic interests of the country and its own ability to meet the demands of the market as economically as possible”. The Authority may approve a program of production submitted under Rule 7 of Rules *ibid*<sup>19</sup>.

### Procedure for refinery production targets and allocation to OMCs

As pointed out in ToR-1, the PRM chaired by DG, Oil, set targets for local production with import quota of crude oil for each refinery, and assigned targets / quotas for local purchases to each OMC from refineries.

#### 4.2.1 Audit Findings

From the information available from PRM and data provided by OCAC, OMCs and DG, Oil, Audit observed that the refineries, barring BPPL<sup>20</sup>, supplied more quantity than committed in PRM dated June 08, 2020. The refineries committed a quantity of 154,500 MT against which they supplied a quantity of 164,653 MT as shown in Table-3.

**Table 3: PMG supplies to OMCs by refineries**

(Quantities in MT)

Refinery Name	Allocation / Commitment as per PRM	Actual Supply	Difference
PRL	15,000	17,415	2,415
ARL	35,000	36,977	1,977
NRL	4,500	10,806	6,306
BPPL	35,000	33,174	(1,826)
PARCO	65,000	66,281	1,281
<b>Total</b>	<b>154,500</b>	<b>164,653</b>	<b>10,153</b>

(Source: OCAC data)

Although the supply of PMG was more than the commitment, it is worth mentioning that the commitment of refineries was constantly reduced in all PRMs held during May and June, 2020 as detailed in Table 4<sup>21</sup>.

<sup>19</sup> Pakistan Petroleum (Refining, Blending and Marketing) Rules, 1971, PP-3&4

<sup>20</sup> OCAC data and PRM minutes dated June 08, 2020

<sup>21</sup> PRM minutes dated May 26 & 13, 2020 and June 04 & June 08, 2020

**Table 4: Decrease in refineries commitments in PRMs**

(Quantities in MT)

Refinery	PRM 6 <sup>th</sup> May, 20	PRM 13 <sup>th</sup> May, 20	PRM 4 <sup>th</sup> June, 20	PRM 8 <sup>th</sup> June, 20	Actual production	Actual supply
PRL	25000	15,000	15,000	15,000	23,110	17,415
ARL	55,000	40,000	40,000	35,000	32,185	36,977
NRL	25000	4,500	4,500	4,500	13,889	10,806
BPPL	35000	37,900	37,900	35,000	36,157	33,174
PARCO	65,000	65,000	65,000	65,000	72,069	66,281
<b>Total</b>	<b>205,000</b>	<b>162,400</b>	<b>162,400</b>	<b>154,500</b>	<b>177,410</b>	<b>164,653</b>

*(Source: PRM data)*

The refineries' production was allowed to be kept at low level despite higher demand forecast for June, 2020. Comparing the actual production for the month of June, 2020 with the May, 2020 (232,148 MT) and July, 2020 (207,829 MT), Audit concluded that the target was kept quite low by the PRM held on 8<sup>th</sup> June, 2020. Similar observation was made when sales of June, 2020 (164,653 MT) were compared with those of May (275,149 MT) and July, 2020 (202,056 MT) (**Annex-G**).

Audit was of the view that the low production of refineries was attributable to the low price of PMG in the market due to which the production level was kept at minimum.

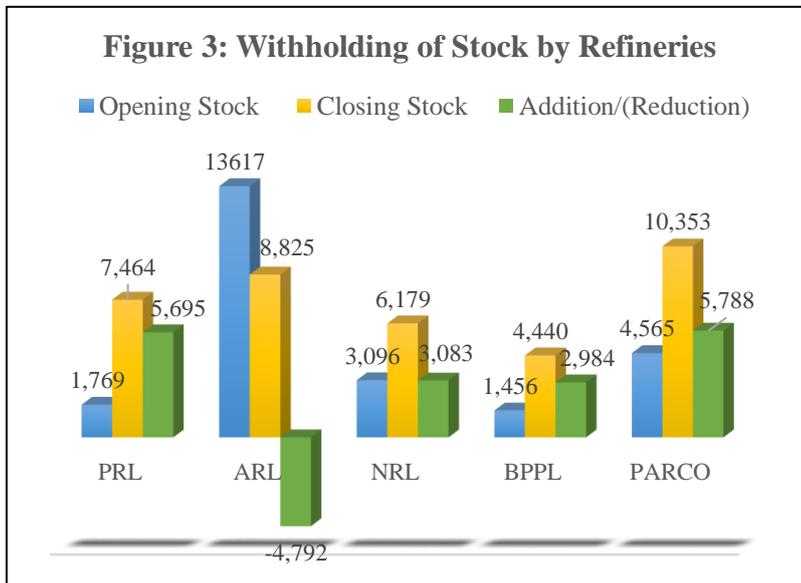
**Table 5: Stock position of refineries as on June 01, 2020 and June 30, 2020**

(Quantities in MT)

Name of refineries	Opening Stock June 01, 2020	Refined during June, 2020	Sales June, 2020	Closing Stock June 30, 2020	Addition/ (Reduction)
PRL	1,769	23,110	17,415	7,464	5,695
ARL	13,617	32,185	36,977	8,825	(4,792)
NRL	3,096	13,889	10,806	6,179	3,083
BPPL	1,456	36,157	33,174	4,440	2,984
PARCO	4,565	72,069	66,281	10,353	5,788
<b>Total</b>	<b>24,503</b>	<b>177,410</b>	<b>164,653</b>	<b>37,261</b>	<b>12,758</b>

*(Source: Record produced by refineries)*

A scrutiny of record provided by refineries also revealed that they were withholding huge quantities of PMG (37,261 MT) as stock despite acute shortage of the product in the country. Instead of increasing their supply to OMCs, the refineries in fact increased their stock by 12,758



MT as given in Figure 3<sup>22</sup>. The available record did not show that DG, Oil or Petroleum Division directed the local refineries to make supplies to OMCs for sale in local market<sup>23</sup>.

The matter was reported to the PAO and OMCs in September, 2021. While replying to these observations, the DG, Oil stated that the refineries were pressed for increased production /supplies. However, refineries pointed out that crude price was higher than the finished product and refineries were incurring significant losses. Replies of Refineries are **annexed at F-III**.

DAC directed DG, Oil to justify the position regarding low local production of PMG by refineries and fixing unrealistic targets of imports. DAC further directed the management of refineries to get the stated stance verified with documentary evidence with regard to industry practice for maintenance of stock and representation of closing stock in the books of accounts within a week time. No further progress to audit was reported in compliance of the DAC directives till now.

Audit recommends fixing of responsibility for approval of low production by refineries and withholding of stock of refined products. DG, Oil and OGRA

<sup>22</sup> Data provided by OCAC and refineries

<sup>23</sup> PRM minutes dated June 04 and June 08, 2020

should assign adequate production targets to local refineries keeping in view their capacity and availability of crude oil to minimize the reliance on imports.

### **Conclusion**

DG, Oil assigned a low production target of 154,500 MT to refineries ignoring projected demand for the month of June, 2020. The oil refineries had the capacity of refining crude oil at the quantity of 428,060 MT per day<sup>24</sup>. The DG, Oil, putting aside the sufficient refining capacity of the refineries, did not cater for the demand of oil in the country and fixed less production target for refineries. PRM ordered short supply of PMG to the OMCs from local refineries and increased the import targets. Further, DG, Oil did not issue instructions to refineries for pushing 37,261 MT PMG available in stock. It is therefore, concluded that DG, Oil was primarily responsible for chaos of oil shortage in the month of June, 2020 in the country.

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<sup>24</sup> Pakistan Oil Report 2019-20, PP-33

**4.3 TOR-3 Did OMCs have sufficient stocks during the month of June 2020 to meet the licence conditions imposed by OGRA? If not, what was the shortfall in stocks? How much of this shortfall was caused by short ordering and how much by non-delivery?**

**Legal Framework**

According to Rule 30-A of the Pakistan Petroleum (Refining, Blending and Marketing) Rules, 1971, “every marketing company shall maintain such minimum stock of petroleum products as Authority may, having due regard to storage capacity and the finances of the individual marketing company by order in writing, require from time to time”<sup>25</sup>. According to Rule 37 of the Pakistan Oil (Refining, Blending, Transportation, Storage and Marketing) Rules, 2016, “every oil marketing company shall maintain such minimum stocks of petroleum products as the Federal Government may, from time to time, by order in writing specify”<sup>26</sup>. As per Rule 53(xiv) of Rules *ibid*, “all licensees, in relation to their regulated activity, shall maintain minimum stocks of crude oil or petroleum products as directed by the Authority having due regard to the storage capacity of the licensee”<sup>27</sup>. The licence condition 3(i) issued by OGRA to OMCs envisages that “the company will ensure to maintain the requisite storage capacity for catering 20 days stocks of its sales to meet any emergent need”.

**Procedure for maintenance of minimum mandatory stock and storage capacity**

The licences issued by OGRA to OMCs include the requirement of maintaining minimum mandatory stock equal to 20 days stocks of its sales of all petroleum products for which construction of storage facilities is a pre-requisite as per Rules 35 and 36 of the Pakistan Oil (Refining, Blending, Transportation, Storage and Marketing) Rules, 2016<sup>28</sup>.

As pointed out in ToR-1, DG, Oil, through PRM monitors the stocks available with each OMC at the opening and closing of each month and necessary instructions to maintain minimum mandatory stock in each PRM meeting. Simultaneously, OMCs were required to submit opening and closing stock of petroleum products to OGRA on monthly basis.

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<sup>25</sup> Pakistan Petroleum (Refining, Blending and Marketing) Rules, 1971, PP-7

<sup>26</sup> Pakistan Oil (Refining, Blending, Transportation, Storage and Marketing) Rules, 2016, PP-19

<sup>27</sup> Pakistan Oil (Refining, Blending, Transportation, Storage and Marketing) Rules, 2016, PP-24

<sup>28</sup> Pakistan Oil (Refining, Blending, Transportation, Storage and Marketing) Rules, 2016, PP-19

### 4.3.1 Audit Findings

During audit, it was observed that despite having ample storage capacity (except AOSPL), OMCs did not hold sufficient stocks to meet the licence conditions regarding MMS, i.e., stock equal to 20 days of average sales. As depicted in Table 6 on the following page, OMCs had shortfall ranging from 8 to 18 days in stocks on June 01, 2020. An analysis of the stock position as on March 03, 2020 revealed that even before June 2020, the MMS requirement was not being met (**Annex-H**). This deficiency in the mandatory stock was not considered at the time of demand forecast and no additional measures were taken to recoup the stock shortfall.

**Table 6: Shortfall in Minimum Mandatory Stock**

(Quantity in MT)

OMC	Storage Capacity	Sales July, 19 to May, 2020	Average daily sales	Opening stock June 1, 2020	Mandatory stock	Excess / (Less)	Short-fall (in days)
1	2	3	4=3÷330	5	6	7	8=7÷4
PSO	227,049	2,530,940	7,670	80,272	153,390	(73,118)	(10)
SPL	66,146	756,152	2,291	18,447	45,827	(27,380)	(12)
APL	97,115	606,332	1,837	22,255	36,747	(14,492)	(8)
TPPL	45,243	917,413	2,780	11,600	55,601	(44,001)	(16)
BPPL	23,100	238,047	721	1,408	14,427	(13,019)	(18)
BEE	36,825	180,404	547	1,129	10,934	(9,805)	(18)
PEPL	28,789	137,325	416	1,782	8,323	(6,541)	(16)
AOSPL	1,719	117,683	357	544	7,132	(6,588)	(18)
<b>Total</b>	<b>525,986</b>	<b>5,484,296</b>	<b>16,619</b>	<b>137,437</b>	<b>332,381</b>	<b>(194,944)</b>	<b>(12)</b>

(Source: PRM minutes dated: 08.06.2020 vide letter dated 09.07.2020)

Audit is of the view that the shortfall of 194,944 MT in MMS was neither due to short ordering nor issues in delivery. This shortfall existed at the beginning of June, 2020 due to OMCs' persistent practice of non-maintenance of MMS. DG, Oil and OGRA both could not ensure maintenance of MMS mainly due to ambiguity in Rules to delineate the clear-cut responsibilities of DG, Oil and OGRA. Further, OGRA did not frame SoPs with the approval of Federal Government, as required under Rule 37 of the Pakistan Oil (Refining, Blending, Transportation, Storage and Marketing) Rules, 2016, to specify MMS calculation method and other related matters<sup>29</sup>.

<sup>29</sup> Pakistan Oil (Refining, Blending, Transportation, Storage and Marketing) Rules, 2016, PP-19

Audit also observed that there was a discrepancy of 23,278 MT in opening stock and 3,557 MT in closing stock as reported by OGRA and reported by OMCs to Audit as depicted in Table-7. Misreporting of stock by OMCs was also observed by Audit while scrutinizing the record relating to opening & closing stock, sales & purchases and imports. Audit further observed that AOSPL understated their closing stock by 4,702 MT based on total quantity available for sales and actual sales as given in **Annex-I**.

**Table 7: Actual stock as per OGRA vs OMCs**

(Quantity in MT)

Name of OMCs	Stock as per OGRA <sup>30</sup>		Stock as per OMCs <sup>31</sup>	
	(Opening-June, 2020)	(Closing-June, 2020)	(Opening-June, 2020)	(Closing-June, 2020)
PSO	80,272	119,287	76,622	88,731
SPL	18,447	27,637	27,067	55,123
APL	22,255	24,689	23,538	24,971
TPPL	11,600	26,498	12,093	27,501
BPPL	1,408	6,023	5,716	6,136
BEE	1,129	5,217	(579)	5,197
PEPL	1,782	2,221	1,626	3,847
AOSPL	544	922	14,632	4,545
<b>Total</b>	<b>137,437</b>	<b>212,494</b>	<b>160,715</b>	<b>216,051</b>
<b>Total difference in opening stock</b>			<b>23,278</b>	
<b>Total difference in closing stock</b>			<b>3,557</b>	

(Source: Record provided by OGRA and OMCs)

It was also noticed that six OMCs reported overstated figures of June, 2020 sales in PRM which was held for the month of July, 2020. Based on actual imports of OMCs as per Ports and Customs data, sales reported by OMCs to PRM were found to be overstated by 179,283 MT as summarized in Table-8.

<sup>30</sup> Information provided by OGRA vide No. OGRA-Oil-19-9(48)/2021 dated May 04, 2021.

<sup>31</sup> Information provided by OMCs.

**Table-8: Overstatement of sales figures by 06 OMCs**

Description		Sales on the basis of imports (MT)
Opening Stock as per OGRA	A	135,111
Purchased (Local + Imports) as per Customs data	B	495,403
Total product available for sale	C=A+B	630,514
Closing stock as per OGRA	D	209,351
Sales as per actual imports	E=C-D	421,163
Sales reported to PRM through OCAC	F	600,446
<b>Sales Overstated</b>	<b>G=F-E</b>	<b>179,283</b>

(Source: PRM dated June 08 & July 15, 2020, data provided by OGRA and Customs)

OMCs reported the sales figures of 600,446 MT during June, 2020 whereas the consumers faced acute shortage during the same month. As shown in Table-8, the OMCs had 630,514 MT of PMG available for sale, which also included closing stock of 209,351 MT. It meant that the OMCs reported overstated sales figures by 179,283 MT as only 421,163 MT of PMG was actually sold instead of 600,446 MT as detailed in **Annex-J**.

The matter was reported to the PAO and OMCs in September, 2021. During the DAC meeting held on November 03, 2021, DG, Oil stated that OMCs were responsible to place their demand of petroleum products keeping in view their available stocks, expected sales of their retail networks and maintenance of stocks as per terms & conditions of their licences. The responsibility to ensure maintenance of mandatory stock falls under the domain of licensing authority. OMCs also provided replies which are **annexed at F-II**.

DAC in its meeting held on November 03, 2021 directed the OMCs to share the calculations of sales and reconcile the same with Audit for verification within a week. DAC further directed OMCs, especially SPL, AOSPL and BEE to provide relevant record of stocks for verification of Audit within a week. Regarding difference in stocks figure, DAC directed OMCs to provide details of actual stock bifurcating stock in hand, stock in transit and dead stock etc. having difference more than 5% with OGRA figure within a week. No further progress was reported till finalization of this report.

Audit recommends that DG, Oil and OGRA should take stern action against OMCs for non-maintenance of MMS, discrepancies in the figures of stock reported to OGRA and Audit besides justification of overstatement of sales with supporting documents.

## **Conclusion**

A shortfall of 194,944 MT in MMS of PMG existed on the start of June, 2020 due to lack of enforcement by OGRA. DG, Oil and OGRA both failed to ensure maintenance of MMS taking refuge in the ambiguity in rules which do not delineate the clear-cut responsibilities of DG, Oil and OGRA. OGRA did not frame SoP to specify MMS calculation method and other related matters as required under Rule 37 of the Pakistan Oil (Refining, Blending, Transportation, Storage and Marketing) Rules, 2016. Moreover, there was no mechanism to verify the figures of stock and sales reported by OMCs to the OGRA. It is therefore, concluded that DG, Oil and OGRA were primarily responsible for oil shortage in the month of June, 2020 in the country.

#### **4.4 TOR-4 Are there instances where an OMC had stock in the storage tanks, but its petrol pumps were not being supplied this product, resulting in a dry out?**

##### **Legal Framework**

According to Rule 38 of Pakistan Oil (Refining, Blending, Transportation, Storage and Marketing) Rules, 2016, every oil marketing company shall supply the petroleum products to its retail outlets and its authorized agent, dealer or bulk consumer having licenced premises for storage of the petroleum products subject to the condition that the petroleum products supplied shall in no case, exceed the storage capacity of the agent, dealer or bulk consumer as the case may be<sup>32</sup>. Further, as per Rule 53(x) of the Rules *ibid*, all licensees, in relation to their regulated activity, shall not to abandon any regulated activity, as a part or whole, resulting into discontinuation of supply of petroleum products or its sale in any area without the prior written consent of the Authority<sup>33</sup>.

##### **Procedure in vogue**

OGRA issues licences to OMCs with certain terms and conditions including the requirement that the company shall not abandon any regulated activity, as part or whole, discontinuation of supply of petroleum products or its sale in any area without the prior written consent of the Authority. Petroleum Division and OGRA had also directed OMCs to ensure availability of products at their outlets to avoid the dry out situation. Under prevalent legal framework, OGRA was required to sensitize the issue of shortage of petrol and diesel at petrol pumps to Federal and Provincial Governments for taking action against petrol pumps through respective district authorities under the Price Control and Prevention of Profiteering and Hoarding Act, 1977<sup>34</sup>. Moreover, OGRA was also required to take punitive action against the OMCs/dealers.

##### **4.4.1 Audit Findings**

As per record provided by OGRA, most of the OMCs had stock in their storage depots at both the beginning and closing of June, 2020 but they either stopped or reduced dispatches to their retail outlets thus contributing to dry outlets as depicted from substantial drop in their market share. Actual stock position at the beginning and at the end of June, 2020 is available in Table-7.

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<sup>32</sup> Pakistan Oil (Refining, Blending, Transportation, Storage and Marketing) Rules, 2016, PP-19

<sup>33</sup> Pakistan Oil (Refining, Blending, Transportation, Storage and Marketing) Rules, 2016, PP-23

<sup>34</sup> Price Control and Prevention of Profiteering and Hoarding Act, 1977, PP-4

Audit observed that OMCs withheld 17% to 64% of their stocks during June, 2020, despite acute shortage of PMG in the country. A scrutiny of stock (date-wise) withheld by the OMCs during the month of June, 2020 revealed that OMCs sold less quantities of PMG than available (ranging from 36% to 83%) as summarized in Table-9.

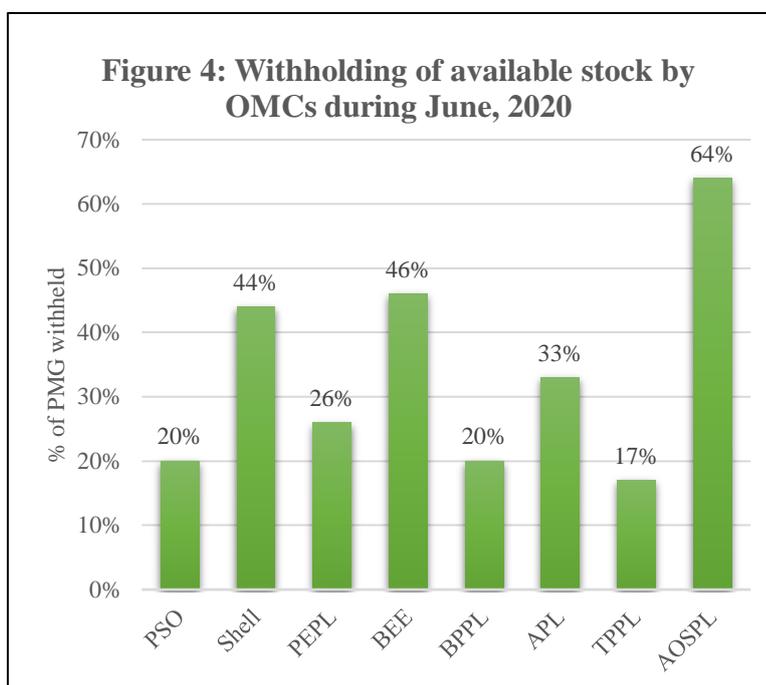
**Table 9 - Withholding of available stock**

(Quantity in MT)

OMC	Total PMG available	Total Sales	% of stock sold	% of stock withheld	Daily withheld stock (MT)		Remarks
					Min	Max	
PSO	438,481	348,281	80%	20%	42,202	88,731	Date-wise details in Annex-K-I to K-VIII
SPL	125,908	70,785	56%	44%	18,683	56,397	
PEPL	13,887	10,267	74%	26%	735	5,304	
BEE	11,196	5,999	54%	46%	0	5,197	
BPPL	30,046	23,909	80%	20%	4,233	6,136	
APL	79,504	53,343	67%	33%	5,812	36,498	
TPPL	117,834	97,580	83%	17%	8,219	28,271	
AOSPL	18,519	6,696	36%	64%	4,545	14,632	

(Source: Information provided by the OMCs)

An analysis of the stock position it was observed that 4 of the OMCs namely AOSPL, BEE, SPL and APL withheld large percentage of their stocks. The withheld stock quantity ranged from 735 MT to 88,731 MT. OMCs stopped or reduced sales of PMG available with them



on the pretext of maintaining MMS. PSO sold more PMG during the crisis than it usually did which enhanced its market share as compared to other OMCs.

Furthermore, OGRA and Petroleum Division remained unable to ensure the sale of available stock for mitigation of oil shortage. The same findings were given by Fuel Crisis Committee constituted by the Federal Government after the crisis <sup>35</sup>.

A scrutiny of OMCs' record relating to dispatches of PMG to retail outlets from storage depots revealed that they reduced supplies to 307 of their retail outlets in June, 2020. A comparison of dispatches made by OMCs to their retail outlets showed that OMCs made short or less supplies to retail outlets ranging from 21% to 47% and 18% to 61% as compared to supplies made in May, 2020 and July, 2020 as given in Table-10.

**Table 10 - Short-supply to retail outlets**

(Quantities in Thousands of Litres)

Sr. No.	OMC Name	No of Retail outlets	Supplies in May-20	Supplies Jun- 2020	Supplies July-2020	% age decrease w.r.t. May 2020	% age decrease w.r.t. July 2020
1	PSO	40	7,569	1,928	10,441	25%	18%
2	SPL	52	6,861	3,243	7,293	47%	44%
3	BPPL	28	12,218	3,495	11,871	29%	29%
4	BEE	58	9,630	2,019	7,296	21%	28%
5	APL	35	10,152	3,069	6,556	30%	47%
6	TPPL	22	2,448	1,144	2,550	47%	47%
7	PEPL	47	6,435	2,261	4,393	35%	51%
8	AOSPL	25	10,938	4,988	8,231	46%	61%
	<b>Total</b>	<b>307</b>	<b>66,251</b>	<b>22,147</b>	<b>58,631</b>		

(Source: Information provided by the OMCs)

To assess the factual position relating to dry out of retail outlets, Audit sought date-wise inventory record i.e., opening stock, receipts, sales and closing stock for the month of June, 2020 from a sample of 547 retail outlets. Out of these 547, audit teams visited 147 retail outlets in major cities during June, 2021 along with the representatives of respective OMC and OGRA. According to SRO No. 623(I)/2009 dated July 02, 2009, inventory record i.e., opening stock, receipts, sales and closing stock was required to be prepared on daily as well as monthly basis<sup>36</sup>. Retail outlets visited by Audit did not prepare the requisite record as envisaged in the said SRO on the plea that OMCs did not circulate the requirements of SRO among their retail outlets for compliance. Due to this, record of sales and receipts as well as payment to OMCs was found to be on different

<sup>35</sup> Physical Verification Report dated June 10, 2020

<sup>36</sup> SRO 623(I)/2009 dated 02.07.2009, PP-36

formats. The requisite record was got prepared afresh. It was found during these field visits that 59 retail outlets experienced complete dry out showing nil sales ranging from 1 to 20 days during the month of June, 2020 as summarized in Table 11.

**Table 11 - Complete Dry out**

Complete Dry out in days	No of Retail outlets	OMCs	Remarks
1-2	21	APL, TPPL, PEPL, SPL, ASOPL	OMC-wise, Retail outlet wise date-wise details given in Annex – L
3-4	11	APL, PSO, PEPL, SPL	
5-6	8	PSO, SHELL, PEPL, TPPL	
7-8	10	PSO, PEPL	
9-10	2	PEPL	
11-12	1	PEPL	
13-14	4	PEPL, SPL, PSO	
17-18	1	BEE	
19-20	1	PEPL	
<b>Total</b>	<b>59</b>		

*(Source: Data provided by the retail outlets / OMCs)*

It is evident that retail outlets complained about short supply of PMG by OMCs. MoE-PD, DG, Oil and OGRA failed to ensure supply of PMG from OMCs to retail outlets because there was no reporting and tracking system to oversee physical movement of product from one depot to other or to retail outlets. Moreover, DG, Oil and OGRA remained unable to maintain any database of oil supply chain to account for opening stocks, purchases (local and imports), sales to retail outlets and other movements and closing stock of petroleum products on real time basis. Resultantly, Petroleum Division and OGRA had to rely either on OCAC or OMCs for data.

The matter was reported to the PAO and OMCs in September, 2021. In DAC meeting held on November 03, 2021, audit observations were discussed in detail and replies / explanations given by the OMCs are **annexed at F-II**. DAC directed the managements of OMCs to reconcile the data of dry out at retail outlets with DG, Oil and share the reconciled report with Audit within a week. No further progress was reported till finalization of this report.

Audit recommends that DG, Oil / OGRA should take punitive action for non or short supply of PMG to retail outlets causing less sales by retail outlets and complete dry out for full day at 59 retail outlets. Moreover, DG, Oil and OGRA should introduce a physical reporting and monitoring system for keeping proper watch over actual movement of petroleum products through tracker fitted tank

lorries from depot to depot and from depot to retail outlets.

Further, steps may also be taken for maintaining database of whole supply chain of petroleum products on daily and monthly basis through robust computerized system and digitization of oil supply chain data.

### **Conclusion**

In the backdrop of above audit findings, it was concluded that OMCs hoarded PMG and stopped or reduced sales during the month of June, 2020. This fact was also confirmed by the Fuel Crisis Committee on June 10, 2020. OMCs had enough stocks of 137,437 MT and 212,494 MT both at the beginning and closing of June, 2020 but they reduced supplies to their retail outlets. This fact was also corroborated with inventory record of retail outlets. Four OMCs namely, AOSPL, BEE, SPL, and APL withheld stock of PMG up to 64%, 46%, 44% and 33% respectively.

OGRA and Petroleum Division had no mechanism to watch the actual movement of petroleum products through tank lorries and actual delivery to destination i.e., retail outlets due to absence of any tracking system. Moreover, absence of access to data on real-time basis relating to oil supply chain including but not limited to Ports and Customs data for validation of actual imports, Petroleum Division and OGRA were forced to mainly rely upon data provided by OMCs.

- 4.5 TOR-5 Did any OMC order imported product, and this product was available on high seas, but was deliberately not berthed, in order to gain expected price advantage on July 1, 2020?**
- 4.6 TOR-6 Was there product on outer anchor, and if so, was there any port constraint in berthing these vessels? If the port did not have any unloading constraints, could this have mitigated the shortage?**

### **Legal Framework**

As per SoP for berthing of vessels circulated by OCAC in April, 2018, vessels would be berthed in turn/sequence based on LayCan (*Lay days and cancelling*) and even if a company is dry/going dry, its vessel would be berthed only on its turn and not before<sup>37</sup>. Ministry of Energy (Petroleum Division) vide its letter No. PL.9(460)/20019 dated March 30, 2020 withdrew the authority of approving the LayCan and berthing of vessels from OCAC. Further, according to Section 104 of the Customs Act, 1969, any owner of warehoused goods may, at any time within the period of their warehousing under Section 98, clear such goods for home-consumption by paying the duty assessed on such goods under the provisions of this Act and all rent, penalties, surcharge and other charges payable in respect of such goods<sup>38</sup>.

### **Procedure for berthing of vessels**

To implement the import quota, each OMC places purchase orders for import of petroleum products, applies for LayCan schedule, arranges arrival of vessels as per approved LayCan schedule at Keamari Port Trust (KPT) or Port Qasim Authority (PQA) keeping in view its available storage infrastructure.

After March 26, 2020, prior approval of DG, Oil was made necessary for berthing of vessels. Each vessel arriving at outer anchorage of applicable Port, gave Notice for Readiness (NOR) to importing OMC and port authorities. The concerned OMC approached OCAC and DG, Oil for approval of LayCan schedule. Vessels were berthed for unloading imported petroleum products at KPT or FOTCO at PQA, Karachi. After start of unloading, OMC filed GDs for customs clearance as per provisions of the Customs Act, 1969 and imported product was first in-bonded and subsequently, in-bonded product was ex-bonded on payment

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<sup>37</sup> SoP for berthing issued by OCAC dated April 01, 2018

<sup>38</sup> The Customs Acts 1969, PP-85

of duties and taxes. Thereafter, petroleum products were dispatched to retail outlets from storage depots of OMCs for sale to general public.

#### 4.6.1 Audit Findings

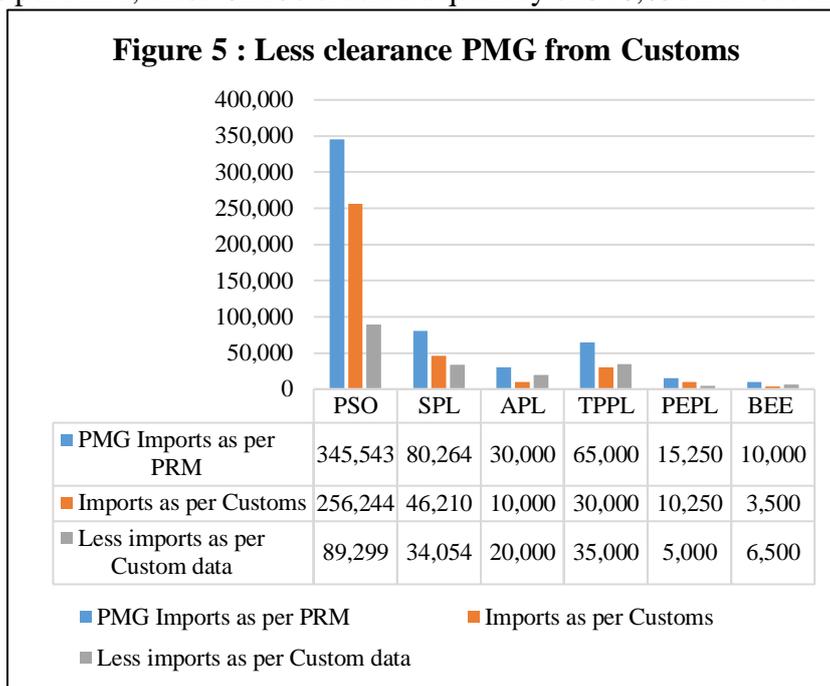
During scrutiny of various records, it was observed that seven OMCs namely, PSO, SPL, PEPL, TPPL APL and BEE, did not finalize imports of 189,853 MT. As per PRM, these OMCs ordered a quantity of 546,057 MT but the

Customs data showed that these imported only a quantity of 356,204 MT for the month of June, 2020 (Annex-D).

Six OMCs did not berth vessels carrying 84,488 MT of PMG which reached outer anchor of

KPT and PQA. Further, four OMCs did not unload a quantity of 86,500 MT of PMG which was kept in bonded warehouses till close of June 2020 including 25,000 MT of AOSPL which was in-bonded in May, 2020 (Annex-E). Hence, a quantity of 170,988 MT PMG was not pushed to the market which could have mitigated the oil shortage to this extent. The quantity of PMG imported and quantity cleared from Customs is depicted in Figure 5.

Regarding delay in berthing, Audit observed that SPL's vessel MT Pacific Julia carrying 58,632 MT PMG arrived at KPT on June 24, 2020. However, SPL unloaded the vessels in instalments; a quantity of 21,684 MT was unloaded on June, 24 whereas the remaining 24,290 MT on June, 29, 2020 after increase in prices to benefit from inventory gains despite dry outs at SPL's outlets. Detail is in Table-12.



**Table 12 - Delay in berthing request**

(Quantities in MT)

Name of Ship	NOR	Berthing Date	Berthing Request	Berthing Approved	PMG (MT)
MT Pacific Julia	June 22, 2020	June 24, 2020	June 20, 2020	June 22, 2020	21,684
MT Pacific Julia	June 22, 2020	June 29, 2020	June 29, 2020	June 29, 2020	24,290

*(Source: Data provided by SPL)*

Similarly, another vessel by the name of Plutos carrying 57,932 MT of imported PMG reached outer anchor of PQA on June 15, 2020. However, Ministry of Energy (Petroleum Division) and DG, Oil withheld the permission for berthing for 12 days and approval was accorded on June 25, 2020. Consequently, the vessel was berthed on June 29, 2020. Since the vessel was berthed on June 29, 2020 and cleared on July 01, 2020, the delay allowed the OMCs undue benefit of increase in the petroleum prices at the cost of the end consumer.

Audit was of the view that executive authorities did not initiate any action against the OMCs and did not ensure that they push the product in the market. DG, Oil also failed to take punitive action under the applicable laws i.e., Price Control and Prevention of Profiteering and Hoarding Act 1977, OGRA Ordinance, 2002 and the Pakistan Petroleum (Refining, Blending and Marketing) Rules, 1971 and Pakistan Oil (Refining, Blending, Transportation, Storage and Marketing) Rules, 2016. On the other hand, delay in permission for berthing for 12 days was tantamount to helping the OMCs in their undue profiteering campaign because they were not ready to sell their available product and delay in permission of berthing of vessel further provided them safe passage against criminal / punitive proceedings.

In addition to this, two ports at Karachi were used for berthing and unloading of petroleum products namely Karachi Port Trust, (KPT), Keamari and FOTCO Port Qasim Authority (PQA). OP-III was out of order since 2018 when a ship crashed into fender of oil pier. However, despite lapse of more than 2 years, it could not be made operational. At PQA, frequent congestions occurred due to availability of only one jetty /oil terminal i.e., FOTCO at PQA.

The matter was reported to the PAO and OMCs in September, 2021. In DAC replies / explanations given by the OMCs are **annexed at F-II**. DAC in its meeting held on November 03, 2021 directed OMCs to provide import data with supporting documents to Audit for verification and justify non-finalization of

imports in first half of June, 2020. No further progress was reported till finalization of this report.

Audit recommends that DG, Oil and OMCs should explain reasons for not berthing of vessels carrying 84,488 MT of PMG and non-clearance of 86,500 MT bonded PMG from the Customs. DG, Oil should justify delay of 11-14 days in granting approval for berthing vessel carrying 57,932 MT which also contributed in oil shortage substantially and justify approval of the vessel for berthing just after increase in price.

### **Conclusion**

Due to less ordering of 15,943 MT and less berthing of 84,488 MT of PMG, the issue of oil shortage in the country accentuated. Furthermore, a quantity of 86,500 MT which had reached Customs bonded warehouse was not got cleared in June, 2020 by OMCs. Oil shortage could have been mitigated, had OMCs pushed 170,988 MT available PMG in the market for sale to general public. DG, Oil facilitated OMCs by delaying the berthing permissions during the peak period of oil shortage instead of taking action against delinquent OMCs. Similarly, OGRA failed to take adequate measures to ensure the continuity of regulated activity i.e., supply of petroleum products by its licensees.

**4.7 TOR-7 What is typical demand of the month of June given seasonal variation? What was the total recorded demand for the month of June 2020? If the demand for June 2020 represents an anomaly, what are the reasons for it?**

**Legal Framework**

According to Rule 7 to 10 of the Pakistan Petroleum (Refining, Blending and Marketing) Rules, 1971 every refinery shall submit to the Authority for its approval the program of production which it proposes to follow in that half year having due regard to the economic interests of the country and its own ability to meet the demands of the market as economically as possible<sup>39</sup>. The Authority may approve a program of production submitted under rule 7 of Rules *ibid*. Further, according to Rule 30B of Rules *ibid*, where the production of petroleum products by the local refineries is found insufficient, the Authority i.e., DG, Oil may, subject to such condition as it may impose from time to time, a marketing company may import such products.

**Procedure for projection of demand**

As discussed in ToR-1, PRM, coordinated by DG, Oil, is held in second half of each month for coming month to review demand of petroleum products projected by OCAC / OMCs in the light of opening stock, minimum mandatory stock, determine monthly demand in the country, and set refinery production whereas shortfall is met through import for which PRM assigns targets / quotas for local purchases from refineries and imports were fixed for each OMC. OCAC prepares working papers on the basis of information submitted by OMCs / refineries.

Usually, one meeting of PRM is held to review total demand of petroleum products and import quotas to OMCs. However, due to imminence of oil shortage, 04 PRMs were held in May and June, 2020 to finalize the demand for June, 2020.

**4.7.1 Audit Findings**

An analysis of historical trend of demand and sales of PMG for the last five years showed that demand for the month of June during last five years remained dynamic. During the years 2017 and 2018 it was increased by 16% and 9% respectively but decreased in June, 2019. While determining demand for the month of June, 2020, OMCs placed demand of 627,047 MT before PRM through

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<sup>39</sup> Pakistan Petroleum (Refining, Blending and Marketing) Rules, 1971, PP-3&4

OCAC which was actually less than demand determined for the month of June, 2017. This showed that no systematic / rational procedure for demand forecast was adopted by the PRM / OCAC. The PRM did not consider annual growth and other factors which could increase the usage of PMG in the coming month of June 2020.

The demand for June, 2020 was finalized in the 04 PRMs held in May and June, 2020 and Petroleum Division, OGRA, or oil industry failed to accurately assess the demand keeping in view the resumption of economic activity at increasing pace after two and half months of COVID-19 lock down. Oil industry faced high demands of HSD in April / May during harvesting period but OMCs did not give proper heed on increasing demand of PMG and remained tentative in demand forecast which affected procurement of PMG badly from local as well as international sources. Demand assessment process is summarized in Table-13 (Details of 08 OMCs in Annex-N).

**Table 13: Demand of OMCs for June, 2020**

(Quantities in MT)

	<b>PRM May 6, 2020</b>	<b>PRM May 13, 2020</b>	<b>PRM June 4, 2020</b>	<b>PRM June 8, 2020</b>
OMCs demand / revised demand sent to Ministry / PRM	627,047	651,747	683,257	673,057
<b>Demand finalized by PRM</b>	<b>614,500</b>	<b>714,900</b>	<b>869,400</b>	<b>856,500</b>
Local (Refineries)	205,000	162,400	162,400	154,500
Imports	409,500	552,500	707,000	702,000

(Source: PRM minutes of May and June, 2020)

#### 4.7.2 Major reasons for anomaly in demand

- i) Belated and tentative finalization of demand;
- ii) Non-observance of annual growth and systematic forecast;
- iii) Ignored typical demand for the month of June due to increased economic activities in summer and after harvesting seasons;
- iv) Resumption of economic activity after lock downs at higher pace; and
- v) Non-compliance of OMCs to licence conditions.

The matter was reported to the PAO and OMCs in September, 2021. In DAC meeting held on November 03, 2021, audit observations were discussed in detail. Replies given by the OMCs are **annexed at F-II**. DAC directed the MoE-PD, DG, Oil and OMCs to keep in mind the element of annual growth (5%) while forecasting the demand.

Audit recommends to devise a mechanism of systematic assessment of demand keeping in view annual growth as well as seasonal variations and exigencies emerging due to external factors.

### **Conclusion**

Petroleum Division, OGRA and oil industry failed to assess demand accurately for the month of June, 2020 ignoring the facts such as resumption of economic activity at increasing pace after COVID-19 lock down and typical demand in the month of June, 2020 owing to overall increased economic activity in summer. OMCs put main focus on profitability and declined to sell available stocks of PMG and did not prefer to fulfil their licence conditions and social responsibilities. Petroleum Division, DG, Oil and OMCs are, primarily, responsible for anomaly in demand for the month of June, 2020.

#### **4.8 TOR-8 How did the market share for each of the top 10 OMCs change in the month June 2020 compared to their share a few months earlier or a few months later?**

##### **Legal Framework**

According to Rules 26 to 30 read with Rule 32 of the Pakistan Petroleum (Refining, Blending and Marketing) Rules, 1971 governing the permission of sales and marketing of petroleum products by OMCs with approval of OGRA<sup>40</sup> whereas Rule 30B of Rules ibid, where the production of petroleum products by the local refineries is found insufficient, the Authority i.e. DG, Oil may, subject to such condition as it may impose from time to time, a marketing company may import such products<sup>41</sup>. Further, according to Rule 53(x) of Pakistan Oil (Refining, Blending, Transportation, Storage and Marketing) Rules, 2016, all licensees, in relation to their regulated activity, shall not to abandon any regulated activity, as a part or whole, resulting into discontinuation of supply of petroleum products or its sale in any area without the prior written consent of the Authority<sup>42</sup>.

##### **Procedure adopted**

Petroleum Division / DG, Oil and OGRA conducted 04 PRM meetings during 13<sup>th</sup> May, 2020 to 8<sup>th</sup> June, 2020 to ensure uninterrupted supply of PMG to general public. Pursuant to cognizance of shortfall of PMG in the country, in first week of June, 2020, OGRA vide their letter No. OGRA-19-3(5I)/2020-Vol-IV, dated June 3, 2020 and PD DG, Oil letter No.DOM-1(24)/2020 dated June 01-2, 2020 had also directed OMCs to ensure availability of products at their outlets to avoid the dry out situation. Petroleum Division sensitized the issue of shortage of petrol and diesel at petrol pumps to Federal / Provincial Governments for taking action against petrol pumps through respective district authorities under the Price Control and Prevention of Profiteering and Hoarding Act, 1977<sup>43</sup> with the request to refer the matter to OGRA enabling it for taking necessary action against the OMC / dealer.

##### **4.8.1 Audit Findings**

An analysis of market share showed that share of 7 OMCs out of 8 under audit scrutiny was reduced significantly mainly because these OMCs suppressed

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<sup>40</sup> Pakistan Petroleum (Refining, Blending and Marketing) Rules, 1971, PP-6&7

<sup>41</sup> Pakistan Petroleum (Refining, Blending and Marketing) Rules, 1971, PP-7

<sup>42</sup> Pakistan Oil (Refining, Blending, Transportation, Storage and Marketing) Rules, 2016, PP-23

<sup>43</sup> Price Control and Prevention of Profiteering and Hoarding Act, 1977, PP-4

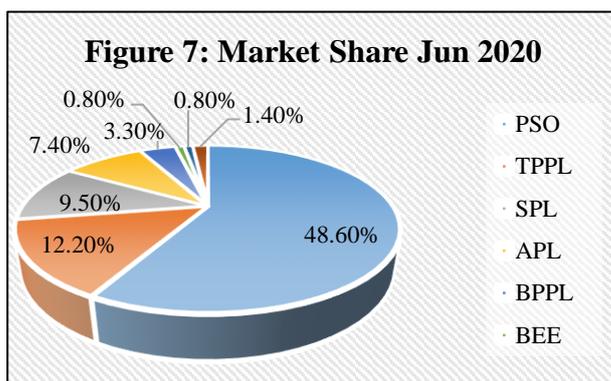
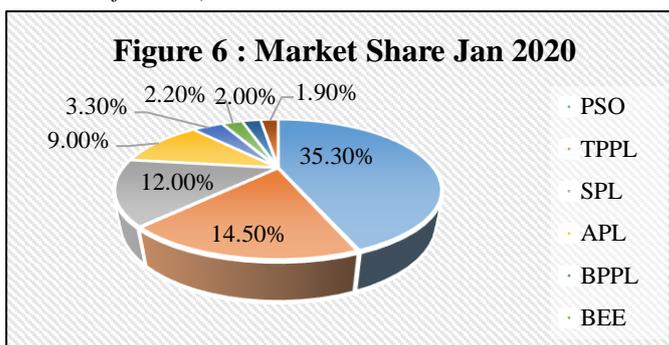
their sales of PMG during the month of June, 2020. PSO, being the State Owned Enterprise tried to fill in the gap as a result of which its market share was increased in June, 2020 compared to earlier months and increased back after June, 2020 as shown in Table-14.

**Table 14 – Percentage of change in OMC Market Share**

OMCs	Jan, 2020	Feb, 2020	Mar-2020	Apr, 2020	May, 2020	Jun, 2020	Jul, 2020	Aug, 2020	Sep, 2020
PSO	35.3%	34.6%	36.1%	33.0%	38.2%	<b>48.6%</b>	45.0%	42.0%	39.7%
TPPL	14.5%	13.8%	12.4%	9.9%	13.3%	<b>12.2%</b>	12.2%	12.7%	12.8%
SPL	12.0%	11.4%	10.6%	8.1%	9.9%	<b>9.5%</b>	10.4%	9.7%	10.8%
APL	9.0%	10.6%	8.8%	9.2%	8.9%	<b>7.4%</b>	7.0%	7.2%	7.4%
BPPL	3.3%	3.4%	3.6%	3.5%	3.6%	<b>3.3%</b>	3.6%	2.6%	3.8%
BEE	2.2%	3.3%	4.0%	3.6%	2.3%	<b>0.8%</b>	1.7%	2.9%	3.3%
AOSPL	2.0%	2.0%	2.6%	3.4%	1.6%	<b>0.8%</b>	0.3%	1.2%	0.5%
PEPL	1.9%	1.7%	2.2%	1.9%	2.3%	<b>1.4%</b>	1.5%	1.7%	1.7%

(Source: PRM minutes from data and data of OMCs)

The analysis of data relating to sales and market share of OMCs for the period from January, 2020 to June, 2020 and from July, 2020 to September, 2020 showed that OMCs could not fulfil their responsibility of continuing with the regulated activity during the month of



the situation can be assessed from the two pie charts which clearly indicated how the

June, 2020. For example, share of TPPL (14.5% to 12.2%, then 12.8%), SPL (12% to 9.5%, then 10.8%), APL (9% to 7.4%, then 7.4%), BEE (2.2% to 0.8%, then 3.3%), AOSPL (2% to 0.8%, then 0.5%) and PEPL (1.9% to 1.4%, then 1.7%) was reduced in June 2020 but again regained in the ensuing months. The

share of PSO (blue portion in the pies) swell significantly for the month of June, 2020.

Audit also observed from Customs data that six of the OMCs under audit reported overstated sales figures by 179,283 MT of PMG for the month of June, 2020 to PRM held in July, 2020 and showed sales of 600,446 MT during the month of June, 2020 instead of actual sales of 421,163 MT.

Resultantly, OMCs showed overstated market share to Petroleum Division and OGRA. OMCs purchased a quantity of 495,403 MT of MG (local purchase plus import as per customs record) with opening stock of 135,111 MT, thus total quantity of 630,514 MT was available for sale during June, 2020. However, the OMCs had closing balance of 209,351 MT which meant that the OMCs sold 421,163 MT as summarized in Table-15 (Details are given in **Annex-J**).

**Table 15 - Market share misreported due to overstatement of sales**

(Quantities in MT)

OMCs	Sales reported to PRM		Actual Sales		% inc / (dec)
	Market share	% Market Share	Market share	% Market Share	
1	2	3	4	5	6=5-3
PSO	356,856	48.60%	259,701	45.35%	(3.25%)
TPPL	89,611	12.20%	53,998	9.43%	(2.77%)
SPL	69,733	9.50%	53,793	9.39%	(0.11%)
APL	54,331	7.40%	32,825	5.73%	(1.67%)
BPPL	23,909	3.30%	19,714	3.44%	0.14%
BEE	6,006	0.80%	1,132	0.02%	(0.78%)
<b>Total</b>	<b>600,446</b>	<b>81.80%</b>	<b>421,163</b>	<b>73.36%</b>	

(Source: PRM, sales & stock data provided by OMCs and actual import / port data with details of sales in **Annex-J**)

Based on total PMG available, withheld stocks, bonded warehouses data and actually pushed in the market, Audit was of the view that OMCs such as PSO (97,155 MT, -3.25%), TPPL (35,613 MT, -2.77%), SPL (15,940 MT, -0.11%), APL (21,506 MT, -1.67%), BEE (4,874 MT, -0.78%) overstated their sales.

The matter was reported to the PAO and OMCs in September, 2021. In DAC meeting held on November 03, 2021, audit observations were discussed in detail and replies / explanations given by the OMCs are **annexed at F-II**. DAC directed DG, Oil to take up the matter with OGRA to finalize the punitive action

against the OMCs with declined market share. DAC directed the managements of OMCs to share the calculations of sales and reconcile the figures of sales in the light of availability of product by taking into account the vessels arrived, unloaded / cleared from Customs within a week. No further progress was reported till finalization of this report.

Audit recommends that DG, Oil to take up the matter with OGRA to finalize the punitive action against the OMCs with declined market share besides justify overstatement of sales to show inflated market share by OMCs.

### **Conclusion**

Owing to stifled PMG supply by other OMCs, the share of PSO was increased in the market clearly indicating that these OMCs preferred to avoid their responsibilities under the licences to seamless supply of oil in the market over their inventory gains. Moreover, some of the OMCs overstated their sales which may have distorted the figures of market share in their favour. Federal Government increased the PMG prices on 26.06.2020 and OMCs started sales of PMG available in stocks and berthed the vessels anchored at Ports. OGRA was primarily responsible for non-implementation of licence conditions by OMCs during the month of June, 2020 and delay in initiating punitive action. DG Oil also failed to ensure uninterrupted supply of PMG to general public and the instructions of PRM regarding pushing the stock of PMG available in depots / bonded warehouses could not be implemented.

#### 4.9 TOR-9 Is there evidence of any OMC booking sales but not delivering to their petrol Pumps?

##### Legal Framework

According to Sections 2(33), 220, 223, 233 and 234 of the Companies Act, 2017, every company shall prepare and keep its registered office books of accounts including sales and other relevant books and papers and financial statements for every financial year. Financial statements include a statement of profit or loss, and other statements<sup>44</sup>. Further, as per Rule 38 of the Pakistan Oil (Refining, Blending, Transportation, Storage and Marketing) Rules, 2016, every oil marketing company shall supply the petroleum products to its retail outlets and its authorized agent, dealer or bulk consumer having licenced premises for storage of the petroleum products<sup>45</sup>.

##### Procedure adopted for review of oil supply chain data

OGRA issued licences to OMCs with terms and conditions which include the requirement that the company shall not abandon any regulated activity, as part or whole, discontinuation of supply of petroleum products or its sale in any area without the prior written consent of the Authority. As discussed in Tor-1 in detail, DG, Oil conducts PRM to review sales of previous months.

##### 4.9.1 Audit Findings

Audit observed that OMCs overstated the figures of sales for reporting to PRM and there was excess booking of sales by 179,283 MT as summarized in Table-16 (Details are in **Annex-J**).

**Table 16: Overstatement of sales**

(Quantities in MT)

Name of OMCs	Sales reported to PRM	Actual Sales	Difference
1	2	3	4 = 2-3
PSO	356,856	259,701	97,155
TPPL	89,611	53,998	35,613
SPL	69,733	53,793	15,940
APL	54,331	32,825	21,506
BPPL	23,909	19,714	4,195
BEE	6,006	1,132	4,874
<b>Total</b>	<b>600,446</b>	<b>421,163</b>	<b>179,283</b>

(Source: Customs data OMC-wise with details of sales in **Annex-J**)

<sup>44</sup> The Companies Acts, 2017, PP-7, 140, 149 & 150

<sup>45</sup> Pakistan Oil (Refining, Blending, Transportation, Storage and Marketing) Rules, 2016, PP-19

Audit is of the view that OMCs booked overstated figures of PMG sales by 179,283 MT which was also reported to PRM. Actual sales based on available PMG was less because OMCs did not either berth the vessels or ex-bond the bonded PMG as given in **Annex-J**. Petroleum Division, DG, Oil and OGRA had no mechanism to validate the figures of sales and opening / closing stock held by OMCs which led to such a situation in which OMCs claiming inflated sales but general public faced acute shortage of PMG during June, 2020.

Moreover, scrutiny of record provided by OMCs showed that two OMCs namely PSO and SPL booked more sales as per invoice-wise data as compared to actual dispatches from depots to retail outlets. These OMCs issued invoices to their retail outlets for 424,653 MT whereas actual dispatches from bulk depots was made for a quantity of 416,824 MT, showing less dispatches of 7,829 MT to retail outlets as shown in Table-17.

**Table 17: Booking sales by OMCs without dispatching**

(Quantities in MT)

OMC	Sales as per Invoice	Sales as per Depots	Differences
PSO	353,864	347,814	6,050
SPL	70,789	69,010	1,779
<b>Total</b>	<b>424,653</b>	<b>416,824</b>	<b>7,829</b>

(Source: Data provided by the OMCs)

OMCs showed dispatches from bulk depots to their retail outlets 590,681 MT whereas actual sales as per import data was 421,163 MT, resulting in overstated dispatches of 169,518 MT to retail outlets as shown in Table-18.

**Table 18: Overstatement of Dispatches**

(Quantities in MT)

OMC	Dispatches to Retail Outlets	Actual Sales as per import data	Difference
1	2	3	4 = 2-3
PSO	347,814	259,701	88,113
TPPL	89,611	53,998	35,613
SPL	69,010	53,793	15,217
APL	54,331	32,825	21,506
BPPL	23,909	19,714	4,195
BEE	6,006	1,132	4,874
<b>Total</b>	<b>590,681</b>	<b>421,163</b>	<b>169,518</b>

(Source: Data provided by OMCs and actual sales based on actual imports as per customs data)

The matter was reported to the PAO and OMCs in September, 2021. In DAC meeting held on November 03, 2021, audit observations were discussed in detail and replies / explanations given by the OMCs are **annexed at F-II**. DAC directed the managements of OMCs to share the calculations of sales and reconcile the figures of sales in the light of availability of product by taking into account the vessels arrived, unloaded / cleared from Customs within a week. No further progress was reported till finalization of this report.

Audit recommends DG, Oil to take action against OMCs for booking of sales and dispatches to retail outlets than actual available PMG.

### **Conclusion**

OMCs booked / reported overstated figures of PMG sales by 179,283 MT to PRM as evident from the record of Customs department showing actual imports and clearance / ex-bonding of PMG from bonded warehouses. Audit is of the view that Petroleum Division, DG, Oil and OGRA had no mechanism to validate the figures of sales and opening / closing stock held by OMCs which led to such a situation in which OMCs claiming inflated sales but general public faced acute shortage of PMG during the June, 2020.

**TOR – 10 Is there any evidence of any government agency or department colluding with any OMC?**

**Legal Framework**

Following is the legal framework to govern the Oil supply chain:

- i) The Petroleum Act, 1934;
- ii) The Petroleum Rules 1937 made under Sections 4, 5(2), 14 (2), 21, 22 and 29(1) of the Petroleum Act, 1934;
- iii) The Regulations of Mines and Oilfields and Mineral Development [Government Control] Act, 1948;
- iv) The Pakistan Petroleum (Refining, Blending and Marketing) Rules, 1971 made under Section 2(5&6) of the Regulations of Mines and Oil-Fields and Mineral Development (Government Control) Act, 1948;
- v) The OGRA Ordinance, 2002; and
- vi) The Pakistan Oil (Refining, Blending, Transportation, Storage and Marketing) Rules, 2016 made under Section 41 of the Oil and Gas Regulatory Authority Ordinance, 2002 (XVII of 2002).

**4.10.1 Audit Findings**

Although no collusion between the government agencies / departments and OMCs was observed, the oil crises, nevertheless, highlighted the negligence and inefficiency of regulators especially OGRA and DG, Oil.

**OGRA related issues**

There was ambiguity in the identification of responsibility for ensuring Minimum Mandatory Stock (MMS) by OMCs. According to Rule 30A of the Pakistan Petroleum (Refining, Blending and Marketing) Rules, 1971, every marketing company shall maintain such minimum stocks of petroleum products as the Authority may, having due regard to storage capacity and the finances of such individual marketing company, by order in writing, require from time to time<sup>46</sup>. As per Rule 30A, the responsible authority is DG, Oil. Whereas according to Rule 37 of the Pakistan Oil Rules, 2016 made under OGRA Ordinance 2002, every oil marketing company shall maintain such minimum stocks of

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<sup>46</sup> Pakistan Petroleum (Refining, Blending and Marketing) Rules, 1971, PP-7

petroleum products as the Federal Government may, from time to time, by order in writing specify<sup>47</sup>.

Further, OGRA did not take up the matter with Federal Government for specifying the requirement of MMS to be maintained by each OMC, resultantly the requisite SoP for calculation & maintaining MMS as envisaged under the Rules could not be framed. Both the OGRA and DG, Oil did not fulfil their assigned jobs under the prevalent Rules and shifted responsibility on each other. Consequently, barring a few, most of the OMCs did not maintain minimum mandatory stock and their shortfall in days cover ranged from 7 to 20 days as details in **Annex- O**. Their stock position for each day from June, 01 to June, 26 is attached as **Annex-P**.

According to Section 2(1) (xxxviii) of Oil and Gas Regulatory Ordinance, 2002, one of the primary responsibilities of OGRA was development of strategic petroleum storage i.e., the petroleum stored as fuel reserve in the event of a public emergency<sup>48</sup>. Further, as per Section 21 of the Ordinance *ibid*, the Ministry of Energy has to issue policy guidelines in relation to establishment and maintenance of strategic petroleum storage<sup>49</sup>. However, neither the Ministry nor OGRA fulfilled their responsibility.

Further, according to Rule 53 read with Rule 69 of the Pakistan Oil (Refining, Blending, Transportation, Storage and Marketing) Rules, 2016 and licence conditions of licences issued to OMCs, all licensees, in relation to their regulated activity, shall not to abandon any regulated activity, as a part or whole, resulting into discontinuation of supply of petroleum products or its sale in any area without the prior written consent of the Authority. But OMCs violated this rule and licence condition by abandoning the supply of PMG. A scrutiny of record provided by OGRA showed that despite discontinuation of supply by the OMCs, OGRA failed to take immediate strict punitive measures against the delinquent OMCs such as suspension or cancellation of licences in the light of condition xiv of licence issued to OMCs. Upon realization of severity of the oil shortage at belated stage, OGRA issued show-cause notices to OMCs and imposed fine of Rs 30 million on 4 OMCs i.e. SPL, TPPL, APL, PEPL for violation of licence conditions as detailed in **Annex-Q**.

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<sup>47</sup> Pakistan Oil (Refining, Blending, Transportation, Storage and Marketing) Rules, 2016, PP-19

<sup>48</sup> The OGRA Ordinance, 2002, PP-4

<sup>49</sup> The OGRA Ordinance, 2002, PP-15

Audit is of the view that penalties imposed by OGRA were not proportional to the gravity of contravention which affected the general public at large. Invoking provisions of Rule 66 of the Pakistan Oil (Refining, Blending, Transportation, Storage and Marketing) Rules, 2016 for revocation or suspension of licences could ensure a better response from OMCs in future.

### **DG, Oil (Petroleum Division)**

According to Rule 30B of the Pakistan Petroleum (Refining, Blending and Marketing) Rules, 1971, where the production of petroleum products by the local refineries is found insufficient, the Authority (DG, Oil) may allow, subject to such condition as it may impose from time to time, a marketing company may import such products<sup>50</sup>.

A scrutiny of record showed that on March 25, 2020, Petroleum Division issued instructions to all OMCs to rationalize their imports. Since, the OMCs were not uplifting refined petroleum products from the refineries who were supposedly running out of the storage for refined as well as crude oil, the MoE-PD directed the OMCs to cancel their import orders. The local refineries had surplus stock of PMG 17,977 MT as on February 04, 2020 which was increased to 60,928 MT on April 15, 2020. Although the OMCs were required to be compelled by OGRA to uplift their quota from local refineries, the Ministry took extreme step of banning the import through its letter No. DOM-1(24)/2020 dated March 25, 2020.

Audit is of the view that ban on petroleum products coupled with non-development of storage by MoE-PD and OGRA denied the general public benefit of lowest international oil prices in years.

According to SoP for berthing of vessels circulated by OCAC in April, 2018, vessels would be berthed in turn/sequence (based on LayCan) and even if a company is dry/going dry, its vessel would be berthed only on its turn and not before. On March 26, 2020, MoE-PD withdrew the authority of approving the LayCan and berthing of vessels from OCAC and handed over the responsibility to DG, Oil henceforth.

During scrutiny of record, it was observed that the Ministry of Petroleum Division delayed permission to berth MT Plutos, a vessel carrying 57,932 MT of MG. As per the NOR, the vessel carrying PMG imported by 8 OMCs reached outer anchorage of PQA on June 15, 2020. The concerned OMCs requested

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<sup>50</sup> Pakistan Petroleum (Refining, Blending and Marketing) Rules, 1971, PP-7

LayCan well before time. However, Petroleum Division approved berthing of the vessel not before June 26, 2020 on the pretext that these OMCs had considerable quantity of petroleum products in storage facilities. The rationale provided by the PD was not justified as instead of ensuring supply of oil from the depots in coordination with OGRA, Petroleum Division took the convenient step of delaying berthing. The decision becomes more challengeable in that the vessel was allowed berthing 3 days after announcement of increase in oil prices by the government. This allowed the OMCs considerable inventory gains due to purchase of oil at lower rates and sale of the same at higher rates. Hence, it could be inferred that Petroleum Division extended undue favour to these OMCs.

Audit also observed that there existed no mechanism or legal backing for DG, Oil to take action against the OMCs or refineries for violating the PRM decisions regarding production, upliftment and not arranging imports as per allocated quotas, maintenance of MMS etc. Due to this, neither implementation of PRM decisions was ensured nor could any action be taken against the OMCs for violations. As mentioned above, the OMCs ordered 546,057 MT against the target of 562,000 MT for the month of June, 2020 and berthed only 461,569 MT of imported product at ports and ex-bonded even a lesser quantity of 356,204 MT from Customs department (**Annex-M**).

The matter was reported to the PAO and OMCs in September, 2021. In DAC meeting held on November 03, 2021, DG, Oil, in most of cases, stated that matter was related to OGRA. Detail replies of DG, Oil are annexed at F-I. DAC directed the Petroleum Division to seek response from OGRA on the issue as OGRA did not attend the DAC. OGRA vide its letter dated December 22, 2021 furnished replies which are annexed at F-IV.

Audit recommends DG, Oil and OGRA to take action against the persons responsible for the lapses pointed out by Audit and fix responsibility besides taking remedial measures. Necessary amendment in rules to streamline the existing legal framework governing the whole oil supply chain may also be initiated.

## **Conclusion**

Although no collusion between the government agencies / departments and OMCs was observed, the oil crises, nevertheless, highlighted the negligence and inefficiency of regulators especially OGRA and DG, Oil. Petroleum Division, DG, Oil and OGRA failed to perform their assigned functions. In addition to this,

unresolved chronic issues of oil sector, inaction or wrong decision making on the part of both the regulator and administrative ministry resulted in acute oil shortage in June, 2020.

#### **4.11 TOR-11 How did smuggled product affect the demand/supply position in June 2020?**

##### **Legal Framework**

According to Sections 158 to 192 of the Customs Act, 1969, prevention of smuggling, powers of search, seizure and arrest, adjudication of offences etc. is entrusted to the Customs Department and its sub-office Directorate General of Intelligence and Investigation (I&I) also called Customs Intelligence<sup>51</sup>. Moreover, the Prevention of Smuggling Act, 1977 also serves as a legislative instrument aimed at curtailing the activity of smuggling within the territorial jurisdiction of Pakistan.

##### **4.11.1 Audit findings**

DG I&I (Customs), FBR letter vide CNo.23(1)DGCI/ASO/Misc/ 2021/1957 dated June 16, 2021 reported that only 132,985 litres of PMG were seized during last three years that were being smuggled in the country. Whereas a quantity of 11,503,850 litres of HSD was seized during the same period (87 times more than PMG). This showed that smuggling of PMG was much lower than HSD as the former was a hazardous product and highly inflammable making its transport through unconventional vehicles almost negligible.

The matter was reported to the PAO and OMCs in September, 2021. In DAC meeting held on November 03, 2021, the OMCs provided their response which is available at **Annex F-II**. DAC directed DG, Oil & OMCs to explain reasons for non-assessing the quantum of smuggled product and non-considering its impact during demand forecast of PMG for the month of June, 2020. No further progress was reported till finalization of this report.

Audit recommends that a monitoring mechanism may be developed to ensure that the PMG being produced and imported is duly accounted for in sales of the companies in order to curb its smuggling outside the country.

##### **Conclusion**

No data relating to smuggling was available with OGRA, DG, Oil, OCAC or OMCs and its impact was not assessed during demand forecast. Audit approached FBR for data collection which provided the record relating to seized smuggled petroleum products by the Customs Department during last three years. Less seizure of PMG hinted at the notion that smuggling of PMG was limited due to its combustible nature. DG I&I, (Customs), FBR seized only 132,985 litres of smuggled PMG during last three years.

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<sup>51</sup> The Customs Acts, 1969, PP-167 to187

**4.12 TOR-12 What was the profitability of each such OMC for the month of June 2020, and how did that compare with typical monthly profitability for the month of June in pre-covid times as well as just after when COVID restrictions were lifted.**

**Legal Framework**

According to Sections 2(33), 220, 223, 233 and 234 of the Companies Act, 2017, every company shall prepare and keep its registered office books of accounts and other relevant books and papers and financial statements for every financial year. Financial statements include a statement of profit or loss, and other statements. The financial statements must be laid within a period of one hundred and twenty days following the close of financial year of a company. Profitability is disclosed in the financial statements representing a true and fair view of the state of affairs of the Company<sup>52</sup>.

**Practices and Procedure in vogue**

Out of the eight OMCs that Audit examined, PSO, SPL, TPPL, BPPL and APL were public limited companies whereas BEE, PEPL, AOSPL were private limited companies. All the OMCs prepare financial statements as per provisions of the Companies Act, 2017. Combined profitability was computed for all products for whole business, gross profit earned or loss sustained on PMG was not separately available.

**4.12.1 Audit findings:**

Pursuant to requisitions, OMCs (except BEE) provided month-wise or quarter-wise and product-wise figures of profitability for the pre-covid and post-covid periods. Financial information relating to profit or loss could not be counterchecked because such information was not available from any other source. OMC-wise profitability position is depicted in Table-20.

**Table 20: OMC-wise monthly / quarterly Gross Profit or Loss**

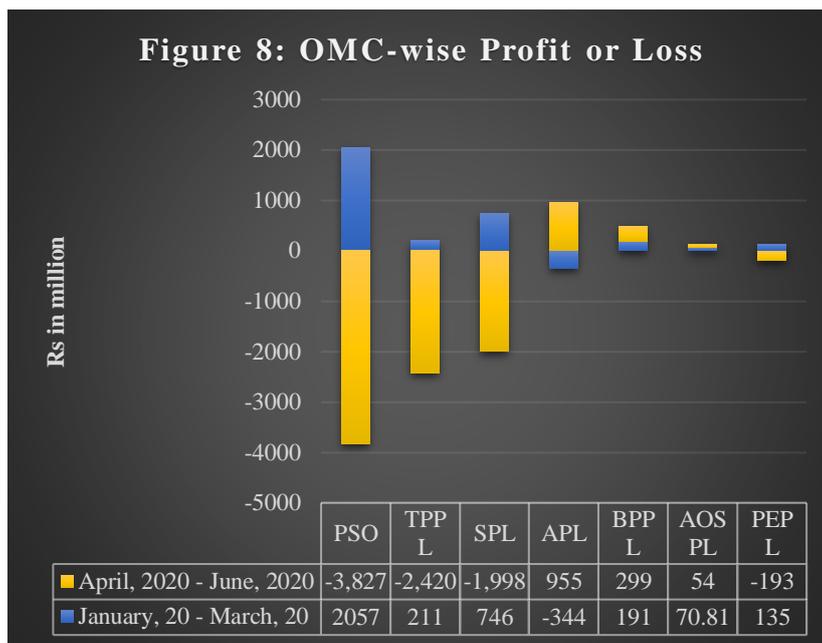
Name of OMCs	(Rs in million)								
	Jan, 2020	Feb, 2020	Mar, 2020	Apr, 2020	May, 2020	June, 2020	July, 2020	Aug. 2020	Sep. 2020
PSO	629	936	492	339	3,209	(7,375)	220	1,427	2,346
TPPL	198	289	(276)	(2,013)	(105)	(302)	597	600	668
AOSPL	29	18	23	15	21	18			

<sup>52</sup> The Companies Acts, 2017, PP-7, 140, 143, 149 and 151

PEPL	53	43	39	(105)	46	(134)	29	64	102
SPL	746			(1,998)			4,828		
APL	(344)			955			359		
BPPL	191			299			327		
BEE	Did not provide figures of profit or loss								

(Source: Data provided by the OMCs)

Four of the OMCs audited namely, PSO, TPPL, SPL and PEPL reported loss during the quarter ended on June 30, 2020. Out of other four OMCs which reported profit for the quarter ending on June 30 2020, APL

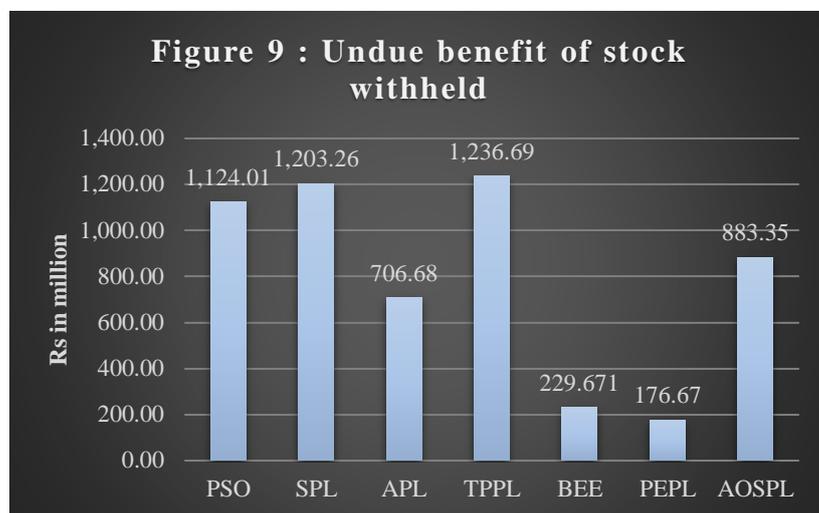


earned gross profit of Rs 955 million in April to June, 2020 and BPPL reported gross profit of Rs 299 million in April to June, 2020. AOSPL earned a gross profit of Rs 52 million in April to June, 2020. BEE did not provide information relating to profit or loss.

Another contributing factor in oil shortage in June, 2020 was pricing mechanism of petroleum products in vogue in June, 2020. The mechanism did not cater for any substantial reduction in international oil prices which led the refineries and OMCs to abandon oil supply in order to avoid inventory losses<sup>53</sup>.

<sup>53</sup> Para 3 of PRM minutes dated June 8, 2020

Due to non-computation or availability of profit for PMG separately on monthly or quarterly basis, no conclusion on profitability could be drawn.



However, Audit analysed the amount of gain for each OMC due to withholding of stock in June, 2020 and its release after the price was increased on June 26, 2020. According to

this analysis, it transpired that an undue financial benefit of Rs 5,560.335 million was availed by the OMCs which hoarded 157,365 MT (213,859,035 litres) of stocks of PMG either in vessels, bulk depots or bonded warehouses and brought in market after price increase (**OMC-wise details in Annex-R**).

The matter was reported to the PAO and OMCs in September, 2021. The replies provided by OMCs in DAC meeting held on November 03, 2021, are given in **Annexe F-II**. DAC directed OMCs to provide details of profit or loss pertaining to PMG for the FY 2020-21 to Audit within a week. No further progress was reported to Audit till finalization of this report.

Audit recommends that the profitability figures of PMG for the month of June, 2020 may be provided to Audit for scrutiny so that exact position relating to profitability could be assessed. Moreover, the Petroleum Division also introduce a mechanism where the OMCs maintain such profitability on regular basis.

## Conclusion

All OMCs were registered companies under Companies Act, 2017 and preparing financial statements accordingly. They reported to Audit that they were not preparing separate profitability for individual products. However, on comparing their overall profitability it may be concluded that four main OMCs were experiencing losses leading to June, 2020 crisis which was converted to

profit after price increase on June 26, 2020. Remaining OMCs were already having profits leading to June, 2020 oil shortage issue.

Though Audit could not ascertain the impact of withholding of stock through profitability data provided by the OMCs, yet, it calculated an undue financial benefit of Rs 5,560.335 million availed by the OMCs due to withholding of stocks of PMG either in vessels, bulk depots or bonded warehouses.

#### **4.13 Non-production of record**

Petroleum Division requested the AGP for conducting forensic audit on March 24, 2021. OGRA and DG, Oil issued instructions to OMCs for timely production of record to Audit. For the purpose, Audit issued requisitions (TOR-wise) for provision of record vide letter vide letter No.137–PA Cell/DGAPNR/Forensic Audit/OM74Cs, dated April 12, 2021, No.01–DGAPNR/FAT-I/Misc, dated 26.05.2021, No. 385-Coord/DGAPNR/ Forensic Audit/MCs dated June 02, 2021, No.08–DGAPNR/FAT-I/Misc, dated June 11, 2021, No.16–DGAPNR/FAT-I/Misc, dated July 13, 2021 followed by subsequent Reminders dated June 09, 2021, June 25, 2021, July 08, 2021, August 12, 2021 and August 24, 2021.

Two OMCs viz. AOSPL and BEE did not provide the requisitioned record despite reminders and follow up by this office and instructions issued by DG, Oil and OGRA. Details of some important record not provided is given in **Annex-S**.

The matter was reported to the PAO and OMCs in September, 2021. DAC in its meeting held on November 03, 2021 directed the management of OMCs to provide all pending record to Audit. However, no compliance was reported to Audit.

Audit recommends OMCs to provide all pending record to Audit.

## **5. Overall Assessment**

Oil shortage in June, 2020 was culminated due to non-resolution of chronic issues of oil sector. From determination of demand to allocation of quota and subsequent import and supply of PMG, Audit observed negligence and mismanagement across the board. The import quota of 562,000 MT assigned to OMCs on June 8, 2020 was not fully ordered leaving a shortfall of 15,943 MT. Import of ordered quantity (546,057 MT) was not finalized due to non-berthing of vessels carrying 84,488 MT of PMG by OMCs. Further, four OMCs did not ex-bond 86,500 MT of PMG from the Customs bonded warehouses. Overall, there was a shortage of 381,875 MT due to shortfall in MMS (194,944 MT), short ordering (15,943 MT), less berthing of vessels (84,488 MT) and non-clearance from customs bonded warehouses (86,500 MT). There were also instances where the OMCs hoarded the PMG in their storage facilities and did not push the PMG to the market.

On the other hand, OGRA failed to ensure compliance of licence conditions by OMCs. OGRA played the role of an observer in the oil supply chain instead of compelling the OMCs to ensure continuity of supply to general public. Ambiguity in the roles of DG, Oil and OGRA originated due to inadequacy of the rules governing the oil sector which did not cover the whole spectrum of oil supply chain starting from assessment of demand, product sourcing through local or import, holding of PRM. As pointed out in the Report, there were lacuna in Pakistan Oil (Refining, Blending, Transportation, Storage and Marketing) Rules, 2016 which led to shortcomings in enforcement regime.

Faulty decision making and inaction during pre-shortage period by DG, Oil, non-upliftment of local products from refineries, manoeuvring ECC decision of rationalization of import into complete ban led to oil crises of June, 2020.

In this backdrop, Audit is of the view that the responsibility of the crisis lies with OGRA, Petroleum Division and DG, Oil in addition to delinquent OMCs. Further, refineries operating on sub-optimal production also contributed to the oil shortage. Remedial measures as recommended by Audit may be taken to revamp the oil supply chain and bringing it under the ambit of existing rules comprehensively.



## **Annexes**



**Annex-A**  
**Para 1.3(ii)**

**Storage Capacity for PMG of OMCs**

(Qty in MT)

Sr. No.	Name of Depots	PSO	SPL	APL	TPPL	BPPL	BEE	PEPL	AOSPL	Total
1	Kemari Karachi	72,690	43,100	19,395	27,432	10,100		15,000	-	187,717
2	Zot	103,880	-	-	-	-	-	-	-	103,880
3	PQA	-	-	37,897		5,000	26,525	11,000	-	80,422
4	KOR	-	-	1,547	-	-	-	-	-	1,547
5	Faqirabad	4,991	-	-	-	-	-	-	-	4,991
6	Sihala	3,467	4,430	2,040	1,383	-	-	-	-	11,320
7	Chakpir-ana	2,498	-	-	-	-	-	-	-	2,498
8	Machike	18,621	13,270	18,918	13,203		9,500	2,502	1,719	77,733
9	Sargodha	155	-	-	-	-	-	-	-	155
10	Habibabad	3,353	-	-	-	-	-	-	-	3,353
11	Faisalabad	2,040	-	-	-	-	-	-	-	2,040
12	Gujranwal	-	-	-	-	-	-	-	-	-
13	Kotla Jam	3,712	-	-	-	-	-	-	-	3,712
14	Bhakkar	-	170	-	-	-	-	-	-	170
15	Shershah-Multan	295	134		1,169	-	-	-	-	1,598
16	Mahmood Kot	-	-	3,976	-	7,000	-	-	-	10,976
17	Kundian	102	-	-	-	-	-	-	-	102
18	Sahiwal	154	44	5,494	1,500	1,000	200	-	-	8,392
19	Vehari	148	390	-	-	-	-	-	-	538
20	TaruJabb-a	3,121	1,914	-	206	-	-	-	-	5,241
21	Chitral	155	-	-	-	-	-	-	-	155
22	Serai Naurang	100	-	-	-	-	-	-	-	100
23	Kohat	412	-	-	-	-	-	-	-	412
24	Juglot	156	-	-	-	-	-	-	-	156
25	Quetta	634	464	-	-	-	-	-	-	1,098

26	Mouza Kund (Hub)	-	-	-	-	-	-	-	-	0
27	Pasni	564	-	-	-	-	-	-	-	564
28	Khuzdar	650	-	-	-	-	-	-	-	650
29	Daulatpur	2,671	1,280	3,924	183		200	287		8,545
30	Sangi	620	-	-	-	-	-	-	-	620
31	Shikarpur	1,480	950	3,924	167	-	400	-	-	6,921
32	Mirpur Khas	380	-	-	-	-	-	-	-	380
	<b>Total</b>	<b>227,049</b>	<b>66,146</b>	<b>97,115</b>	<b>45,243</b>	<b>23,100</b>	<b>36,825</b>	<b>28,789</b>	<b>1,719</b>	<b>525,986</b>

**Annex-B**  
**Para 1.3(iii)**

**Statement of number of Retail outlets - OMCs wise**

Sr. No.	Name of OMC	DG Explosive			As per OMCs sales (June-2020)	As per OCAC	As per OGRA	Differ between OGRA and DoE	Differ between OCAC and OMC	Differ between OCAC and DoE
		Number of Retail Outlets	Non - operative	Total						
1	2	3	4	5	6	7	8	9=8-5	10=7-6	11=7-5
1	PSO	3,158	81	3,239	3,256	3,539	3,469	311	283	381
2	Shell	748	11	759	746	744	729	(19)	(2)	(4)
3	APL	657	29	686	699	701	723	66	2	44
4	BPPL	418	20	438	391	391	413	(5)	-	(27)
5	PEPL	613	8	621	342	542	542	(71)	200	(71)
6	TPPL	788	27	815	833	833	785	(3)	-	45
7	BEE	382	19	401	209	347	265	(117)	138	(35)
8	AOSPL	905	203	1,108	394	394	394	(511)	-	(511)
	<b>Total</b>	<b>7,669</b>	<b>398</b>	<b>8,067</b>	<b>6,870</b>	<b>7,491</b>	<b>7,320</b>	<b>(349)</b>	<b>621</b>	<b>(178)</b>

**Annex-C-I**  
**Para 4.1.1**

**Short fall for Minimum Mandatory Stock**

(Qty in MT)

<b>OMCs</b>	<b>PSO</b>	<b>SPL</b>	<b>APL</b>	<b>TPPL</b>	<b>BPPL</b>	<b>BEE</b>	<b>PEPL</b>	<b>AOSPL</b>	<b>Total</b>
<b>Demand for the month of June</b>	300,000	36,957	58,000	65,000	22,000	10,000	9,000	15,000	515,957
Sales July, 19 to May, 20	2,530,940	756,152	606,332	917,413	238,047	180,404	137,325	117,683	5,484,296
Average sales per day	7,670	2,291	1,837	2,780	721	547	416	357	16,619
Opening stock as per OGRA	80,272	18,447	22,255	11,600	1,408	1,129	1,782	544	137,437
Mandatory stock required	153,390	45,827	36,747	55,601	14,427	10,934	8,323	7,132	332,381
Excess / (Less) available mandatory stock	(73,118)	(27,380)	(14,492)	(44,001)	(13,019)	(9,805)	(6,541)	(6,588)	(194,944)
<b>Mandatory stock (No of days)</b>	<b>(10)</b>	<b>(12)</b>	<b>(8)</b>	<b>(16)</b>	<b>(18)</b>	<b>(18)</b>	<b>(16)</b>	<b>(18)</b>	<b>(12)</b>

**Annex-C-II**  
**Para 4.1.1**

**OMCs wise allocation of Demand of 08 OMCs**

(Qty in MT)

Sr. No.	OMCs	Demand as per PRM June 08, 2020	Planned refineries	Actual supplies as per PRM	Import Planned as per PRM June 08, 2020	Actual Imports as per PRM	Projected Demand finalised by OMCs
1	2	3	4	5	6	7	8=4+6
1	PSO	300,000	42,000	42,472	350,000	345,543	392,000
2	SPL	36,957	15,500	16,773	80,000	80,264	95,500
3	APL	58,000	15,200	25,259	30,000	30,000	45,200
4	TPPL	65,000	35,500	38,896	60,000	65,000	95,500
5	BPPL	22,000	24,200	24,329	-	-	24,200
6	BEE	10,000	2,000	1,720	15,000	10,000	17,000
7	PEPL	9,000	2,600	1,739	15,000	15,250	17,600
8	AOSPL	15,000	300	303	12,000	-	12,300
<b>Total 08 OMCs</b>		<b>515,957</b>	<b>137,300</b>	<b>151,491</b>	<b>562,000</b>	<b>546,057</b>	<b>699,300</b>

**Annex-D**  
**Para 4.1.1**

**Statement showing short-ordering of 15,943 MT, non-berthing of  
84,488 MT and non-clearance from Customs of 189,853 MT**

(Qty in MT)

<b>Sr. No</b>	<b>OMCs</b>	<b>Import Quota Allocated</b>	<b>PMG Imports as per PRM</b>	<b>Short Ordering Diff (C-D)</b>	<b>Imports as per port</b>	<b>Imports as per Customs</b>	<b>Less Imports as per port (D-F)</b>	<b>Less imports as per custom data (D-G)</b>
<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>	<b>I</b>
1	PSO	350,000	345,543	(4,457)	288,055	256,244	57,488	89,299
2	SPL	80,000	80,264	264	58,264	46,210	22,000	34,054
3	APL	30,000	30,000	-	30,000	10,000	-	20,000
4	TPPL	60,000	65,000	5,000	65,000	30,000	-	35,000
5	PEPL	15,000	15,250	250	10,250	10,250	5,000	5,000
6	AOPSL	12,000	-	(12,000)	-	-	-	-
7	BEE	15,000	10,000	(5,000)	10,000	3,500	-	6,500
8	BPPL	-	-	-	-	-	-	-
	<b>Total</b>	<b>562,000</b>	<b>546,057</b>	<b>(15,943)</b>	<b>461,569</b>	<b>356,204</b>	<b>84,488</b>	<b>189,853</b>

(Source: PRM minutes dated June 08, 2020, Ports data and Customs department's clearance data)

**Annex-E**  
**Para 4.1.1**

**Non-clearance of 86,500 MT bonded PMG by OMCs**

<b>OMC Name</b>	<b>Quantity imported</b>	<b>Dates of NOR / arrival of ship At deep sea / Port</b>	<b>Date of actual berthing</b>	<b>Date of pumping / unloading</b>	<b>Filing of Bond GD</b>	<b>Dates of clearance (Ex-bonded)</b>	<b>Quantity cleared up to up to June 26, 2020</b>	<b>Quantity not cleared up to June 26, 2020</b>
APL	30,000	16.06.20	19.06.20	22.06.20	26.06.20 to 03.07.20	29.06.20 to 07.07.20	10,000	20,000
TPPL	65,000	21.06.20	21.06.20	21.06.20	29.06.20	01-02.07.20	30,000	35,000
BEE	10,000	28.05.20	02.06.20	05.06.20	-	03.06.20 to 29.06.20	3,500	6,500
AOSPL	25,000	-	05.05.20	05-8.05.20	-	-	-	25,000
<b>Total</b>	<b>130,000</b>						<b>43,500</b>	<b>86,500</b>

**Annex-F-I**  
**Para 4.1.1 to 4.12.1**

**Replies of DG, Oil and DAC directives**

<b>Sr. No.</b>	<b>Subject of Para</b>	<b>Management</b>	<b>DAC directives November 03, 2023</b>
4.1.1	Projected demand was deficient to cater for Minimum Mandatory Stock	DG, Oil explained that by applying the correct basis both supplies planned and supplies actually arranged were adequate as per 20 days mandatory stock maintenance requirements.	DAC directed the management of OMCs to provide the break-up of demand sent to OCAC for placing before PRM within a week. No further progress was reported from the concerned organizations till finalization of the report.
4.3.1 MMS	Shortfall in Minimum Mandatory Stock of 177,953 MT	DG, Oil stated that OMCs were responsible to table their demand of petroleum products keeping in view their available stocks, expected sales of their retail networks and maintenance of stocks as per their licences terms & conditions and the responsibility to make OMCs ensure mandatory maintenance of stocks falls in the domain of licensing authority.	DAC directed the Petroleum Division to seek response from OGRA on the issue.
4.6.1	Delayed berthing of MT Plutos carrying 57,932 MT	DG, Oil stated that the delayed berthing of vessels was primarily due to sufficient stock availability with the respective OMCs and their reluctance to move product to up-country locations rather than the allegation of allowing them undue price benefit. PEPL explained that MT plutos having LayCan of 16-18/June/2020 arrived on June, 15, 2020. PEPL requested berthing of vessel on immediate basis. However, berthing was delayed and the vessels berthed on 29 <sup>th</sup> June, 2020.	DAC directed PEPL to justify non-finalization of imports and its berthing in first half of June, 2020
4.6.1	Ports constraints – Delay in repairing of Oil Pier-II at KPT and congestion at FOTCO, PQA	DG, Oil reported that at FOTCO, there was only one jetty for handling of petroleum products vessels. Normally vessels took 48 hours at berth to complete discharge. However, it depended on discharge/pumping rate per hour.	DAC directed the MoE-PD / DG, Oil to take up the matter with the Port Authorities for establishing new jetty at PQA for oil vessel handling besides enhancing storage capacity connected with the port.

4.10.1	Irrational Ban of Imports	In DAC meeting held on November 03, 2021, DG, Oil, in its reply stated that due to declining demand of PMG caused by Covid -19, the available stock had become surplus. The OCAC and their member companies recommended to rationalize import of petroleum product due to glut of petroleum product. Audit pointed out that OMCs and refineries took stance that import ban was the major reason of decreased stock level of PMG and crude oil which further intensified by increased demand in May, 2020. These factors mainly contributed in oil shortage in June, 2020.	DAC directed DG, Oil to explain the reasons of changing the decision of rationalization (as directed by ECC) into ban on imports. DAC further directed DG, Oil to provide the details of process whether viewpoint of all stakeholders was sought which faced the outcome of the said import ban.
4.10.1	Delayed Permission for Berthing of Vessel	In DAC meeting held on November 03, 2021, DG, Oil in its reply, stated that the delayed berthing of vessels was primarily due to sufficient stock availability with the respective OMCs and their reluctance to move product to up-country locations rather than the allegation of allowing them undue price benefit. Audit pointed out that adequate administrative measures in collaboration with respective Districts / Provincial Authorities were not taken to ensure the movement of PMG from storage tanks / depots to market. Only delaying the berthing of vessels on 26.06.2020 benefited the OMCs because berthing was made just after price increase.	DAC directed the DG, Oil to provide details of actions taken against the OMCs involved in hoarding of PMG in collaboration with respective district authorities and OGRA
4.10.1	Non-implementation of PRM decisions	In DAC meeting held on November 03, 2021, DG, Oil stated that matter regarding implementation of PRM decision pertained to OGRA. Amendments in this regard were being made in the Rules.	DAC directed DG, Oil to expedite the amendments in the Rules to regulate the proceedings of PRM under the jurisdiction of OGRA. DAC further directed the Petroleum Division to seek response from OGRA on the issue.

**Annex-F-II**  
**Para 4.1.1 to 4.12.1**

**Replies of OMCs and DAC directives**

Sr. No.	Subject of Para	Management	DAC directives November 03, 2023
4.1.1	Projected demand was deficient to cater for Minimum Mandatory Stock	<p>The responses by the OMCs are as under:</p> <p>i) PSO explained that against the finalized PSO demand in PRM dated 8<sup>th</sup> June, 2020 of 300,000 MT PSO planned sourcing of 395,000 MT (350,000 MT imports and 45,000 MT local refineries procurement). This 95,000 MT additional sourcing was planned to maintain mandatory stock level of 20 days by end of June, 2020. PSO further explained that it sold 356,000 MT against its demand of 300,000 MT with increase of 10% market share compared to the previous months due to which mandatory stock covers were eventually not maintained at the end of the month.</p> <p>ii) SPL explained that due to ban on the import of petroleum products, SPL was forced to cancel over 81,000 MT of committed purchase that was due to arrive in April and May, 2020. This prevented SPL from maintaining requisite stock cover. However, SPL sold 70,000 MT in June, 2020 against agreed demand of 37,000 MT which was achieved by arranging prompt import (79,000 MT against commitment of 35,000 MT) despite ongoing disputes with its supplier over the previous cancellation. SPL lifted all volumes made available by local refineries in June, 2020.</p> <p>iii) APL explained that it fulfilled all its commitments. APL started with opening stock of 23,538 MT and received all the quantities which were planned. APL procured all quantities. APL planned 15,500 of local purchase while the actual supply was 25,259 MT whereas against planned import of 30,000 MT, APL imported 31,007 MT. APL further stated that calculation mechanism of 20 days mandatory stock level yet to be decided by the GoP.</p> <p>iv) TPPL explained that as per its licence requirement issued by the OGRA Company had to maintain the storage capacity for 20 days of stock for sale. However, in the month of June, TPPL exceeded all its commitments as agreed in the PRM. In this regard, the detail reply had already been given. As</p>	DAC directed the management of OMCs to provide the break-up of demand sent to OCAC for placing before PRM within a week. No further progress was reported from the concerned organizations till finalization of the report.

		<p>per Rule 37 of the Pakistan Oil (Refining, Blending, Transportation, Storage and Marketing) Rules of 2016, it is the exclusive domain of the Federal Government to specify by an order in writing as to how much stocks of petroleum products must be maintained by OMCs. Such power cannot be delegated to OGRA as the definition of the Federal Government. TPPL further stated that OGRA'S stance in terms of the licence granted to TPPL that they would be having a 20 days backup storage capacity is against Rule 36 of the Rules of 2016 and Section 45 of the Ordinance of 2002.</p> <p>v) PEPL explained that for June, 2020 PEPL placed a demand of 9000 MT in PRM and planned procurement was tabled as 17,600 MT (imports 15,000 MT and from local refineries 2,600 MT). The incremental volume of 8,600 MT was made to rebuild the stocks in order to achieve 20 days stock cover.</p> <p>vi) BEE explained that BEE planned its requirements in accordance with 20 days stock cover requirements which was around 18,000 MT for the month of June, 2020.</p> <p>vii) BPPL explained that against total demand of 22,000 MT BPPL supplied 23,909 MT which was 9% excess then the nominated quantity. BPPL is maintaining operational stock. Detailed reply has already submitted.</p> <p>viii) M/s AOSPL neither responded to Audit observations nor attended the DAC meetings.</p>	
4.3.1	Lack of veracity of stock data as OMCs reported different figures to PRM / OGRA	In DAC meeting held on November 03, 2021, PSO stated that actual stocks on June 30, 2020 were 125,208 MT including the cargo which started discharge on June, 28 and completed on June, 30. The difference was due to the fact that these quantities were not entered in SAP as tanks were under measurement. SPL stated that difference between opening stocks as per OGRA and OMCs was due to dead stock and tankers not being included in the OGRA stock. PEPL reported that it did not submit daily stocks to OGRA or MoE-PD, and the stock figures provided to OCAC were only provisional. BEE stated that difference in closing stock might have occurred due to conversion factor used for converting Metric Tons to liters and difference in criteria of reporting to OGRA. APL reported that figures provided to PRM and OGRA were tentative.	DAC directed the managements of OMCs to provide details of actual stock by bifurcating stock in hand, stock in transit and dead stock etc. having difference more than 5% with OGRA figure within a week.

4.4.1	Withholding of available stocks by OMCs under the guise of MMS	<p>PSO explained that on June 26, 2020, PSO had only 55,000 MT of PMG due to extraordinarily high sales from 1<sup>st</sup> to 25<sup>th</sup> June, 2020. PSO stocks dropped by 20,000 MT as compared to 1<sup>st</sup> June, 2020. TPPL explained that lower stock at the beginning of June, 2020 was due to substantial increase in sales during May, 2020. APL stated that the company held actual opening and closing stock of 23,538 MT and 24,971 MT respectively. BEE stated that daily sales reported by Audit seemed in-correct. PEPL stated that its total sales during June 2020 were 76% of the available stocks. OGRA vide its letter dated Dec 22, 2021 replied that its officers remained in field during the period and the Authority imposed Rs 73 million penalties on the 19 OMCs.</p>	<p>DAC directed the managements of OMCs, especially SPL, AOSPL and BEE to provide relevant record for verification of Audit within a week.</p>
4.4.1	OMCs reduced supply of PMG to Retail Outlets	<p>PSO reported in respect that dispatches made from the depots were 347,814 MT during the month of June 2020, however the sales invoiced was 348,175 MT and not 353,864 MT. SPL reported that the invoices of orders that were dispatched at month end of May or June were issued in the next month of June or July respectively, which were based on the automatic delivery confirmations and have contributed to this variation. Further conversion factor used for Sales as per Invoice is 1.352 and Sales as per dispatches is 1.387. PEPL reported that there were a number of retail outlets that did not buy product from PEPL and procure their monthly demand from external sources despite the company putting pressure on them to procure product from PEPL. BPPL reported that One site's lease had gone in dispute in March 2020, hence did not procure product. Nine sites were under repair &amp; maintenance in June 2020, eight sites were low potential and dealer had financial issue and not procuring product regularly, one retail outlet had been temporarily closed due to retailer's death. BPPL further reported that insufficient supplies in the month of June 2020, OGRA had already penalized BPPL for an amount of PKR 5.0 million, which was fully paid and settled by BPPL, therefore, imposition of any other penal action in this regard will tantamount to double jeopardy. Only 28 out of 368 retail outlets were mentioned with short supplies in comparison with May and July 2020. BPPL was managing all our Tank Lorries through centralized monitoring system. TPPL reported that all the sites identified by Audit had stocks, continuously received product from TPPL through out the month of June with regular intervals. M/s AOSPL reported that AOSPL made the supply to the retail outlets on order base. These 220 retail outlets</p>	<p>DAC directed the managements of OMCs to reconcile the data of dry out outlets with DG, Oil and share the reconciled report with Audit within a week.</p>

		<p>not ordered for purchase of products out of their own volition. AOSPL has not refused to any retail outlet for product supply at all. AOSPL will follow the system for Physical Reporting as per instructions of DG, Oil / OGRA when they develop any mechanism (tracking system). APL provided list of 82 outlets showing that that they did not do any business with APL from January 2020 to September 2020, which indicates that these dormant outlets already exists I our fold and we never stopped/halted supplies to them in June 2020. Shell as there was the shortage of product in the market, it resulted in panic buying and increase in demand by retailers to avoid dry out situation. The panic buying also started at consumer's end that resulted in less supply to retail outlets to manage and minimize the dry out situation. There were few sites with complete dry outs situation which was because of retailer's behaviour and payment issues. BEE reported that 104 retail outlets also include disputed sites which were not supplied even prior to June 2020 due to various reasons such as unpaid old outstanding amount. Further as local refinery did not supply local committed volume BEE was forced to rationalize the product supplies to its retail network in best possible manner.</p>	
4.4.1	Less sales by Retail Outlets as per inventory record	<p>PEPL stated that there were a number of retail outlets that did not buy product from PEPL and procured their monthly demand from external sources despite the company putting pressure on them to procure product from PEPL. BPPL stated that out of 34 Zero sales sites, 02 sites were non-operational whereas 03 sites were procured product in June 2020. TPPL reported that all the sites identified by Audit had stocks and continuously received product from TPPL throughout June, 2020. APL provided list of 82 outlets showing that that they did not do any business with APL from January, 2020 to September, 2020. Shell stated that there was shortage of product in the market which resulted in panic buying and increase in demand by retailers to avoid dry out situation. BEE reported that 104 retail outlets reported by Audit also included disputed sites which were not supplied even prior to June 2020 due to various reasons.</p>	<p>DAC directed the managements of OMCs to reconcile the data of retail outlets and share the reconciled report with audit within a week.</p>
4.4.1	No- physical reporting for monitoring of movements of petroleum products	<p>In DAC meeting held on November 03, 2021, PSO, APL, BPPL stated that all tank lorries were monitored by the tracking devices. APL stated that they appreciate introduction of any new mechanism and technology to further streamline the processes for overall betterment of downstream oil industry.</p>	<p>DAC directed the MoE-PD / DG, Oil and OGRA to devise mechanism to oversee product movement from one depot to</p>

			<p>other or to retail outlets. DAC further directed the management of OMCs to use tracking system to monitor movement of trucks to verify actual delivery of products.</p> <p>DAC directed the MoE-PD / DG, Oil and OGRA to devise / maintain database of oil supply chain to account for opening stocks, purchases (local and imports), sales to retail outlets and other movements and closing stock of petroleum products on real time basis</p>
4.6.1	Non-clearance of imported / bonded PMG from Port / Customs	<p>PSO stated that there was no delay in berthing, discharge or custom clearance of cargoes by PSO. As per procedure, customs clearance was done after completion of cargo discharge and measurement and it should not mean that cargo was not timely imported.</p> <p>As per Annexure of this report, PSO's 6<sup>th</sup> cargo of June i.e. MT Hanfia Hong Kong (58,737MT) of 26-28 June laycon arrived on 27<sup>th</sup> June, berthed on 28<sup>th</sup> June, discharged on 30<sup>th</sup> June and GD filed on 2<sup>nd</sup> July. SPL stated that SPL's vessel was decanted in two berthing (on the 24<sup>th</sup> and 29<sup>th</sup> of June) based on ullage in tanks at SPL's Kemari terminal and jetty availability at KPT. SPL had an operatable storage of (24,000 MT) based on which the request for 2<sup>nd</sup> berthing was done once the required ullage was available. Other OMCs did not furnish any reply.</p>	<p>DAC directed the management of OMCs to provide import data with supporting documents to Audit for verification and justify non-finalization of imports in first half of June, 2020.</p>

4.6.1	Delayed berthing of MT Plutos carrying 57,932 MT	PEPL explained that MT plutos having LayCan of 16-18/June/2020 arrived on June, 15, 2020. PEPL requested berthing of vessel on immediate basis. However, berthing was delayed and the vessels berthed on 29 <sup>th</sup> June, 2020.	DAC directed PEPL to justify non-finalization of imports and its berthing in first half of June, 2020
4.6.1	Delay in berthing request by SPL – 24,290 MT	SPL reported that SPL's vessel was decanted in two berthing (on the 24 <sup>th</sup> and 29 <sup>th</sup> of June) based on ullage in tanks at SPL's Kemari terminal and jetty availability at KPT; any potential price change was not a consideration in this operational plan. SPL had an operatable storage of (24,000 MT) based on which the request for 2 <sup>nd</sup> berthing was done on once the required ullage was available.	DAC meeting held on November 03, 2021, directed the management of SPL to justify its stance with supporting documents
4.6.1	Ports constraints – Delay in repairing of Oil Pier-II at KPT and congestion at FOTCO, PQA	PSO stated that KPT website mentioned that only OP-I, OP-II, and OP-III were for POL products. No other berth has capability to handle POL products. Audit pointed out that OP-III had been out of order since 2018 and storage capacity of OMCs connected with KPT and PQA was also insufficient, making discharging of vessels difficult and time taking.	DAC directed the MoE-PD / DG, Oil to take up the matter with the Port Authorities for establishing new jetty at PQA for oil vessel handling besides enhancing storage capacity connected with the port.
4.7.1	Historical trend of demand for the month June showed no annual growth	PSO reported that PSO kept demand growth in mind while placing June forecast and 300,000 MT forecast was 20% higher than May, 2020 as well as June, 2019 actual PSO sales. PEPL reported that MoE/PD as well as oil industry was not given any heads up or guidelines / action plan regarding ending of lockdown and this led to error in planning. The fuel crisis caused unprecedented global pandemic / COVID 19 which adversely impacted product planning procurement and supplies. BPPL responded that during PR meeting of May, 13 and June 04 and 08, 2020, industry revised its PMG forecast to 673,057 MT which was approx. 18% higher than May, 2020. SPL informed that Mogas import for June, 2020 was as per forecasted demand for June 2020 that was submitted in the 13 <sup>th</sup> May, 2020 PRM and reviewed by MoE. As the representative of the Government, MoE, who had recently ordered summary cancellation of imports, was best placed to advise impact on consumption in light of Government-imposed lockdowns and other pandemic measures. Import of petroleum products	DAC directed the MoE-PD / DG, Oil and the management of OMCs to keep in mind the element of annual growth (5%) while forecasting the demand. No further progress was reported from the concerned organization till finalization of the report.

		required up to two months of advance planning and could not be managed on an ad-hoc basis.	
4.8.1	Abandonment of regulated activity in violation of licence conditions causing reduction in OMCs' Market Share	In DAC meeting held on November 03, 2021, PEPL replied that June market share was reduced due to high sales in May and subsequently lower availability of opening stock in June 2020. As imports kept arriving, product was moved to consumption centres as quickly as possible despite delays due to berthing of vessels at port. TPPL reported that TPPL average market share from Mar-May period after taking in account high month like May 2020 and low month like April 2020 was 12.3%, which compared to June, 2020 was almost at the same level.	DAC directed DG, Oil to take up the matter with OGRA to finalize the punitive action against the OMCs with declined market share
4.8.1	Overstatement in sales and market share by OMCs	In DAC meeting held on November 03, 2021, SPL stated that 22,000 MT of PMG waiting off port was taken in product available for sale. PSO stated that one vessel was partially unloaded and remaining was stock in transit but was included in sales.	DAC directed the managements of OMCs to share the calculations of sales and reconcile the figures of sales in the light of availability of product by taking into account the vessels arrived, unloaded / cleared from Customs within a week.
4.9.1	Booking of sales without making dispatches to retail outlets	In DAC meeting held on November 03, 2021, PSO reported that dispatches made from the depots were 347,814 MT during the month of June 2020, however the sales invoiced was 348,175 MT and not 353,864 MT. SPL replied that the difference in sales as per invoice and depots was due to different conversion factor used at the depots. SPL further replied that the invoices of those orders that were dispatched at month end were issued next month based on the automatic delivery confirmation and had contributed to this variation.	DAC directed the managements of OMCs to reconcile the figures of sales with Audit within a week
4.11.1		APL reported that the company supplied product to only its registered dealers / customers. SPL explained that the company was taking strict actions against those sites that were not taking the branded products from Shell and buying products from other sources.	DAC directed the DG, Oil / OMCs to explain reasons for non-assessing the quantum of smuggled product and non-considering its impact during demand forecast

			of PMG for the month of June, 2020.
4.12.1		<p>PSO stated that gross loss of company during June, 2020 was Rs 7.3 billion whereas the actual inventory loss was Rs 8.7 billion for the same period. PEPL informed that the company incurred losses of Rs 42.08 per liter due to downward revision in PMG price during 1<sup>st</sup> March till 1<sup>st</sup> June 2020 and the main reason for loss was the low-cost recovery allowed in the approved price. BPPL stated that inventory losses were actually the main reason due to which industry faced huge losses during Covid-19 which was actually not included in previously provided extracts. SPL reported that gross loss in the month of June 2020 was Rs 615 million which was due to inventory loss on PMG in the month of June 2020 was Rs 1,343 million. APL reported that gross profit fluctuated from quarter to quarter due to number of factors like rebates, imported product cost, operational gain/ loss, Inventory gain/ loss, insurance and handling cost etc. TPPL stated that the company incurred a huge after tax loss of Rs 4.5 billion during January – July, 2020. Be Energy reported that product-wise and month-wise profitability records might not be sufficiently authenticated. Only authenticated record was the annual financial statements signed by Statutory Auditors which were submitted to OGRA on annual basis which may be collected from OGRA.</p>	DAC directed the management of OMCs to provide details of profit or loss for the FY 2020-21 to Audit within a week.
4.13	Non-production of record	-	DAC directed BEE and AOSPL to provide the pending record to Audit.

**Annex-F-III  
Para 4.2.1**

**Replies of Refineries and DAC directives**

<b>Sr. No.</b>	<b>Subject of Para</b>	<b>Replies of Refineries</b>	<b>DAC directives on November 03, 2023</b>
4.2.1	Low Refinery Commitment / Production targets fixed by PRM	In DAC meeting held on November 03, 2021, NRL stated that due to earlier ban on import in March, 2020 and resultant cancellation of import orders by the refinery, crude oil suppliers refused to supply crude oil in the following months which resulted in less availability of oil. PARCO stated that supplies were made as per commitment. ARL stated that supplies during the month of June, 2020 were over and above its commitment. PRL stated that against the declared and agreed upon quantity of 15,000 MT at PRM level, PRL supplied 17,415 MT during the month of June, 2020. PRL agreed that PMG availability for June, 2020 was less as compared to supplies during May and July, 2020 due to operational constrains. BPPL stated that refinery produced and supplied as per commitment made in PRM and maintained the closing stock as per operational requirement. DG, Oil stated that the refineries were pressed for increased production /supplies. However, refineries pointed out that crude price was higher than the finished product and refineries were incurring significant losses when refineries produced finished products.	DAC directed the refineries to get the stated stance verified by Audit.
4.2.1	Withholding of PMG by Refineries	NRL stated that after price revision of June 26, 2020, the procurement of PMG decreased from average of 402 tons/day to 74 tons/day resulting in buildup of stock. As against declaration of 4,500 MT, NRL actually supplied 10,000 MT during June, 2020 as against an average supply 13,000 MT. PARCO explained that gross inventory was 10,300 MT out of which 3,400 MT was dead stock, 2,500 MT was saleable and the remaining was under testing. ARL stated that stocks on July 1, 2020 included operational stocks which were mandatory requirement to cope up in case of any emergency or shutdown situation in the refinery. PRL explained that the refinery was carrying 7,464 MT of stocks on July 01, 2020, wherein 1,512 MT were finished PMG stocks and 5,952 MT were semi-finished products stocks. BPPL stated that refinery maintained only operational stock.	DAC directed the managements of refineries to get the stated stance verified with documentary support with respect to industry practice for maintenance of stock and representation of closing stock in the books of accounts within a week.

**Annex-F-IV**  
**Para 4.3.1 to 4.10.1**

**Replies of OGRA**

Sr. No.	Subject of Para	DAC directives on November 03, 2023 and OGRA response
4.3.1 MMS	Shortfall in Minimum Mandatory Stock of 177,953 MT;	DAC directed the Petroleum Division to seek response from OGRA on the issue OGRA vide its letter dated Dec, 22, 2021 furnished that OGRA was not entrusted with the stock maintenance functions. It granted licence to establish OMCs which as per licence conditions are under obligation to ensure 20 days storage/tankage capacity.
4.10.1	Ambiguity in Law regarding Authority responsible for maintenance of Minimum Stock	DAC directed the Petroleum Division to seek response from OGRA on the issue OGRA vide its letter dated Dec, 22 furnished that OGRA is not entrusted with the stock maintenance functions. It grants licence to establish OMCs which as per licence conditions are under obligation to ensure 20 days storage/tankage capacity.
4.10.1	Non-Development of Strategic Storage	DAC directed the Petroleum Division to seek response from OGRA on the issue. OGRA in its replies dated Dec 22, 2021, stated that Strategic storage was always separate from commercial storages, and was used to keep fuel reserve in the event of a public emergency. OGRA in the past had been insisting for the policy guidelines for the same. Secondly such storage and stocks are always exclusively “owned/managed” by the GoP. In this regard, the GoP had also developed the concept paper, which recommended that as per international practice such storage /stocks were owned and managed by the GoP.
4.10.1	Inaction of OGRA on curtailment in Production by Refineries	DAC directed the Petroleum Division to seek response from OGRA on the issue. OGRA in its replies dated Dec 22, .2021, stated that the issue was not related to OGRA.
4.10.1	Failure in ensuring continuous supply of petroleum products due to delay in punitive action	DAC directed the Petroleum Division to seek response from OGRA on the issue OGRA in its replies dated Dec 22, 2021, stated that OGRA penalized 19 OMCs with Rs 73 million on insufficient supplies to their outlets.
4.10.1	Non-implementation of PRM decisions	DAC directed DG, Oil to expedite the amendments in the Rules to regulate the proceedings of PRM under the jurisdiction of OGRA. DAC further directed the Petroleum Division to seek response from OGRA on the issue. No reply was furnished by the OGRA.

**Annex-G**  
**Para 4.2.1**

**Statement of refineries production and sales**

(Quantities in MT)

Refinery Name	Opening Stock			Refined / Processed			Sales		
	May	June	July	May	June	July	May	June	July
PRL	2,506	1,769	7,454	26,641	23,10	24,095	27,378	17,415	24,094
ARL	13,512	13,617	8,825	52,405	32,185	56,876	52,752	36,977	54,345
NRL	20,473	3,096	6,179	33,127	13,889	21,589	50,504	10,806	21,379
BPPL	2,415	1,456	4,440	41,508	36,157	27,687	42,467	33,174	27,120
PARCO	28,146	4,565	10,353	78,467	72,069	77,582	102,048	66,281	75,118
<b>Total</b>	<b>67,052</b>	<b>24,503</b>	<b>37,251</b>	<b>232,148</b>	<b>177,410</b>	<b>207,829</b>	<b>275,149</b>	<b>164,653</b>	<b>202,056</b>

*(Source: Information provided by the OCAC and Refineries)*

**Annex-H**  
**Para 4.3.1**

**Deficiency in mandatory stock before June, 2020**

(Quantity in MT)

Actual sales of PMG (July-February 2019-20)		Average sales	Average sales	Total stocks of PMG as on 05.03.2020		
		Per month	Per day	Stocks	Days cover	Excess / (Short fall)
PSO	1,935,204	241,901	8,063	174,388	22	2
SPL	596,285	74,536	2,485	23,963	10	(10)
APL	459,643	57,455	1,915	14,433	8	(12)
TPPL	713,158	89,145	2,971	32,713	11	(9)
PEPL	101,802	12,725	424	15,002	35	15
AOSPL	82,274	10,284	343	3,313	10	(10)
BPPL	178,875	22,359	745	11,768	16	(4)
BEE	127,713	15,964	532	5,139	10	(10)
<b>Total</b>	<b>4,194,954</b>	<b>524,369</b>	<b>17,478</b>	<b>280,719</b>	<b>15</b>	<b>(5)</b>

(Source PRM minutes of April, 2020)

**Annex-I**  
**Para 4.3.1**

**Understatement of closing stock by AOSPL**

(Quantities in MT)

<b>Description</b>	<b>AOSPL</b>
Opening stock	14,632
Local purchases	303
Imports	0
Available for sales	14,935
Sales	5,688
Actual Closing stock	9,247
Closing stock taken	4,545
Closing stock understated	<b>4,702</b>

*(Source: Data provided by OMC and PRM)*

**Annex-J**  
**Para 4.3.1**

**Overstatement of sales figures by OMCs**

(Qty in MT)

Sr. No.	OMC	Opening stock as per OGRA	Actual purchases as per PRM	Receipts through Imports as Customs ex-bond	Closing stock as per OGRA	Actual Sales (as per Actual imports)	Sales reported in PRM	Overstated Sales
1	PSO	80,272	42,472	256,244	119,287	259,701	356,856	97,155
2	SPL	18,447	16,773	46,210	27,637	53,793	69,733	15,940
3	APL	22,255	25,259	10,000	24,689	32,825	54,331	21,506
4	TPPL	11,600	38,896	30,000	26,498	53,998	89,611	35,613
5	BEE	1,129	1,720	3,500	5,217	1,132	6,006	4,874
6	BPPL	1,408	24,329	-	6,023	19,714	23,909	4,195
	<b>Total</b>	<b>135,111</b>	<b>149,449</b>	<b>345,954</b>	<b>209,351</b>	<b>421,163</b>	<b>600,446</b>	<b>179,283</b>

*(Source: Information/data provided by OGRA, PRM and Customs department)*

**Annex-K1  
Para 4.4.1**

**Withholding of available stocks by OMCs - PSO**

(Quantity in MT)

<b>Date</b>	<b>Opening</b>	<b>Receipt</b>	<b>Available</b>	<b>Thruput</b>	<b>Other Movements</b>	<b>Closing</b>	<b>% of supplied to Retail outlets</b>
01.06.2020	76,622	19,690	96,312	18,666	-	77,646	19.38
02.06.2020	77,646	21,494	99,140	14,181	-	84,959	14.30
03.06.2020	84,959	10,813	95,772	15,922	-	79,850	16.62
04.06.2020	79,850	7,478	87,328	14,769	-	72,559	16.91
05.06.2020	72,559	1,513	74,071	15,034	-	59,038	20.30
06.06.2020	59,038	1,040	60,078	17,876	-	42,202	29.75
07.06.2020	42,202	15,844	58,046	2,028	-	56,017	3.49
08.06.2020	56,017	19,480	75,497	14,206	-	61,292	18.82
09.06.2020	61,292	10,235	71,527	14,110	-	57,417	19.73
10.06.2020	57,417	15,738	73,155	14,431	-	58,724	19.73
11.06.2020	58,724	9,452	68,176	13,737	-	54,439	20.15
12.06.2020	54,439	7,760	62,199	12,177	-	50,022	19.58
13.06.2020	50,022	9,753	59,775	15,635	-	44,140	26.16
14.06.2020	44,140	743	44,883	1,403	-	43,480	3.13
15.06.2020	43,480	19,878	63,358	12,123	-	51,235	19.13
16.06.2020	51,235	21,140	72,375	12,176	-	60,198	16.82
17.06.2020	60,198	23,762	83,960	9,405	-	74,555	11.20
18.06.2020	74,555	13,953	88,508	10,271	(128)	78,108	11.61
19.06.2020	78,108	20,594	98,702	11,315	-	87,386	11.46
20.06.2020	87,386	6,535	93,921	14,521	-	79,400	15.46
21.06.2020	79,400	620	80,020	1,198	-	78,822	1.50
22.06.2020	78,822	6,673	85,495	14,099	49	71,444	16.49
23.06.2020	71,444	1,992	73,437	14,068	-	59,369	19.16
24.06.2020	59,369	1,739	61,108	13,540	-	47,568	22.16
25.06.2020	47,568	19,396	66,964	11,827	-	55,137	17.66
26.06.2020	55,137	18,249	73,386	10,570	-	62,816	14.40
27.06.2020	62,816	18,765	81,580	12,560	-	69,020	15.40
28.06.2020	69,020	103	69,123	749	-	68,374	1.08
29.06.2020	68,374	29,612	97,986	9,678	-	88,308	9.88
30.06.2020	88,308	7,817	96,124	6,006	(1,388)	88,731	6.25
<b>Total</b>		<b>361,860</b>	<b>438,481</b>	<b>348,281</b>	<b>(1,468)</b>		<b>80</b>

**Annex-K2  
Para 4.4.1**

**Withholding of available stocks by OMCs Shell**

(Quantities in Thousands of Litres)

<b>Date</b>	<b>Opening Stock at port</b>	<b>Opening stock in country side storage</b>	<b>In Take from Refineries</b>	<b>Any other intake</b>	<b>Total Stock</b>	<b>Daily Supply to Retail Outlets</b>	<b>Daily Closing Stock</b>	<b>% stock supplied to retail outlets</b>	<b>Daily Closing Stock (MT)</b>
01.06.2020	10,026	26,757	403	-	37,187	1,632	35,554	4.390	26,162
02.06.2020	8,466	27,088	940	-	36,494	2,042	34,452	5.596	25,351
03.06.2020	7,277	27,174	1,110	-	35,561	2,013	33,549	5.660	24,686
04.06.2020	6,434	27,114	857	-	34,405	1,599	32,806	4.647	24,140
05.06.2020	5,885	26,921	320	-	33,126	1,392	31,735	4.201	23,352
06.06.2020	5,234	26,501	-	-	31,735	1,725	30,010	5.436	22,082
07.06.2020	3,828	26,182	-	-	30,010	1,923	28,087	6.408	20,667
08.06.2020	2,745	25,342	401	-	28,488	2,854	25,634	10.017	18,863
09.06.2020	1,387	24,247	1,197	47,320	74,151	2,874	71,277	3.876	52,448
10.06.2020	45,537	25,740	296	-	71,573	3,491	68,082	4.878	50,097
11.06.2020	42,353	25,728	1,579	-	69,661	4,232	65,429	6.075	48,145
12.06.2020	38,666	26,763	255	-	65,684	5,018	60,666	7.639	44,640
13.06.2020	34,316	26,350	1,203	-	61,870	5,416	56,453	8.755	41,540
14.06.2020	30,984	25,469	297	-	56,750	1,053	55,697	1.855	40,984
15.06.2020	28,148	27,549	413	-	56,110	3,978	52,132	7.090	38,361

16.06.2020	25,933	26,199	925	-	53,057	4,159	48,898	7.839	35,981
17.06.2020	23,042	25,855	1,106	-	50,004	4,632	45,372	9.263	33,386
18.06.2020	20,267	25,104	-	-	45,372	4,053	41,319	8.932	30,404
19.06.2020	17,187	24,132	-	-	41,319	3,837	37,482	9.287	27,580
20.06.2020	13,414	24,067	-	-	37,482	4,377	33,105	11.678	24,360
21.06.2020	10,963	22,141	-	-	33,105	1,220	31,885	3.685	23,462
22.06.2020	7,267	24,617	383	-	32,268	3,694	28,573	11.449	21,025
23.06.2020	4,607	23,966	1,028	-	29,601	4,210	25,391	14.223	18,683
24.06.2020	1,951	23,439	5,857	33,084	64,331	4,017	60,315	6.244	44,382
25.06.2020	31,552	28,763	1,020	-	61,334	4,171	57,163	6.800	42,063
26.06.2020	28,282	28,882	360	-	57,523	3,977	53,546	6.914	39,401
27.06.2020	24,618	28,929	1,612	-	55,158	4,968	50,190	9.007	36,932
28.06.2020	22,005	28,186	136	-	50,326	1,137	49,189	2.259	36,195
29.06.2020	19,456	29,734	416	30,360	79,965	3,322	76,643	4.154	56,397
30.06.2020	47,500	29,144	1,450	-	78,093	3,181	74,912	4.073	55,123
Total in KL	10,026	26,757	23,562	110,764	171,109	96,197	74,912	56.220	
<b>Total in MT</b>	<b>7,377</b>	<b>19,689</b>	<b>17,337</b>	<b>81,504</b>	<b>125,908</b>	<b>70,785</b>	<b>55,123</b>	<b>56.220</b>	

**Annex-K3**  
**Para 4.4.1**

**Withholding of available stocks by OMCs PEPL**

(Qty in MT)

<b>Date</b>	<b>Opening Stock</b>	<b>Transfer Receipts</b>	<b>Available stock</b>	<b>Invoiced Qty</b>	<b>Transfers</b>	<b>Gain Loss</b>	<b>Adjust</b>	<b>Closing Stock</b>	<b>% of sale on available stock</b>	<b>Sale on MT</b>	<b>Closing Stock MT</b>
01.06.2020	1,599,456	40,024	1,639,480	(505,928)	370,467	8,566	(8,294)	1,504,291	(31)	(372)	1,107
02.06.2020	1,504,291	29,892	1,534,183	(250,931)	27,588	7,538	(3,314)	1,315,064	(16)	(185)	968
03.06.2020	1,315,064	87,496	1,402,560	(293,441)	143,818	3,418	(2,154)	1,254,201	(21)	(216)	923
04.06.2020	1,254,201	79,524	1,333,725	(238,961)	20,000	3,895	964	1,119,623	(18)	(176)	824
05.06.2020	1,119,623	303,034	1,422,657	(65,000)	(51,422)	1,635	(4,482)	1,303,388	(5)	(48)	959
06.06.2020	1,303,388	(134,738)	1,168,650	(224,822)	209,066	4,002	(2,325)	1,154,571	(19)	(165)	850
07.06.2020	1,154,571	-	1,154,571	-	-	-	-	1,154,571	-	-	850
08.06.2020	1,154,571	148,703	1,303,274	(272,612)	(36,606)	5,788	(624)	999,220	(21)	(201)	735
09.06.2020	999,220	7,000,587	7,999,807	(129,785)	(662,609)	1,985	(1,862)	7,207,536	(2)	(96)	5,304
10.06.2020	7,207,536	53,258	7,260,794	(238,384)	(1,240,899)	18,067	(3,121)	5,796,457	(3)	(175)	4,265
11.06.2020	5,796,457	49,496	5,845,953	(274,713)	(831,563)	18,196	(123,584)	4,634,289	(5)	(202)	3,410
12.06.2020	4,634,289	96,972	4,731,261	(185,742)	(1,399,300)	23,973	(186)	3,170,006	(4)	(137)	2,333
13.06.2020	3,170,006	98,756	3,268,762	(501,580)	184,684	30,692	(526)	2,982,032	(15)	(369)	2,194
14.06.2020	2,982,032	-	2,982,032	(914,421)	(534,800)	36,010	(1,941)	1,566,880	(31)	(673)	1,153

15.06.2020	1,566,880	90,856	1,657,736	(1,311,377)	1,466,152	29,666	(2,353)	1,839,824	(79)	(965)	1,354
16.06.2020	1,839,824	150,624	1,990,448	(998,387)	478,115	15,940	(8,188)	1,477,928	(50)	(735)	1,088
17.06.2020	1,477,928	400,793	1,878,721	(803,783)	777,183	3,991	(9,527)	1,846,585	(43)	(591)	1,359
18.06.2020	1,846,585	-	1,846,585	(346,610)	834,997	(10,254)	(50,575)	2,274,143	(19)	(255)	1,673
19.06.2020	2,274,143	245,551	2,519,694	(370,938)	324,249	(1,556)	(8,277)	2,463,172	(15)	(273)	1,812
20.06.2020	2,463,172	47,529	2,510,701	(699,910)	460,011	9,394	(6,236)	2,273,960	(28)	(515)	1,673
21.06.2020	2,273,960	-	2,273,960	-	-	-	-	2,273,960	-	-	1,673
22.06.2020	2,273,960	59,482	2,333,442	(418,826)	(227,953)	18,066	(2,041)	1,702,688	(18)	(308)	1,253
23.06.2020	1,702,688	136,601	1,839,289	(613,569)	(157,759)	7,855	805	1,076,621	(33)	(451)	792
24.06.2020	1,076,621	7,602,503	8,679,124	(280,000)	(1,479,713)	10,611	58,273	6,988,295	(3)	(206)	5,142
25.06.2020	6,988,295	99,094	7,087,389	(526,010)	(1,702,916)	35,970	(3,124)	4,891,309	(7)	(387)	3,599
26.06.2020	4,891,309	146,608	5,037,917	(344,318)	(843,571)	36,918	(2,754)	3,884,192	(7)	(253)	2,858
27.06.2020	3,884,192	146,751	4,030,943	(876,033)	136,342	32,987	(2,927)	3,321,312	(22)	(645)	2,444
28.06.2020	3,321,312	47,545	3,368,857	(691,725)	241,451	21,267	(1,826)	2,938,024	(21)	(509)	2,162
29.06.2020	2,938,024	150,677	3,088,701	(965,175)	1,733,580	(9,730)	(143,101)	3,704,276	(31)	(710)	2,726
30.06.2020	3,704,276	94,708	3,798,984	(610,238)	1,029,446	(3,190)	(35,481)	4,179,521	(16)	(449)	3,075
Total in Litres	1,599,456	17,272,326	18,871,782	(13,953,219)	(731,962)	361,700	(368,780)	4,179,521	(74)	(10,267)	3,075
<b>Total in MT</b>	<b>1,177</b>	<b>12,710</b>	<b>13,887</b>	<b>(10,267.27)</b>	<b>(538.60)</b>	<b>266.15</b>	<b>(271.36)</b>	<b>3,075.44</b>	<b>(74)</b>	<b>(10,267)</b>	

**Annex-K4  
Para 4.4.1**

**Withholding of available stocks by OMCs BEE**

(Qty in MT)

Date	Opening Stocks Litre	Receipts Litre	Available	Sales Litre	Closing Stocks Litre	% of sale on available stock	Sale on MT	Closing Stock MT
01.06.2020	(787,416)	14,909	(772,507)	76,000	(848,507)	(10)	56	(624)
02.06.2020	(848,507)	24,881	(823,626)	96,000	(919,626)	(12)	71	(677)
03.06.2020	(919,626)	24,822	(894,804)	30,000	(924,804)	(3)	22	(681)
04.06.2020	(924,804)	24,845	(899,959)	80,000	(979,959)	(9)	59	(721)
05.06.2020	(979,959)	14,618,098	13,638,139	45,000	13,593,139	0	33	10,002
06.06.2020	13,593,139	379,437	13,972,576	125,000	13,847,576	1	92	10,190
07.06.2020	13,847,576	-	13,847,576	-	13,847,576	-	-	10,190
08.06.2020	13,847,576	39,652	13,887,228	188,000	13,699,228	1	138	10,080
09.06.2020	13,699,228	39,564	13,738,792	150,000	13,588,792	1	110	9,999
10.06.2020	13,588,792	62,364	13,651,156	196,000	13,455,156	1	144	9,901
11.06.2020	13,455,156	24,754	13,479,910	437,000	13,042,910	3	322	9,597
12.06.2020	13,042,910	24,733	13,067,643	614,000	12,453,643	5	452	9,164
13.06.2020	12,453,643	29,626	12,483,269	326,000	12,157,269	3	240	8,946
14.06.2020	12,157,269	47,638	12,204,907	-	12,204,907	-	-	8,981
15.06.2020	12,204,907	49,380	12,254,287	562,000	11,692,287	5	414	8,604
16.06.2020	11,692,287	24,706	11,716,993	375,000	11,341,993	3	276	8,346

17.06.2020	11,341,993	201,654	11,543,647	366,000	11,177,647	3	269	8,225
18.06.2020	11,177,647	49,496	11,227,143	308,000	10,919,143	3	227	8,035
19.06.2020	10,919,143	24,692	10,943,835	376,000	10,567,835	3	277	7,776
20.06.2020	10,567,835	-	10,567,835	328,000	10,239,835	3	241	7,535
21.06.2020	10,239,835	-	10,239,835	-	10,239,835	-	-	7,535
22.06.2020	10,239,835	49,559	10,289,394	436,000	9,853,394	4	321	7,250
23.06.2020	9,853,394	49,348	9,902,742	339,000	9,563,742	3	249	7,037
24.06.2020	9,563,742	24,752	9,588,494	466,000	9,122,494	5	343	6,713
25.06.2020	9,122,494	24,773	9,147,267	636,000	8,511,267	7	468	6,263
26.06.2020	8,511,267	24,758	8,536,025	209,000	8,327,025	2	154	6,127
27.06.2020	8,327,025	24,758	8,351,783	484,000	7,867,783	6	356	5,789
28.06.2020	7,867,783	-	7,867,783	20,000	7,847,783	0	15	5,775
29.06.2020	7,847,783	49,494	7,897,277	467,000	7,430,277	6	344	5,467
30.06.2020	7,430,277	49,512	7,479,789	417,000	<b>7,062,789</b>	6	307	5,197
<b>Total in L</b>	<b>(787,416.00)</b>	<b>16,002,205</b>	<b>15,214,789</b>	<b>8,152,000</b>	<b>7,062,789</b>			
<b>Total in MT</b>	<b>(579.41)</b>	<b>11,775</b>	<b>11,196</b>	<b>5,999</b>	<b>5,197</b>	<b>54</b>	5,999	5,197

**Annex-K5  
Para 4.4.1**

**Withholding of available stocks by OMCs BPPL**

(Qty in MT)

<b>Date</b>	<b>Opening Stock</b>	<b>Purchases</b>	<b>Available</b>	<b>Sales</b>	<b>Losses (-) / Gain (+)</b>	<b>Closing Stock</b>	<b>% of available Sales</b>
01.06.2020	5,716	269	5,986	880	0.12	5,106	15
02.06.2020	5,106	400	5,505	624	-	4,881	11
03.06.2020	4,881	376	5,257	586	1.30	4,673	11
04.06.2020	4,673	294	4,967	497	(0.48)	4,470	10
05.06.2020	4,470	535	5,005	449	0.60	4,556	9
06.06.2020	4,556	678	5,235	499	(1.80)	4,734	10
07.06.2020	4,734	420	5,154	84	0.40	5,071	2
08.06.2020	5,071	550	5,621	695	(0.30)	4,926	12
09.06.2020	4,926	464	5,390	535	(2.00)	4,853	10
10.06.2020	4,853	731	5,584	788	1.20	4,797	14
11.06.2020	4,797	585	5,382	850	(0.60)	4,532	16
12.06.2020	4,532	640	5,172	634	0.41	4,538	12
13.06.2020	4,538	601	5,139	907	1.20	4,233	18
14.06.2020	4,233	686	4,919	73	0.30	4,846	1
15.06.2020	4,846	1,442	6,289	1,371	(1.10)	4,916	22
16.06.2020	4,916	1,016	5,933	593	0.80	5,340	10

17.06.2020	5,340	989	6,329	967	0.10	5,362	15
18.06.2020	5,362	1,260	6,622	1,067	1.40	5,556	16
19.06.2020	5,556	1,338	6,894	1,366	(1.00)	5,527	20
20.06.2020	5,527	1,119	6,646	1,257	(0.10)	5,388	19
21.06.2020	5,388	521	5,909	242	0.70	5,668	4
22.06.2020	5,668	1,052	6,721	2,016	(1.30)	4,704	30
23.06.2020	4,704	1,474	6,178	879	0.21	5,299	14
24.06.2020	5,299	783	6,082	1,122	(0.05)	4,960	18
25.06.2020	4,960	934	5,894	1,235	0.71	4,660	21
26.06.2020	4,660	1,116	5,777	923	0.11	4,854	16
27.06.2020	4,854	1,267	6,121	1,121	(0.53)	4,999	18
28.06.2020	4,999	1,048	6,047	-	(0.34)	6,046	0
29.06.2020	6,046	977	7,024	1,145	(0.10)	5,879	16
30.06.2020	5,879	762	6,640	504	(0.10)	6,136	8
<b>Total</b>	<b>5,716</b>	<b>24,329</b>	<b>30,046</b>	<b>23,909</b>		<b>6,136</b>	<b>79.58</b>

**Annex-K6**  
**Para 4.4.1**

**Withholding of available stocks by OMCs - APL**

(Qty in MT)

<b>Date</b>	<b>Opening Stock</b>	<b>Receipts</b>	<b>Available For Sale</b>	<b>Retail Dispatches</b>	<b>% of Sales on available sales</b>	<b>Dispatches to Others</b>	<b>Total Dispatches</b>	<b>Closing Stock</b>
01.06.2020	23,538	1,076	24,614	2,271	9	74	2,345	22,269
02.06.2020	22,269	417	22,686	1,577	7		1,577	21,109
03.06.2020	21,109	732	21,841	2,255	10		2,255	19,586
04.06.2020	19,586	435	20,021	1,586	8	1	1,587	18,434
05.06.2020	18,434	848	19,282	1,505	8	2	1,507	17,775
06.06.2020	17,775	607	18,382	2,196	12	3	2,199	16,182
07.06.2020	16,182	-	16,182	-	-		-	16,182
08.06.2020	16,182	816	16,998	1,980	12	55	2,035	14,963
09.06.2020	14,963	235	15,198	2,118	14	39	2,157	13,041
10.06.2020	13,041	1,178	14,219	2,567	18		2,567	11,653
11.06.2020	11,653	1,537	13,190	2,714	21	35	2,749	10,440
12.06.2020	10,440	880	11,320	1,682	15		1,682	9,638
13.06.2020	9,638	508	10,146	2,738	27		2,738	7,408

14.06.2020	7,408	-	7,408	148	2		148	7,260
15.06.2020	7,260	912	8,172	1,560	19	49	1,609	6,563
16.06.2020	6,563	1,359	7,922	1,325	17	15	1,340	6,582
17.06.2020	6,582	1,298	7,880	1,488	19	51	1,539	6,341
18.06.2020	6,341	1,534	7,875	1,078	14	-	1,078	6,797
19.06.2020	6,797	1,501	8,298	1,906	23	-	1,906	6,392
20.06.2020	6,392	1,582	7,974	2,162	27	-	2,162	5,812
21.06.2020	5,812	-	5,812	-	-	-	-	5,812
22.06.2020	5,812	32,556	38,368	1,852	5	18	1,870	36,498
23.06.2020	36,498	935	37,433	1,569	4	35	1,604	35,829
24.06.2020	35,829	667	36,496	1,880	5	-	1,880	34,616
25.06.2020	34,616	621	35,237	1,884	5	36	1,920	33,318
26.06.2020	33,318	314	33,632	2,941	9	179	3,120	30,512
27.06.2020	30,512	987	31,499	4,164	13	2	4,166	27,332
28.06.2020	27,332	-	27,332	283	1	-	283	27,049
29.06.2020	27,049	1,368	28,417	2,397	8	23	2,420	25,998
30.06.2020	25,998	1,063	27,061	1,517	6	2	1,519	25,542
<b>Total</b>	<b>23,538</b>	<b>55,966</b>	<b>79,504</b>	<b>53,343</b>	<b>67</b>	<b>619</b>	<b>53,962</b>	<b>25,542</b>

**Annex-K7**  
**Para 4.4.1**

**Withholding of available stocks by OMCs TPPL**

(Qty in MT)

<b>Date`</b>	<b>Opening Stock at port</b>	<b>Receipt</b>	<b>Available</b>	<b>Sales</b>	<b>Closing</b>	<b>% of available sales</b>
01.06.2020	12,093	5,244	17,337	4,153	11,799	24
02.06.2020	11,799	4,225	16,024	4,857	11,123	30
03.06.2020	11,123	4,055	15,178	4,265	10,577	28
04.06.2020	10,577	4,851	15,428	4,694	11,181	30
05.06.2020	11,181	2,950	14,131	5,017	10,294	36
06.06.2020	10,294	1,162	11,456	2,705	8,835	24
07.06.2020	8,797	2,480	11,277	480	10,900	4
08.06.2020	10,900	5,054	15,954	2,782	13,161	17
09.06.2020	13,161	1,956	15,117	2,635	11,850	17
10.06.2020	11,850	1,657	13,507	3,010	10,646	22
11.06.2020	10,182	1,465	11,647	3,127	8,219	27
12.06.2020	8,219	7,646	15,865	4,334	12,802	27
13.06.2020	12,802	8,511	21,313	5,320	16,579	25
14.06.2020	16,579	724	17,303	816	16,604	5
15.06.2020	16,604	1,596	18,200	3,021	15,283	17
16.06.2020	15,283	1,108	16,391	3,239	13,325	20
17.06.2020	13,325	2,016	15,341	3,405	12,005	22

18.06.2020	12,005	2,363	14,368	3,775	10,593	26
19.06.2020	10,593	2,702	13,295	3,940	12,921	30
20.06.2020	12,921	724	13,645	4,140	9,628	30
21.06.2020	9,628	1,500	11,128	497	10,462	4
22.06.2020	10,462	2,880	13,342	2,814	10,825	21
23.06.2020	10,825	20,624	31,449	3,417	28,271	11
24.06.2020	28,271	2,086	30,357	3,558	26,360	12
25.06.2020	26,360	1,733	28,093	3,744	24,582	13
26.06.2020	24,582	4,497	29,079	3,364	25,874	12
27.06.2020	25,874	1,156	27,030	3,395	23,785	13
28.06.2020	23,785	-	23,785	1,937	23,143	8
29.06.2020	24,643	7,612	32,255	2,932	26,498	9
30.06.2020	26,498	1,164	27,662	2,207	26,597	8
<b>Total</b>	<b>12,093</b>	<b>105,741</b>	<b>117,834</b>	<b>97,580</b>	<b>26577</b>	<b>83</b>

**Annex-K8**  
**Para 4.4.1**

**Withholding of available stocks by OMCs AOSPL**

(Qty in MT)

<b>Date</b>	<b>Opening Stock (Litre)</b>	<b>Receipts (Litre)</b>	<b>Available (Litre)</b>	<b>Sales (Litre)</b>	<b>Sales in MT</b>	<b>Closing Stock (Litre)</b>	<b>% of available sales</b>	<b>Closing Stock in MT</b>
01.06.2020	19,885,319	-	19,885,319	-	-	19,885,319	-	14,632
02.06.2020	19,885,319	152,001	20,037,320	96,000	71	19,637,318	0	14,450
03.06.2020	19,637,318	-	19,637,318	-	-	19,637,318	-	14,450
04.06.2020	19,637,318	-	19,637,318	-	-	19,637,318	-	14,450
05.06.2020	19,637,318	250,451	19,887,769	162,000	119	19,224,867	1	14,146
06.06.2020	19,224,867	300,154	19,525,021	168,000	124	18,756,713	1	13,802
07.06.2020	18,756,713	150,124	18,906,837	40,000	29	18,566,589	0	13,662
08.06.2020	18,566,589	-	18,566,589	-	-	18,566,589	-	13,662
09.06.2020	18,566,589	100,545	18,667,134	216,000	159	18,250,044	1	13,429
10.06.2020	18,250,044	210,554	18,460,598	48,000	35	17,991,490	0	13,239
11.06.2020	17,991,490	250,547	18,242,037	48,000	35	17,692,943	0	13,019
12.06.2020	17,692,944	100,546	17,793,490	146,000	107	17,446,398	1	12,838
13.06.2020	17,446,398	150,454	17,596,852	246,000	181	17,049,944	1	12,546
14.06.2020	17,049,944	201,545	17,251,489	306,000	225	16,542,399	2	12,172
15.06.2020	16,542,409	-	16,542,409	-	-	16,542,409	-	12,172
16.06.2020	16,542,409	270,316	16,812,725	244,695	180	16,126,938	1	11,867
17.06.2020	16,126,928	351,123	16,478,051	876,125	645	14,998,834	5	11,037

18.06.2020	14,998,834	201,031	15,199,865	908,424	668	13,988,951	6	10,294
19.06.2020	13,988,951	24,706	14,013,657	1,146,966	844	12,866,691	8	9,468
20.06.2020	12,866,691	349,241	13,215,932	724,000	533	11,991,690	5	8,824
21.06.2020	11,991,690	200,125	12,191,815	940,000	692	10,851,565	8	7,985
22.06.2020	10,851,565	-	10,851,565	-	-	10,851,565	-	7,985
23.06.2020	10,851,565	254,512	11,106,077	566,000	416	10,031,053	5	7,381
24.06.2020	10,031,053	-	10,031,053	318,000	234	9,713,053	3	7,147
25.06.2020	9,713,053	300,124	10,013,177	102,988	76	9,309,941	1	6,851
26.06.2020	9,309,941	224,990	9,534,931	230,000	169	8,904,707	2	6,552
27.06.2020	8,904,707	611,214	9,515,921	742,000	546	7,551,493	8	5,557
28.06.2020	7,551,494	300,124	7,851,618	604,000	444	6,647,370	8	4,891
29.06.2020	6,647,370	288,580	6,935,950	139,976	103	6,218,814	2	4,576
30.06.2020	6,218,814	39,769	6,258,583	81,789	60	6,176,794	1	4,545
<b>Total in L</b>	<b>19,885,319</b>	<b>5,282,776</b>	<b>25,168,095</b>	<b>9,100,963</b>	<b>6,696</b>	<b>6,176,794</b>	<b>36</b>	<b>4,545</b>
<b>Total in MT</b>	<b>14,632</b>	<b>3,887</b>	<b>18,519</b>	<b>6,696</b>	<b>6,696</b>	<b>4,545</b>	<b>36</b>	<b>4,545</b>

**Annex-L**  
**Para 4.4.1**

**Statement Showing Date-wise complete Dryout of OMCs during the month of June 2020**

<b>Sr. No.</b>	<b>Retail Outlet</b>	<b>Division</b>	<b>OMC</b>	<b>Opening Stock</b>	<b>Product Received</b>	<b>available sale</b>	<b>Sales</b>	<b>Closing Stock</b>	<b>Dates of dry out</b>	<b>No. of Days</b>
1	Almas Filling Station	Karachi	TPPL	144	112,000	112,144	102,527	9,338	03.06.20	1
2	Ramzan F. Station	Lahore	TPPL	7,329	223,775	31,329	216,750	31,329	23.06.20	1
3	Fuel Master	Lahore	PEPL	1,608	30,000	31,608	21,014	10,594	02.06.20	1
4	Sheikh Waheed Petroleum Service	Lahore	PEPL	13,927	192,969	206,896	226,368	17,446	03.06.20	1
5	A & A Filling Station	Lahore	Shell	7,024	168,000	175,024	157,869	17,155	02.06.20	1
6	Canal View Filling Station	Lahore	Shell	1,925	208,000	209,925	188,720	21,205	02.06.20	1
7	Lahore CNG Station	Lahore	Shell	67,097	192,000	259,097	165,305	93,792	02.06.20	1
8	Al-Razzaq Filling Station	Karachi	PEPL	-	60,000	60,000	50,201	-	02.06.20	1
9	Paradise Filling Station	Karachi	PEPL	846	306,000	306,846	302,041	12,055	01.06.20	1
10	Shoaib Usman Petroleum	Fsd	PEPL	581	48,055	48,636	36,388	12,648	12.06.20	1

11	Mashaallah F/S Adyala	Rwp	APL	1,999	140,000	141,999	126,108	15,892	05.06.20	1
12	Gul Haji Filling Station	Peshawar	APL	1,490	134,000	135,490	129,026	6,464	01.06.20	1
13	Al-Saddique Service Station	Karachi	TPPL	1,215	184,000	185,215	165,771	18,415	1 & 10.06.20	2
14	Fill It Up Filling Station	Lahore	Shell	6,867	79,000	85,867	7,712	78,155	08 & 21.06.20	2
15	Grace Filling Station	Lahore	Shell	19,392	72,000	91,392	81,276	10,116	04 & 05.06.20	2
16	Gulbai Filling Station	Karachi	Shell	3,342	211,000	214,342	192,447	21,511	3 & 6.06.20	2
17	Gas Master Filling Station	Guj	PEPL	6,952	143,973	150,925	89,949	5,051	08 & 09.06.20	2
18	Noor Sultan Filling Station	Fsd	PEPL	3,765	82,253	86,018	85,029	20,136	09 & 11.06.20	2
19	Ron (Private) Limited	Karachi	PEPL	116	15,000	15,116	57,267	3,743	06 & 9.06.20	2
20	Kohistan Petroleum Service	Isd	SPL	6,475	40,000	46,475	38,315	8,160	05 & 11.06.20	2
21	Maraka Petroleum	Lahore	AOSP L	9,466	378,000	1,596,740	-	(39,384)	02 & 23.6.20	2
22	Arafat Filling Station	Karachi	Shell	1,000	84,000	85,000	83,366	900	01, 04 & 05.06.20	3
23	Champion Filling Station	Karachi	Shell	3,482	216,000	219,482	210,228	9,231	04, 05 & 09.06.20	3

24	Kohlowala Fs	Guj	PSO	3,804	10,000	13,804	11,943	1,861	1, 3 & 06.06.20	3
25	Darbar Filling Station	Rwp	PEPL	3,570	162,056	165,626	153,739	11,409	3,4 & 5.06.20	3
26	Makkah Petroleum Service	Rwp	PEPL	3,120	45,000	48,120	33,675	14,385	7, 8 & 29.06.20	3
27	Noorani Filling Station	Karachi	PEPL	10,075	52,000	62,075	50,306	11,878	10,11 & 12.06.20	3
28	Takhtbhai Filling Station, Mardan	Mardan	SPL	12,695	170,000	182,695	162,083	20,612	11, 12 & 13.06.20	3
29	Farooq-E- Haider Petroleum Services	Karachi	PEPL	1,694	33,000	34,694	90,091	33,022	5, 6, 07.06.20	3
30	Hussaini Filling Station	Karachi	Shell	4,567	167,498	172,065	168,875	565	04, 05, 06 & 07.06.20	4
31	Erum Petroleum & CNG Station	Karachi	PEPL	8,150	78,000	86,150	77,383	4,900	9, 10, 11 & 23.06.20	4
32	Vision 3 CNG & Filling Station	Isd	APL	2,608	81,000	83,608	77,862	5,746	11, 12, 13 & 14.06.20	4
33	Syed Trucking Station	Lahore	PSO	1,333	5,000	6,333	5,634	699	26- 30.06.21	5
34	City Filling Station	Karachi	PEPL	4,096	15,000	19,096	14,773	4,994	1, 2, 09, 10 & 11.06.20	5

35	Farid Filling Station	Fsd	PEPL	1,020	46,105	47,125	39,591	7,534	1, 8, 21, 22 & 23.06.20	5
36	Mughal Filling Station	Road	TPPL	2,445	143,727	146,172	131,407	14,765	02, 04, 20 to 23 & 25 to 26.06.20	5
37	Saleh Filling Station	Fsd	PEPL	-	41,148	41,148	29,221	11,869	1, 2, 12, 22, 23.06.20	5
38	John Flammig	Karachi	Shell	-	151,000	151,000	135,238	15,150	01-05& 09.06.20	6
39	Meezan Filling Station	Rwp	SPL	18,570	342,000	360,570	320,168	40,402	1, 3, 4, 5, 6 & 07.06.20	6
40	Quick Filling Station	Rwp	SPL	4,478	158,000	162,478	132,597	29,881	2, 3, 4, 5, 6 & 07.06.20	6
41	Al Hasssan Filling Station	Multan	PEPL	2,807	26,113	28,920	36,614	8,663	3-8 & 14.06.20	7
42	Jeewa Gas Link Filling & CNG Station	Karachi	PEPL	4,624	73,000	77,624	66,178	10,369	2, 3 & 7 11.06.20	7
43	Labbaik Filling & CNG Station	Hyd	PEPL	6,123	235,000	241,123	211,309	29,814	2, 4, 7, 8, 11,	7

									14 & 15.06.20	
44	Saad Sultan Petroleum Service	Karachi	PEPL	9,813	15,000	24,813	19,975	4,838	9, 10, 14, 16, 17, 18 & 30.06.20	7
45	Awwal Filling & CNG Station	Karachi	PEPL	1,157	86,000	87,157	79,045	8,112	6-11 & 14.06.20	7
46	Futs F/S	Fsd	PSO	482	30,000	30,482	23,634	6,848	1 & 23- 30.6.20	8
47	Abid CNG & Petroleum Service	Shujaab- ad	PEPL	152	28,048	28,200	10,977	16,442	1,2,11,13, 14,20, 21 & 26.06.20	8
48	Al-Arqum Petroleum Service	Guj	PEPL	1,347	18,000	19,347	30,052	4,295	7-13 & 27.06.20	8
49	Arg Petroleum Service	Peshawar	PEPL	7,268	223,011	230,279	116,476	22,947	5, 6, 10, 12, 13, 14, 24 & 25 28.06.20	8
50	Shah 2 Filling Station	Hyd	PEPL	9,416	100,000	109,416	100,692	3,724	2, 6, 7, 8, 9, 11, 12 & 13.06.20	8
51	Gujranwala Filling Station	Guj	PEPL	2,380	30,000	32,380	25,304	7,972	04 & 13.06.20	9

52	Shah Petroleum Station	Hyd	PEPL	14,875	120,000	134,875	273,765	9,159	4,5,6,7,8,10,11,12,27.06.20	9
53	Bahar-E-Madina Filling Station	Fsd	PEPL	1,049	82,984	84,033	42,729	9,097	4-9, 13, 20, 21, 25 & 26 28.06.20	11
54	Batkhela Filling Station	Isd	SPL	908	260,000	260,908	236,040	24,868	2, 3, 4, 6, 9, 11, 13, 17, 18, 19, 23, 27 & 28.06.20	13
55	Qazi Petroleum Services	Peshawar	PEPL	6,223	43,784	50,007	46,122	3,885	4, 5, 6, 8, 9, 10, 11, 12, 3, 14, 18 & 08.06.20	13
56	Tarnol Filling Station	Isd	PSO	2,649	79,500	82,149	74,252	7,897	04 to 11, 14 to 16 & 20 to 22.06.20	13
57	Asad Petroleum Jaranwala	Fsd	PEPL	8,227	13,037	21,264	27,459	2,095	5-13,21,23,24,25 & 26.06.20	14

58	Hammad Petroleum	Burhan	BEE	576	5,100	5,676	5,253	423	04 to 30.06.20	18
59	Darbar Filling Station	Rwp	PEPL	9,749	161,368	171,117	153,743	17,374	02-08 & 17 to 30.06.20	19

**Annex-M  
Para 4.6.1**

**Actual Imports of All OMCs**

OMC Name	Actual Imports as per PRM	Dates of NOR / arrival of ship At deep sea / Port	Date of actual berthing	Date of pumping / unloading	Filing of IB GD	cleared in (Ex-bonded)	Qty cleared /imported upto June 26, 2020	Qty not cleared /imported upto June 26, 2020	Qty cleared /imported upto June 30, 2020 as per port record	Qty cleared /imported upto June 30, 2020 as per Ex-Bonded	
PSO	345,543	57,520	31.05.20	31.05.20	02.06.20	05.06.20	08.06.20	57,520	-	57,520	57,520
		57,738	05.06.20	06.06.20	09.06.20	10.06.20	11.06.20	57,738	-	57,738	57,738
		56,695	13.06.20	14.06.20	18.06.20	19.06.20	19.06.20	56,695	-	56,695	56,695
		57,365	17.06.20	17.06.20	20.06.20	22.06.20	23.06.20	57,365	-	57,365	57,365
		58,737	22.06.20	24.06.20	29.06.20	29.06.20	29.06.20 to 05.08.20	-	58,737	58,737	26,926
		57,488	27.06.20	28.06.20	30.06.20	02.07.20	06.07.20	-	57,488	-	-
SPL	80,264	34,290	08.06.20	09.06.20	11.06.20		17- 22.06.20	34,290	-	34,290	34,290
		23,974	22.06.20	24.06.20	26.06.20		30.06.20 to 10.07.20	-	23,974	23,974	11,920

		22,000	22.06.20	29.06.20	02.07.20		10.07.20 to 17.07.20	-	22,000	-	
APL	30,000	30,000	16.06.20	19.06.20	22.06.20	26.06.20 to 03.07.20	29.06.20 to 07.07.20	-	30,000	30,000	10,000
TPPL	65,000	30,000	11.06.20		12.06.20			30,000	-	30,000	30,000
		35,000	21.06.20			29.06.20	01- 02.07.20	-	35,000	35,000	-
BEE	10,000	10,000	05.06.20				03.06.20 to 29.06.20	1,500	8,500	10,000	3,500
PEPL	15,250	5,000	05.06.20				11.06.20	5,000	-	5,000	5,000
		5,250	21.06.20				24- 26.06.20	5,250	-	5,250	5,250
		5,000	15.06.20	29.06.20	01.07.20		06- 09.07.20	-	5,000	-	-
<b>Total</b>	<b>546,057</b>	<b>546,057</b>						<b>305,358</b>	<b>240,699</b>	<b>461,569</b>	<b>356,204</b>

**Annex-N**  
**Para 4.7.1**

**OMCs wise of allocation of Demand**

(Qty in MT)

Sr. No.	OMCs	Demand as per PRM May 13, 2020	Demand as per PRM June 04, 2020	Demand as per PRM June 08, 2020	Planned refineries	Actual supplies as per PRM	Import Planned as per PRM May 13, 2020	Import Planned as per PRM 04 June 2020	Import Planned as per PRM June 08, 2020	Actual Import as per OMC	Actual Imports as per PRM	Projected Demand finalised by OMCs
1	2	3	4	5	6	7	8	9	10	11	12	13=6+10
1	PSO	240,000	300,000	300,000	42,000	42,472	275,000	350,000	350,000	348,543	345,543	392,000
2	SPL	36,897	36,957	36,957	15,500	16,773	35,000	80,000	80,000	76,340	80,264	95,500
3	APL	58,000	58,000	58,000	15,200	25,259	35,000	35,000	30,000	31,007	30,000	45,200
4	TPPL	74,000	74,000	65,000	35,500	38,896	30,000	60,000	60,000	64,901	65,000	95,500
5	BPPL	22,000	22,000	22,000	24,200	24,329	-	-	-	-	-	24,200
6	BEE	22,000	10,000	10,000	2,000	1,720	15,000	15,000	15,000	10,000	10,000	17,000
7	PEPL	12,000	9,000	9,000	2,600	1,739	15,000	15,000	15,000	15,250	15,250	17,600
8	AOSPL	16,550	15,000	15,000	300	303	12,000	12,000	12,000	-	-	12,300
<b>Total 08 OMCs</b>		<b>481,447</b>	<b>524,957</b>	<b>515,957</b>	<b>137,300</b>	<b>151,491</b>	<b>417,000</b>	<b>567,000</b>	<b>562,000</b>	<b>546,041</b>	<b>546,057</b>	<b>699,300</b>

**Annex-O**  
**Para 4.10.1**

**Stocks position of OMCs of PMG as on 03.06.2020**

<b>OMCs</b>	<b>Stocks in MT</b>	<b>Days cover</b>	<b>Short fall</b>
PSO	102,470	13	7
SPL	9,276	4	16
APL	19,881	11	9
TPPL	9,207	3	17
PEPL	1,223	3	17
AOSPL	126	0	20
BPPL	1,236	2	18
BEE	225	0	20

**Annex-P1  
Para 4.10.1**

**Date-wise Mandatory Stock Cover - PSO**

(Qty in MT)

Date	Opening	Receipt	Available	Thruput	Other Movements	Closing	% of supplied to Retail outlets	Avg. Sales per day	Mandatory Min stock required	Excess / (Short fall) in mandatory stock	Excess / Less No of days covered
01.06.2020	76,622	19,690	96,312	18,666	-	77,646	19.38	7,670	153,400	(76,778)	(10)
02.06.2020	77,646	21,494	99,140	14,181	-	84,959	14.30	7,670	153,400	(75,754)	(10)
03.06.2020	84,959	10,813	95,772	15,922	-	79,850	16.62	7,670	153,400	(68,441)	(9)
04.06.2020	79,850	7,478	87,328	14,769	-	72,559	16.91	7,670	153,400	(73,550)	(10)
05.06.2020	72,559	1,513	74,071	15,034	-	59,038	20.30	7,670	153,400	(80,841)	(11)
06.06.2020	59,038	1,040	60,078	17,876	-	42,202	29.75	7,670	153,400	(94,362)	(12)
07.06.2020	42,202	15,844	58,046	2,028	-	56,017	3.49	7,670	153,400	(111,198)	(14)
08.06.2020	56,017	19,480	75,497	14,206	-	61,292	18.82	7,670	153,400	(97,383)	(13)
09.06.2020	61,292	10,235	71,527	14,110	-	57,417	19.73	7,670	153,400	(92,108)	(12)
10.06.2020	57,417	15,738	73,155	14,431	-	58,724	19.73	7,670	153,400	(95,983)	(13)
11.06.2020	58,724	9,452	68,176	13,737	-	54,439	20.15	7,670	153,400	(94,676)	(12)
12.06.2020	54,439	7,760	62,199	12,177	-	50,022	19.58	7,670	153,400	(98,961)	(13)
13.06.2020	50,022	9,753	59,775	15,635	-	44,140	26.16	7,670	153,400	(103,378)	(13)
14.06.2020	44,140	743	44,883	1,403	-	43,480	3.13	7,670	153,400	(109,260)	(14)
15.06.2020	43,480	19,878	63,358	12,123	-	51,235	19.13	7,670	153,400	(109,920)	(14)
16.06.2020	51,235	21,140	72,375	12,176	-	60,198	16.82	7,670	153,400	(102,165)	(13)

17.06.2020	60,198	23,762	83,960	9,405	-	74,555	11.20	7,670	153,400	(93,202)	(12)
18.06.2020	74,555	13,953	88,508	10,271	(128)	78,108	11.61	7,670	153,400	(78,845)	(10)
19.06.2020	78,108	20,594	98,702	11,315	-	87,386	11.46	7,670	153,400	(75,292)	(10)
20.06.2020	87,386	6,535	93,921	14,521	-	79,400	15.46	7,670	153,400	(66,014)	(9)
21.06.2020	79,400	620	80,020	1,198	-	78,822	1.50	7,670	153,400	(74,000)	(10)
22.06.2020	78,822	6,673	85,495	14,099	49	71,444	16.49	7,670	153,400	(74,578)	(10)
23.06.2020	71,444	1,992	73,437	14,068	-	59,369	19.16	7,670	153,400	(81,956)	(11)
24.06.2020	59,369	1,739	61,108	13,540	-	47,568	22.16	7,670	153,400	(94,031)	(12)
25.06.2020	47,568	19,396	66,964	11,827	-	55,137	17.66	7,670	153,400	(105,832)	(14)
26.06.2020	55,137	18,249	73,386	10,570	-	62,816	14.40	7,670	153,400	(98,263)	(13)
27.06.2020	62,816	18,765	81,580	12,560	-	69,020	15.40	7,670	153,400	(90,584)	(12)
28.06.2020	69,020	103	69,123	749	-	68,374	1.08	7,670	153,400	(84,380)	(11)
29.06.2020	68,374	29,612	97,986	9,678	-	88,308	9.88	7,670	153,400	(85,026)	(11)
30.06.2020	88,308	7,817	96,124	6,006	(1,388)	88,731	6.25	7,670	153,400	(65,092)	(8)
<b>Total</b>	<b>76,622</b>	<b>361,860</b>	<b>438,481</b>	<b>348,283</b>	<b>(1,468)</b>	<b>88,731</b>					

**Annex-P2  
Para 4.10.1**

**Date wise Mandatory Stock Cover - SPL**

<b>Date</b>	<b>Openi ng Stock at port</b>	<b>Opening Stock in MT</b>	<b>Daily Supply to Retail Outlets</b>	<b>Daily Closing Stock</b>	<b>% stock supplied to retail outlets</b>	<b>Opening stock in country side storage</b>	<b>Daily Closing Stock (MT)</b>	<b>Avg. daily sales</b>	<b>Mandato ry Min stock required</b>	<b>Excess / (Short fall) in mandatory stock</b>	<b>Excess /Less No of days cover- ed</b>
01.06.2020	10,026	27,067	1,632	35,554	4.390	26,757	26,162	2,291	45,820	(19,063)	(8)
02.06.2020	8,466	26,162	2,042	34,452	5.596	27,088	25,351	2,291	45,820	(18,732)	(8)
03.06.2020	7,277	25,351	2,013	33,549	5.660	27,174	24,686	2,291	45,820	(18,646)	(8)
04.06.2020	6,434	24,686	1,599	32,806	4.647	27,114	24,140	2,291	45,820	(18,706)	(8)
05.06.2020	5,885	24,140	1,392	31,735	4.201	26,921	23,352	2,291	45,820	(18,899)	(8)
06.06.2020	5,234	23,352	1,725	30,010	5.436	26,501	22,082	2,291	45,820	(19,319)	(8)
07.06.2020	3,828	22,082	1,923	28,087	6.408	26,182	20,667	2,291	45,820	(19,638)	(9)
08.06.2020	2,745	20,667	2,854	25,634	10.017	25,342	18,863	2,291	45,820	(20,478)	(9)
09.06.2020	1,387	18,863	2,874	71,277	3.876	24,247	52,448	2,291	45,820	(21,573)	(9)
10.06.2020	45,537	52,448	3,491	68,082	4.878	25,740	50,097	2,291	45,820	(20,080)	(9)
11.06.2020	42,353	50,097	4,232	65,429	6.075	25,728	48,145	2,291	45,820	(20,092)	(9)
12.06.2020	38,666	48,145	5,018	60,666	7.639	26,763	44,640	2,291	45,820	(19,057)	(8)
13.06.2020	34,316	44,640	5,416	56,453	8.755	26,350	41,540	2,291	45,820	(19,470)	(8)
14.06.2020	30,984	41,540	1,053	55,697	1.855	25,469	40,984	2,291	45,820	(20,351)	(9)
15.06.2020	28,148	40,984	3,978	52,132	7.090	27,549	38,361	2,291	45,820	(18,271)	(8)
16.06.2020	25,933	38,361	4,159	48,898	7.839	26,199	35,981	2,291	45,820	(19,621)	(9)

17.06.2020	23,042	35,981	4,632	45,372	9.263	25,855	33,386	2,291	45,820	(19,965)	(9)
18.06.2020	20,267	33,386	4,053	41,319	8.932	25,104	30,404	2,291	45,820	(20,716)	(9)
19.06.2020	17,187	30,404	3,837	37,482	9.287	24,132	27,580	2,291	45,820	(21,688)	(9)
20.06.2020	13,414	27,580	4,377	33,105	11.678	24,067	24,360	2,291	45,820	(21,753)	(9)
21.06.2020	10,963	24,360	1,220	31,885	3.685	22,141	23,462	2,291	45,820	(23,679)	(10)
22.06.2020	7,267	23,462	3,694	28,573	11.449	24,617	21,025	2,291	45,820	(21,203)	(9)
23.06.2020	4,607	21,025	4,210	25,391	14.223	23,966	18,683	2,291	45,820	(21,854)	(10)
24.06.2020	1,951	18,683	4,017	60,315	6.244	23,439	44,382	2,291	45,820	(22,381)	(10)
25.06.2020	31,552	44,382	4,171	57,163	6.800	28,763	42,063	2,291	45,820	(17,057)	(7)
26.06.2020	28,282	42,063	3,977	53,546	6.914	28,882	39,401	2,291	45,820	(16,938)	(7)
27.06.2020	24,618	39,401	4,968	50,190	9.007	28,929	36,932	2,291	45,820	(16,891)	(7)
28.06.2020	22,005	36,932	1,137	49,189	2.259	28,186	36,195	2,291	45,820	(17,634)	(8)
29.06.2020	19,456	36,195	3,322	76,643	4.154	29,734	56,397	2,291	45,820	(16,086)	(7)
30.06.2020	47,500	56,397	3,181	74,912	4.073	29,144	55,123	2,291	45,820	(16,676)	(7)
<b>Total in KL</b>	<b>10,026</b>	<b>27,066</b>	<b>96,197</b>	<b>74,912</b>	<b>56.220</b>	<b>26,757</b>		<b>2,291</b>	<b>45,820</b>	<b>(19,063)</b>	<b>(8)</b>
<b>Total in MT</b>	<b>7,377</b>	<b>19,916</b>	<b>70,785</b>	<b>55,123</b>	<b>56.220</b>	<b>19,689</b>		<b>2,291</b>	<b>45,820</b>	<b>(26,131)</b>	<b>(11)</b>

**Annex-P3**  
**Para 4.10.1**

**Date wise Mandatory Stock Cover - PEPL**

<b>Date</b>	<b>Opening Stock in MT</b>	<b>Transfer Receipts</b>	<b>Available stock</b>	<b>Sale om MT</b>	<b>Closing Stock MT</b>	<b>Avg. daily sales</b>	<b>Mandat ory Min stock required</b>	<b>Excess /(Short fall) in mandatory stock</b>	<b>Excess/ Less No of days covered</b>
01.06.2020	1,177	40,024	1,639,480	(372.28)	1,107	416	8,320	(7,143)	(17)
02.06.2020	1,107	29,892	1,534,183	(184.64)	968	416	8,320	(7,213)	(17)
03.06.2020	968	87,496	1,402,560	(215.92)	923	416	8,320	(7,352)	(18)
04.06.2020	923	79,524	1,333,725	(175.84)	824	416	8,320	(7,397)	(18)
05.06.2020	824	303,034	1,422,657	(47.83)	959	416	8,320	(7,496)	(18)
06.06.2020	959	(134,738)	1,168,650	(165.43)	850	416	8,320	(7,361)	(18)
07.06.2020	850	-	1,154,571	-	850	416	8,320	(7,470)	(18)
08.06.2020	850	148,703	1,303,274	(200.60)	735	416	8,320	(7,470)	(18)
09.06.2020	735	7,000,587	7,999,807	(95.50)	5,304	416	8,320	(7,585)	(18)
10.06.2020	5,304	53,258	7,260,794	(175.41)	4,265	416	8,320	(3,016)	(7)
11.06.2020	4,265	49,496	5,845,953	(202.14)	3,410	416	8,320	(4,055)	(10)
12.06.2020	3,410	96,972	4,731,261	(136.68)	2,333	416	8,320	(4,910)	(12)
13.06.2020	2,333	98,756	3,268,762	(369.08)	2,194	416	8,320	(5,987)	(14)
14.06.2020	2,194	-	2,982,032	(672.86)	1,153	416	8,320	(6,126)	(15)
15.06.2020	1,153	90,856	1,657,736	(964.96)	1,354	416	8,320	(7,167)	(17)
16.06.2020	1,354	150,624	1,990,448	(734.65)	1,088	416	8,320	(6,966)	(17)
17.06.2020	1,088	400,793	1,878,721	(591.45)	1,359	416	8,320	(7,232)	(17)
18.06.2020	1,359	-	1,846,585	(255.05)	1,673	416	8,320	(6,961)	(17)

19.06.2020	1,673	245,551	2,519,694	(272.95)	1,812	416	8,320	(6,647)	(16)
20.06.2020	1,812	47,529	2,510,701	(515.02)	1,673	416	8,320	(6,508)	(16)
21.06.2020	1,673	-	2,273,960	-	1,673	416	8,320	(6,647)	(16)
22.06.2020	1,673	59,482	2,333,442	(308.19)	1,253	416	8,320	(6,647)	(16)
23.06.2020	1,253	136,601	1,839,289	(451.49)	792	416	8,320	(7,067)	(17)
24.06.2020	792	7,602,503	8,679,124	(206.03)	5,142	416	8,320	(7,528)	(18)
25.06.2020	5,142	99,094	7,087,389	(387.06)	3,599	416	8,320	(3,178)	(8)
26.06.2020	3,599	146,608	5,037,917	(253.36)	2,858	416	8,320	(4,721)	(11)
27.06.2020	2,858	146,751	4,030,943	(644.62)	2,444	416	8,320	(5,462)	(13)
28.06.2020	2,444	47,545	3,368,857	(509.00)	2,162	416	8,320	(5,876)	(14)
29.06.2020	2,162	150,677	3,088,701	(710.21)	2,726	416	8,320	(6,158)	(15)
30.06.2020	2,726	94,708	3,798,984	(449.03)	3,075	416	8,320	(5,594)	(13)
<b>Total in KL</b>	<b>1,177</b>	<b>17,272,326</b>	<b>18,871,782</b>	<b>(10,267.27)</b>	<b>3,075</b>	<b>416</b>	<b>8,320</b>	<b>7,143</b>	

**Annex-P4  
Para 4.10.1**

**Date-wise Mandatory Stock Cover - BEE**

Dates	Opening Stocks Litre	Receipts Litre	Available	Sales Litre	Closing Stocks Litre	Opening Stock in MT	Closing Stock MT	Mandatory Min stock required	Excess /(Short fall) in mandatory stock	Excess / Less No of days covered
01.06.2020	(787,416)	14,909	(772,507)	76,000	(848,507)	(579)	(624)	10,940	(11,519)	(21)
02.06.2020	(848,507)	24,773	(823,734)	636,000	(1,459,734)	(624)	(1,074)	10,940	(11,564)	(21)
03.06.2020	(1,459,734)	49,494	(1,410,240)	467,000	(1,877,240)	(1,074)	(1,381)	10,940	(12,014)	(22)
04.06.2020	(1,877,240)	24,758	(1,852,482)	484,000	(2,336,482)	(1,381)	(1,719)	10,940	(12,321)	(23)
05.06.2020	(2,336,482)	49,512	(2,286,970)	417,000	<b>(2,703,970)</b>	(1,719)	(1,990)	10,940	(12,659)	(23)
06.06.2020	(2,703,970)	24,752	(2,679,218)	466,000	(3,145,218)	(1,990)	(2,314)	10,940	(12,930)	(24)
07.06.2020	(3,145,218)	24,733	(3,120,485)	614,000	(3,734,485)	(2,314)	(2,748)	10,940	(13,254)	(24)
08.06.2020	(3,734,485)	49,380	(3,685,105)	562,000	(4,247,105)	(2,748)	(3,125)	10,940	(13,688)	(25)
09.06.2020	(4,247,105)	49,559	(4,197,546)	436,000	(4,633,546)	(3,125)	(3,410)	10,940	(14,065)	(26)
10.06.2020	(4,633,546)	24,692	(4,608,854)	376,000	(4,984,854)	(3,410)	(3,668)	10,940	(14,350)	(26)
11.06.2020	(4,984,854)	49,348	(4,935,506)	339,000	(5,274,506)	(3,668)	(3,881)	10,940	(14,608)	(27)
12.06.2020	(5,274,506)	24,754	(5,249,752)	437,000	(5,686,752)	(3,881)	(4,185)	10,940	(14,821)	(27)
13.06.2020	(5,686,752)	24,706	(5,662,046)	375,000	(6,037,046)	(4,185)	(4,442)	10,940	(15,125)	(28)
14.06.2020	(6,037,046)	201,654	(5,835,392)	366,000	(6,201,392)	(4,442)	(4,563)	10,940	(15,382)	(28)
15.06.2020	(6,201,392)	-	(6,201,392)	328,000	(6,529,392)	(4,563)	(4,805)	10,940	(15,503)	(28)
16.06.2020	(6,529,392)	49,496	(6,479,896)	308,000	(6,787,896)	(4,805)	(4,995)	10,940	(15,745)	(29)
17.06.2020	(6,787,896)	29,626	(6,758,270)	326,000	(7,084,270)	(4,995)	(5,213)	10,940	(15,935)	(29)

18.06.2020	(7,084,270)	24,758	(7,059,512)	209,000	(7,268,512)	(5,213)	(5,348)	10,940	(16,153)	(30)
19.06.2020	(7,268,512)	62,364	(7,206,148)	196,000	(7,402,148)	(5,348)	(5,447)	10,940	(16,288)	(30)
20.06.2020	(7,402,148)	39,652	(7,362,496)	188,000	(7,550,496)	(5,447)	(5,556)	10,940	(16,387)	(30)
21.06.2020	(7,550,496)	14,618,098	7,067,602	45,000	7,022,602	(5,556)	5,167	10,940	(16,496)	(30)
22.06.2020	7,022,602	39,564	7,062,166	150,000	6,912,166	5,167	5,086	10,940	(5,773)	(11)
23.06.2020	6,912,166	379,437	7,291,603	125,000	7,166,603	5,086	5,273	10,940	(5,854)	(11)
24.06.2020	7,166,603	24,881	7,191,484	96,000	7,095,484	5,273	5,221	10,940	(5,667)	(10)
25.06.2020	7,095,484	24,822	7,120,306	30,000	7,090,306	5,221	5,217	10,940	(5,719)	(10)
26.06.2020	7,090,306	-	7,090,306	-	7,090,306	5,217	5,217	10,940	(5,723)	(10)
27.06.2020	7,090,306	24,845	7,115,151	80,000	7,035,151	5,217	5,177	10,940	(5,723)	(10)
28.06.2020	7,035,151	-	7,035,151	20,000	7,015,151	5,177	5,162	10,940	(5,763)	(11)
29.06.2020	7,015,151	47,638	7,062,789	-	7,062,789	5,162	5,197	10,940	(5,778)	(11)
30.06.2020	7,062,789	-	7,062,789	-	7,062,789	5,197	5,197	10,940	(5,743)	(10)
<b>Total in Ltr</b>	<b>(787,416.00)</b>	<b>16,002,205</b>	<b>15,214,789</b>	<b>8,152,000</b>	<b>7,062,789</b>	<b>(579)</b>	<b>5,197</b>			<b>-</b>
<b>Total in MT</b>	<b>(579.41)</b>	<b>11,775</b>	<b>11,196</b>	<b>5,998.53</b>	<b>5,197</b>	<b>(0)</b>				<b>-</b>

**Annex-P5**  
**Para 4.10.1**

**Date-wise Mandatory Stock Cover - BPPL**

<b>Date</b>	<b>Op-Stock</b>	<b>Purchases</b>	<b>Available</b>	<b>Sales</b>	<b>Closing Stock</b>	<b>Mandatory Min stock required</b>	<b>Excess / (Short fall) in mandatory stock</b>	<b>Excess/ Less No of days covered</b>
01.06.2020	5,716	269	5,986	880	5,106	14420	8704	12
02.06.2020	5,106	400	5,505	624	4,881	14420	9314	13
03.06.2020	4,881	376	5,257	586	4,673	14420	9539	13
04.06.2020	4,673	294	4,967	497	4,470	14420	9747	14
05.06.2020	4,470	535	5,005	449	4,556	14420	9950	14
06.06.2020	4,556	678	5,235	499	4,734	14420	9864	14
07.06.2020	4,734	420	5,154	84	5,071	14420	9686	13
08.06.2020	5,071	550	5,621	695	4,926	14420	9349	13
09.06.2020	4,926	464	5,390	535	4,853	14420	9494	13
10.06.2020	4,853	731	5,584	788	4,797	14420	9567	13
11.06.2020	4,797	585	5,382	850	4,532	14420	9623	13
12.06.2020	4,532	640	5,172	634	4,538	14420	9888	14
13.06.2020	4,538	601	5,139	907	4,233	14420	9882	14
14.06.2020	4,233	686	4,919	73	4,846	14420	10187	14
15.06.2020	4,846	1,442	6,289	1,371	4,916	14420	9574	13
16.06.2020	4,916	1,016	5,933	593	5,340	14420	9504	13
17.06.2020	5,340	989	6,329	967	5,362	14420	9080	13
18.06.2020	5,362	1,260	6,622	1,067	5,556	14420	9058	13
19.06.2020	5,556	1,338	6,894	1,366	5,527	14420	8864	12

20.06.2020	5,527	1,119	6,646	1,257	5,388	14420	8893	12
21.06.2020	5,388	521	5,909	242	5,668	14420	9032	13
22.06.2020	5,668	1,052	6,721	2,016	4,704	14420	8752	12
23.06.2020	4,704	1,474	6,178	879	5,299	14420	9716	13
24.06.2020	5,299	783	6,082	1,122	4,960	14420	9121	13
25.06.2020	4,960	934	5,894	1,235	4,660	14420	9460	13
26.06.2020	4,660	1,116	5,777	923	4,854	14420	9760	14
27.06.2020	4,854	1,267	6,121	1,121	4,999	14420	9566	13
28.06.2020	4,999	1,048	6,047	-	6,046	14420	9421	13
29.06.2020	6,046	977	7,024	1,145	5,879	14420	8374	12
30.06.2020	5,879	762	6,640	504	6,136	14420	8541	12

**Annex-P6**  
**Para No. 4.10.1**

**Date-wise Mandatory Stock Cover - APL**

<b>Date</b>	<b>Op-Stock</b>	<b>Receipts</b>	<b>Available for Sale</b>	<b>Retail Dis-patches</b>	<b>Dis-patches to Others</b>	<b>Total Dis-patches</b>	<b>Closing Stock</b>	<b>Man-datory Min stock required</b>	<b>Excess / (Short fall) in mandatory stock</b>	<b>Excess / Less No of days covered</b>
01.06.2020	23,538	1,076	24,614	2,271	74	2,345	22,269	36,740	(13,202)	(7)
02.06.2020	22,269	417	22,686	1,577		1,577	21,109	36,740	(14,471)	(8)
03.06.2020	21,109	732	21,841	2,255		2,255	19,586	36,740	(15,631)	(9)
04.06.2020	19,586	435	20,021	1,586	1	1,587	18,434	36,740	(17,154)	(9)
05.06.2020	18,434	848	19,282	1,505	2	1,507	17,775	36,740	(18,306)	(10)
06.06.2020	17,775	607	18,382	2,196	3	2,199	16,182	36,740	(18,965)	(10)
07.06.2020	16,182	-	16,182	-		-	16,182	36,740	(20,558)	(11)
08.06.2020	16,182	816	16,998	1,980	55	2,035	14,963	36,740	(20,558)	(11)
09.06.2020	14,963	235	15,198	2,118	39	2,157	13,041	36,740	(21,777)	(12)
10.06.2020	13,041	1,178	14,219	2,567		2,567	11,653	36,740	(23,699)	(13)
11.06.2020	11,653	1,537	13,190	2,714	35	2,749	10,440	36,740	(25,087)	(14)
12.06.2020	10,440	880	11,320	1,682		1,682	9,638	36,740	(26,300)	(14)
13.06.2020	9,638	508	10,146	2,738		2,738	7,408	36,740	(27,102)	(15)
14.06.2020	7,408	-	7,408	148		148	7,260	36,740	(29,332)	(16)
15.06.2020	7,260	912	8,172	1,560	49	1,609	6,563	36,740	(29,480)	(16)
16.06.2020	6,563	1,359	7,922	1,325	15	1,340	6,582	36,740	(30,177)	(16)
17.06.2020	6,582	1,298	7,880	1,488	51	1,539	6,341	36,740	(30,158)	(16)

18.06.2020	6,341	1,534	7,875	1,078		1,078	6,797	36,740	(30,399)	(17)
19.06.2020	6,797	1,501	8,298	1,906		1,906	6,392	36,740	(29,943)	(16)
20.06.2020	6,392	1,582	7,974	2,162		2,162	5,812	36,740	(30,348)	(17)
21.06.2020	5,812	-	5,812	-		-	5,812	36,740	(30,928)	(17)
22.06.2020	5,812	32,556	38,368	1,852	18	1,870	36,498	36,740	(30,928)	(17)
23.06.2020	36,498	935	37,433	1,569	35	1,604	35,829	36,740	(242)	-
24.06.2020	35,829	667	36,496	1,880		1,880	34,616	36,740	(911)	-
25.06.2020	34,616	621	35,237	1,884	36	1,920	33,318	36,740	(2,124)	(1)
26.06.2020	33,318	314	33,632	2,941	179	3,120	30,512	36,740	(3,422)	(2)
27.06.2020	30,512	987	31,499	4,164	2	4,166	27,332	36,740	(6,228)	(3)
28.06.2020	27,332	-	27,332	283		283	27,049	36,740	(9,408)	(5)
29.06.2020	27,049	1,368	28,417	2,397	23	2,420	25,998	36,740	(9,691)	(5)
30.06.2020	25,998	1,063	27,061	1,517	2	1,519	25,542	36,740	(10,742)	(6)

**Annex-P7**  
**Para No. 4.10.1**

**Date-wise Mandatory Stock Cover - TPPL**

<b>Date</b>	<b>Opening Stock at port</b>	<b>Receipt</b>	<b>Available</b>	<b>Sales</b>	<b>Closing</b>	<b>%</b>	<b>Mandatory Min stock required</b>	<b>Short fall in mandatory stock</b>	<b>No of days</b>
01.06.2020	12,093	5,244	17,337	4,153	11,799	24	55,600	(43,507)	(16)
02.06.2020	11,799	4,225	16,024	4,857	11,123	30	55,600	(43,801)	(16)
03.06.2020	11,123	4,055	15,178	4,265	10,577	28	55,600	(44,477)	(16)
04.06.2020	10,577	4,851	15,428	4,694	11,181	30	55,600	(45,023)	(16)
05.06.2020	11,181	2,950	14,131	5,017	10,294	36	55,600	(44,419)	(16)
06.06.2020	10,294	1,162	11,456	2,705	8,835	24	55,600	(45,306)	(16)
07.06.2020	8,797	2,480	11,277	480	10,900	4	55,600	(46,803)	(17)
08.06.2020	10,900	5,054	15,954	2,782	13,161	17	55,600	(44,700)	(16)
09.06.2020	13,161	1,956	15,117	2,635	11,850	17	55,600	(42,439)	(15)
10.06.2020	11,850	1,657	13,507	3,010	10,646	22	55,600	(43,750)	(16)
11.06.2020	10,182	1,465	11,647	3,127	8,219	27	55,600	(45,418)	(16)
12.06.2020	8,219	7,646	15,865	4,334	12,802	27	55,600	(47,381)	(17)
13.06.2020	12,802	8,511	21,313	5,320	16,579	25	55,600	(42,798)	(15)
14.06.2020	16,579	724	17,303	816	16,604	5	55,600	(39,021)	(14)
15.06.2020	16,604	1,596	18,200	3,021	15,283	17	55,600	(38,996)	(14)
16.06.2020	15,283	1,108	16,391	3,239	13,325	20	55,600	(40,317)	(15)
17.06.2020	13,325	2,016	15,341	3,405	12,005	22	55,600	(42,275)	(15)

18.06.2020	12,005	2,363	14,368	3,775	10,593	26	55,600	(43,595)	(16)
19.06.2020	10,593	2,702	13,295	3,940	12,921	30	55,600	(45,007)	(16)
20.06.2020	12,921	724	13,645	4,140	9,628	30	55,600	(42,679)	(15)
21.06.2020	9,628	1,500	11,128	497	10,462	4	55,600	(45,972)	(17)
22.06.2020	10,462	2,880	13,342	2,814	10,825	21	55,600	(45,138)	(16)
23.06.2020	10,825	20,624	31,449	3,417	28,271	11	55,600	(44,775)	(16)
24.06.2020	28,271	2,086	30,357	3,558	26,360	12	55,600	(27,329)	(10)
25.06.2020	26,360	1,733	28,093	3,744	24,582	13	55,600	(29,240)	(11)
26.06.2020	24,582	4,497	29,079	3,364	25,874	12	55,600	(31,018)	(11)
27.06.2020	25,874	1,156	27,030	3,395	23,785	13	55,600	(29,726)	(11)
28.06.2020	23,785	-	23,785	1,937	23,143	8	55,600	(31,815)	(11)
29.06.2020	24,643	7,612	32,255	2,932	26,498	9	55,600	(30,957)	(11)
30.06.2020	26,498	1,164	27,662	2,207	26,597	8	55,600	(29,102)	(10)

**Annex-P8**  
**Para No. 4.10.1**

**Date-wise Mandatory Stock Cover - AOSPL**

<b>Date</b>	<b>Op. stock in MT</b>	<b>Recei-pts</b>	<b>Availa-ble sales</b>	<b>Sales</b>	<b>Closing Stock</b>	<b>Mandatory Min. stock required</b>	<b>Short fall in mandatory stock</b>	<b>No of days</b>
01.06.2020	14,632	-	14,632	-	14,632	7,140	7,492	21
02.06.2020	14,632	112	14,744	71	14,450	7,140	7,492	21
03.06.2020	14,450	-	14,450	-	14,450	7,140	7,310	20
04.06.2020	14,450	-	14,450	-	14,450	7,140	7,310	20
05.06.2020	14,450	184	14,634	119	14,146	7,140	7,310	20
06.06.2020	14,146	221	14,367	124	13,802	7,140	7,006	20
07.06.2020	13,802	110	13,912	29	13,662	7,140	6,662	19
08.06.2020	13,662	-	13,662	-	13,662	7,140	6,522	18
09.06.2020	13,662	74	13,736	159	13,429	7,140	6,522	18
10.06.2020	13,429	155	13,584	35	13,239	7,140	6,289	18
11.06.2020	13,239	184	13,423	35	13,019	7,140	6,099	17
12.06.2020	13,019	74	13,093	107	12,838	7,140	5,879	16
13.06.2020	12,838	111	12,948	181	12,546	7,140	5,698	16
14.06.2020	12,546	148	12,694	225	12,172	7,140	5,406	15
15.06.2020	12,172	-	12,172	-	12,172	7,140	5,032	14
16.06.2020	12,172	199	12,371	180	11,867	7,140	5,032	14
17.06.2020	11,867	258	12,125	645	11,037	7,140	4,727	13
18.06.2020	11,037	148	11,185	668	10,294	7,140	3,897	11

19.06.2020	10,294	18	10,312	844	9,468	7,140	3,154	9
20.06.2020	9,468	257	9,725	533	8,824	7,140	2,328	7
21.06.2020	8,824	147	8,971	692	7,985	7,140	1,684	5
22.06.2020	7,985	-	7,985	-	7,985	7,140	845	2
23.06.2020	7,985	187	8,172	416	7,381	7,140	845	2
24.06.2020	7,381	-	7,381	234	7,147	7,140	241	1
25.06.2020	7,147	221	7,368	76	6,851	7,140	7	-
26.06.2020	6,851	166	7,016	169	6,552	7,140	289	(1)
27.06.2020	6,552	450	7,002	546	5,557	7,140	588	(2)
28.06.2020	5,557	221	5,777	444	4,891	7,140	1,583	(4)
29.06.2020	4,891	212	5,104	103	4,576	7,140	2,249	(6)
30.06.2020	4,576	29	4,605	60	4,545	7,140	2,564	(7)

**Annex-Q**  
**Para No. 4.10.1**

**Penalty for non-continuous Supply of Petroleum Products**

(Rs in million)

<b>Sr. No.</b>	<b>Name of OMC</b>	<b>Amount of Penalty</b>
1	SPL	10
2	TPPL	10
3	APL	05
4	PEPL	05
<b>Total</b>		<b>30</b>

**Annex-R**  
**Para No. 4.12.1**

**Profit on Stock withheld due to price increase – Rs 5,560.335 million**

(Rs in million)

<b>OMC Name</b>	<b>Quantity imported (M. Tons)</b>	<b>Qty not cleared up to June 2020 (M. Tons)</b>	<b>Amount</b>
PSO	58,737	31,811	1,124.010
SPL	45,974	34,054	1,203.264
APL	30,000	20,000	706.680
TPPL	65,000	35,000	1,236.690
BEE	10,000	6,500	229.671
PEPL	15,250	5,000	176.670
AOSPL	25,000	25,000	883.350
<b>Total</b>	<b>249,961</b>	<b>157,365</b>	<b>5,560.335</b>

**Annex-S**  
**Para No. 4.13.1**

**Non-Production of record**

<b>Sr. No.</b>	<b>Name of OMCs</b>	<b>Description of 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup> and 6<sup>th</sup> Requisitions</b>	<b>Requisition References</b>	<b>Status</b>
1	BEE	Local purchases and imports (Order-wise) with order#, date, quantity, delivery window / LayCan, name of supplier etc. for the month of May, June & July, 2020	Para 1 of 2 <sup>rd</sup> Requisition dated May 28, 2024	Awaited
2		Copies of purchase order issued to refineries and international suppliers to all OMCs under audit	Para 2 of 2 <sup>rd</sup> Requisition dated May 28, 2024	Awaited
3		Figures of product-wise profits; PMG / HSD sales (volume & amount), cost of purchases / inventory losses (if any) including direct expenses, and gross profit for the months of January to June, 2020 and July to September, 2020 month-wise relating to all OMCs	TOR-12 vide 1 <sup>st</sup> requisition dated April 12, 2021	Awaited
4		Location / Depot-wise stock position (Opening & Closing) along with DIP Statements for the months January to September, 2020	Para 8 of 2 <sup>nd</sup> Requisition	Awaited
5		Inventory record (date-wise / retail outlet-wise); opening stock, receipts, sales, closing stock etc. for the month of June, 2020	Para 1 of 3 <sup>rd</sup> Requisition dated June 11, 2021	Awaited
6		Record relating to retail outlets for the month of June, 2020 as given table	Para 2 of 3 <sup>rd</sup> Requisition dated June 11, 2022	Awaited
7		Details of retail outlets which are not receiving supplies or less supplies during the last year i.e. 2019-20 from the OMCs despite having valid franchise agreement relating to all OMCs under audit	Sr. No. iii of Para 3 of 3 <sup>rd</sup> Requisition dated June 11, 2022	Awaited

8		Details of retail outlets involved in illegal activities i.e. using logo of one OMC but receiving supplies of petroleum products from other OMCs, sale of smuggled product relating to all OMCs under audit	Sr. No iv of Para 3 of 3 <sup>rd</sup> Requisition dated June 11, 2022	Awaited
9		Details of retail outlets (franchise-holder) of OMCs sealed by the task force being illegal or found indulged in the sale of smuggled petroleum products relating to all OMCs under audit	Sr. No. v of Para 3 of 3 <sup>rd</sup> Requisition dated June 11, 2022	Awaited
10		Dead stock of PMG and HSD as per industry standard (approved by OGRA/MOE/PD) and actual maintained by OMCs for the period from January, 2020 to September, 20	Para 1 of Sixth Requisition dated July 13, 2021	Awaited
11		Financial Statement for the years 2018-19, 2019-20 and half yearly 2020-21	Para 2 of 6 <sup>th</sup> Requisition dated July 13, 2022	Awaited
12		Quantity of PMG & HSD imported during January, 2020 to September, 2020 as per following format along with copies of Into Bond GD and bank paid Ex-Bond GD of the said imports as per given format	Para 3 of 6 <sup>th</sup> Requisition dated July 13, 2023	Copies of partial Ex-bond GDs provided
13	AOSPL	Documentary evidence in respect of loan of PMG & HSD taken from and returned to other OMCs	-	Awaited
14		Variation of Sales figures in Sales return and soft data of sales provided.	-	Awaited
15		Local purchases and imports (Order-wise) with order No. date, quantity, delivery window / LayCan, name of supplier etc. for the month of May, June & July, 2020	Para 1 of 2 <sup>rd</sup> Requisition dated May 28, 2024	Awaited
16		Copies of purchase order issued to refineries and international suppliers to all OMCs under audit	Para 2 of 2 <sup>rd</sup> Requisition dated May 28, 2024	Awaited
17		Location / Depot-wise stock position (Opening & Closing) along with DIP Statements for the months January, 2020 to September, 2020	Para 8 of 2 <sup>nd</sup> Requisition	DIP statement Awaited

18	Inventory record (date-wise / retail outlet-wise); opening stock, receipts, sales, closing stock etc. for the month of June, 2020	Para 2 of 3 <sup>rd</sup> Requisition dated June 11, 2021	Awaited
19	Record relating to retail outlets for the month of June, 2020 as per given table	Para 3 of 3 <sup>rd</sup> Requisition dated June 11, 2021	Awaited
20	Details of retail outlets which are not receiving supplies or less supplies during the last year i.e. 2019-20 from the OMCs despite having valid franchise agreement relating to all OMCs under audit	Para iii of 3 <sup>rd</sup> Requisition dated 11, 2022	Awaited
21	Dead stock of PMG and HSD as per industry standard (approved by OGRA/MOE/PD) and actual maintained by OMCs for the period from January, 2020 to September, 20	Para 1 of 6 <sup>th</sup> Requisition dated July 13, 2021	Awaited
22	Financial Statement for the years 2018-19, 2019-20 and half yearly 2020-21	Para 2 of 6 <sup>th</sup> Requisition dated July 13, 2022	Awaited
23	Quantity of PMG & HSD imported during January, 2020 to September, 2020 as per following format along with copies of Into Bond GD and bank paid Ex-Bond GD of the said imports as per given format	Para 3 of 6 <sup>th</sup> Requisition dated July 13, 2023	Awaited