

OIL AND GAS REGULATORY AUTHORITY

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PRESS RELEASE

Islamabad, February 15, 2007: The Oil and Gas Regulatory Authority (OGRA) has notified that the maximum ex-depot sale prices, effective February 16, 2007, of the following products, will remain unchanged, as under:

Maximum Ex-Depot Sale Price

	Rs. / Liter
Product	Price
Motor Spirit	53.70
HOBC	64.88
Kerosene Oil	35.23
Light Diesel Oil	32.57

The price determination is 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 and HSFO, to which Inland Freight Equalization Margin (IFEM) is added, which reflects estimated transportation cost of the products to the 29 depots in the country, for the purpose of price equalization. Government levies viz. Excise duty, Petroleum development levy and sales tax are added, to arrive at the notified prices.

The spokesman said the government is providing a subsidy of Rs. **1.16** per litre on Kerosene oil to the common man. Similarly, subsidy of Rs. **1.91** on light diesel oil is being given.

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