

OIL AND GAS REGULATORY AUTHORITY

TARIQ CHAMBERS, CIVIC CENTER, ISLAMABAD. TEL:9221716-18, FAX:9221714

PRESS RELEASE

Islamabad, April 15, 2006: The Oil and Gas Regulatory Authority (OGRA), has notified that the maximum ex-depot oil prices effective 16 April, 2006, of the following products will remain unchanged as under:

Maximum Ex-Depot Sale Price

Product	Rs. / Litre Price
Motor Spirit	56.29
HOBC	62.77
Kerosene Oil	32.87
Light Diesel Oil	30.97

In the last fortnight (29 March-13 April), the average price of Naphtha in the Arab Gulf market increased by 5.08%, of Diesel by 9.92%, of Kerosene by 6.19% and of HSFO by 2.08%. However, the Federal Government has decided not to pass on this increase to the end-consumers.

The price determination has been carried out by OGRA in accordance with the formula prescribed by the Federal Government. It requires that the price be based on average Arab Gulf prices for the last fortnight for Naphtha, Diesel, Kerosene, HSFO and Inland Freight Equalization Margins (IFEM) be added, which reflect estimated transportation cost of the products to the 29 depots in the country, for the purpose of price equalization. To this price, Government levies viz. Excise duty, Sales Tax, Petroleum development levy are added, per advice of the Federal Government, to arrive at the notified prices.

Detailed computations for the above prices based on the Federal Government formula are placed at the OGRA website (www.ogra.org.pk).