

**PRESS RELEASE**  
**LPG PRICES**

The Federal Government has formulated LPG Policy, 2006, with the objective of increasing LPG supplies in the country through increase in local production as well as imports. Accordingly, the price for the local producers has been linked to the FOB price of LPG (Saudi Aramco) in the international market. The consumer price of LPG although is deregulated and fixed by LPG marketing companies on competitive basis, however, Oil & Gas Regulatory Authority (OGRA) has powers to determine reasonable price for consumers on the basis of producers' prices after giving a reasonable profit margin to the marketing companies as well as distributors. OGRA has recently determined the reasonable sale price of LPG at Rs. 624 per domestic cylinder of 11.8 kg all over the country except Northern hilly areas, FATA and AJK where the sale price will be Rs. 654 per domestic cylinder of 11.8 kg to cater for the higher transportation cost.

The LPG price in the international market has shown an increase of more than 15% over the past month which would have a substantial impact on the LPG selling price for the consumers. However, the Federal Government, in the larger public interest, has advised OGRA to maintain the LPG producers' price for the month of October, 2007, at the current level in order to continue providing relief to the LPG consumers during the holy month of Ramazan. In addition to this goodwill gesture for the public, OGRA has directed all the marketing companies to ensure continuous adequate supplies of LPG to the consumers at a price which should not exceed the reasonable price determined by OGRA i.e. Rs. 624 per domestic cylinder of 11.8 kg all over the country except Northern hilly areas, FATA and AJK where the price will be Rs. 654 per domestic cylinder of 11.8 kg.