

# **OIL AND GAS REGULATORY AUTHORITY**

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

## **PRESS RELEASE**

Islamabad, February 29, 2008: The Oil and Gas Regulatory Authority (OGRA) has announced new maximum ex-depot sale prices for petroleum products, effective March 1, 2008, which are as follows:

Rs. / Litre

<b>Product</b>	<b>Existing</b>	<b>Revised</b>
<b>Motor Spirit</b>	<b>53.70</b>	<b>58.70</b>
<b>HOBC</b>	<b>64.88</b>	<b>69.88</b>
<b>Kerosene Oil</b>	<b>35.23</b>	<b>38.73</b>
<b>Light Diesel Oil</b>	<b>32.57</b>	<b>36.07</b>

The price of petroleum product in the international market showed a record surge during the last several months which has compelled the GoP to pass on partial increase to consumers.

The Petrol and HOBC prices have been raised by **Rs. 5.00** per litre respectively. The prices of Kerosene Oil and Light Diesel Oil have been raised by **Rs. 3.50** per litre respectively.

The spokesman further said the government will continue to provide a subsidy of **Rs. 16.82** per litre on Kerosene oil and **Rs. 15.30** per litre on Light Diesel Oil, after the price increase.

The price computation 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. Petroleum development levy and sales tax are added, 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](http://www.ogra.org.pk)).