

OIL AND GAS REGULATORY AUTHORITY

Plot #54, Fazal-e-Haq Road, Near PIA Building, Blue Area, Islamabad, Pakistan.

PRESS RELEASE

- **Islamabad, February 29, 2012.** Federal Government, in pursuance of ECC decision of October 06, 2010, has deregulated the ex-refinery/ex-depot prices of Motor Spirit, HOBC, LDO and Jet fuels (JP-1, JP-4 & JP-8) w.e.f June 01, 2011.
- HSD ex-depot price is already deregulated since June 2002. Per the ECC decision, refineries/Oil Marketing Companies (OMCs) will fix / announce ex-refinery / ex-depot prices of above mentioned POL products.
- The Oil and Gas Regulatory Authority (OGRA) will, however, continue to compute /notify ex-refinery prices of HSD and Kerosene including ex-depot prices of Kerosene Oil and E-10 Gasoline on monthly basis, on Federal Government given formula & Petroleum Levy.

The ex-depot prices of Kerosene Oil and E-10 Gasoline, effective **March 01, 2012** will be as follows:-

Rs/Litre

Product	Existing Price	Price w.e.f March 01, 2012	Difference inc/(dec)	%age
Kerosene Oil	92.02	96.40	4.38	4.8%
E-10 Gasoline	92.41	95.17	2.76	3.0%

- The maximum ex-depot prices for various POL products, computed by PSO, per Federal Government approved formula, effective March 01, 2012, are reproduced below for information.

Rs/Litre

Product	Existing Price	Revised w.e.f Mar 01, 2012	Difference inc/(dec)	%age
MS	94.91	97.66	2.75	2.9%
HOBC	118.20	126.87	8.67	7.3%
LDO	90.21	93.29	3.08	3.4%
HSD	103.46	103.46	-	0.0%

- The above revision has been approved by Federal Government owing to changes in international POL prices and exchange rate which are tabulated below.

Base Product C&F Comparison	Unit	Effec Feb 01,2012	Effec Mar 01,2012	Difference Inc/(dec)	%age
Naphtha	\$ / MT	935.91	1,007.76	71.86	7.7%
HSFO	\$ / MT	723.46	737.58	14.12	2.0%
Kerosene Oil	\$ / BBL	126.11	131.03	4.92	3.9%
Gas Oil	\$ / BBL	127.56	131.77	4.21	3.3%
Gasoline 95 RON	\$ / BBL	122.29	129.38	7.10	5.8%
Exchange rate	Rs	90.34	90.75	0.41	0.5%

- Federal Government has decided to keep HSD price unchanged despite Rs. 2.82/litre increase in its price, owing to increase in international prices as tabulated above. Federal Government has accordingly decreased Petroleum Levy from Rs. 6.50 to Rs.4.07 per litre. This will result in subsidy of an estimated Rs. 1.9 billion in March 2012.
- OGRA had, however, recommended to Federal Government that POL prices be kept unchanged by absorbing the said increase in Petroleum Levy, to provide relief to public at large, however, FG, keeping in view their budgetary constraints, decided not to change HSD price only.
- Detailed computations are available at OGRA's website (www.ogra.org.pk).