

PRESS STATEMENT

REBUTTAL OF LEGAL POINTS RAISED IN NEWS ITEM BY AHMAD AHMADANI PUBLISHED IN PAKISTAN TODAY OF 10TH OCTOBER 2018.

The false and bald allegations contained in subject news are vehemently denied being patently erroneous, misconceived, misconstrued, and against the Law and facts both. OGRA terms the contents of news item malicious, misleading and an attempt to disparage the image of its officers as well as the Organization. The Chairperson and Authority Member are appointed by the Federal Government on merits without any alleged political affiliation. Such malicious campaign has been started on the behest of a retired executive of the organization i.e Mr. Shahid Nauman Afzal against whom a disciplinary enquiry was conducted by senior Executive Directors of OGRA and who found him guilty and recommended to the authority to take appropriate action against him according to specified service rule. The authority has decision withheld thereon due to stay order of the Honorable Islamabad High Court.

Under the provisions of Section 3(11) of the Oil and Gas Regulatory Authority Ordinance (XVII of 2002)

*'Any Member may resign from his office by writing under his hand addressed to the Federal Government. The **Federal Government may remove a Member** from his office if, on an inquiry by the Federal Public Service Commission, he is found unable, to perform the functions of his office due to mental or physical disability, or to have committed misconduct.'*

The legal provisions of the OGRA Ordinance, 2002 relied upon in news item may as such not confer any power upon the Prime Minister or Cabinet Division. It may not be out of place to mention here that the condition precedent, for invoking powers under Section 3(11) is **an inquiry by the Federal Public Service Commission**. Besides, the events of contraventions, and that too knowingly, which may ensue *misconduct*, have also categorically been postulated in the provisions of sub-sections (2) and (3) of Section 5 of the OGRA Ordinance, 2002, and in event whereof only, the Federal Public Service Commission [the 'FPSC'] may come into play in terms of the provisions of Section 5(4) of the OGRA Ordinance, 2002, which envisages:


'5(4) Every Member who knowingly contravenes any of the provisions of sub-section (2) and sub-section (3) shall, on inquiry by the Federal Public Service Commission, be guilty of misconduct.

Under Rule 30A of the Pakistan Petroleum (Refining, Blending & Marketing) Rules, 1971 [the '**Petroleum Rules, 1971**'], as amended through S.R.O. No. 236(I)/2006 dated 13-03-2006. None else but the Director General (Oil) of MP&NR is the exclusive 'Authority' obligated to

require the Oil Marketing Companies [OMCs] to maintain minimum stocks of petroleum products keeping in view the demand and supply for a particular month. The OGRA's role is limited to the extent and manner specified in SRO 236(I)/2006 dated 13-03-2006, to ensure that the licensee(s) perform their obligations in accordance with the terms and conditions of the permissions/licenses granted to them by OGRA, which do not include giving directions to the OMCs on maintaining minimum stocks.

Further, expression 'Authority', in the context of the OGRA, is a defined term in Section 2(1)(i) of the OGRA Ordinance, 2002 and no other meaning can be assigned to this expression except as specifically given in the OGRA Ordinance, 2002. In this background by no stretch of imagination it can be attributed that only the Chairperson is taking decisions as the Authority. The 'Authority'; which under the provisions of Section 2(1)(i) read with sub-sections (1) and (3) of Section 3 of the OGRA Ordinance, 2002, consists of a Chairman and three additional Members; whereas the provisions of Section 4 of the OGRA Ordinance envisage that there has to be a quorum for a meeting of the Authority requiring a decision by it. Section 4(1) of the OGRA Ordinance postulates '***the Chairman and two other Members shall constitute a quorum for a meeting of the Authority requiring a decision by the Authority***', whereas under Section 4(3) of the OGRA Ordinance, 2002, '***all decisions of the Authority shall be in writing and identify the decision of the Chairman and other Members separately***'. Therefore, it may be noted that Chairperson alone is not the Authority, and all decision are taken by the Authority/OGRA by collective wisdom in accordance with law in a transparent manner. Therefore, frivolous allegations with regard to grant of licences to OMC and amendments in the Oil Rules, 2016 by the Chairperson alone are baseless and contrary to the law and facts.

It is pertinent to mention here that at present Mr. Noorul Haque is Member finance and Dr. Abdullah Malik is Member Oil hence the authority is in quorum.


(Imran Ghaznavi)
Spokesperson, OGRA

11.10.2018