

OIL AND GAS REGULATORY AUTHORITY

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

PRESS RELEASE

Islamabad, September 30, 2011. 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.

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.

The ex-depot prices of Kerosene Oil and E-10 Gasoline, effective **October 01, 2011** will be as follows:-

Rs/Litre

| Product | Existing Price | Revised w.e.f October 01, 2011 | Difference inc/(dec) | %age |
|---------------|----------------|--------------------------------|----------------------|------|
| Kerosene Oil | 86.62 | 86.62 | - | 0.0% |
| E-10 Gasoline | 82.30 | 86.45 | 4.15 | 5.0% |

The maximum ex-depot prices for various POL products, computed by PSO's effective October 01, 2011, are reproduced below for information.

| Product | Existing Price | Revised w.e.f Oct 01, 2011 | Difference inc/(dec) | %age |
|---------|----------------|----------------------------|----------------------|------|
| MS | 84.80 | 88.95 | 4.15 | 4.9% |
| HOBC | 109.93 | 112.65 | 2.72 | 2.5% |
| LDO | 83.52 | 83.52 | - | 0.0% |
| HSD | 92.64 | 94.15 | 1.51 | 1.6% |

The revision in local POL prices was necessitated owing to changes in international POL prices and exchange rate which are tabulated below. However, in case of HSD, the Federal Government has increased the Petroleum Levy (PL) from Rs. 2.52/Litre to Rs. 4.29/Litre to mitigate its budgetary constraint. It is further pointed out that PL of Rs. 4.29/Litre is approximately 50% of budgeted levy of Rs. 8/Litre on this account.

| Base Product C&F Comparison | Unit | Effec Aug 26,2011 | Effec Oct 01,2011 | Difference Inc/(dec) | %age |
|-----------------------------|----------|-------------------|-------------------|----------------------|-------|
| Naphtha | \$ / MT | 926.29 | 933.75 | 7.46 | 0.8% |
| HSFO | \$ / MT | 663.36 | 671.30 | 7.94 | 1.2% |
| Kerosene Oil | \$ / BBL | 124.32 | 123.45 | (0.87) | -0.7% |
| Gas Oil | \$ / BBL | 122.33 | 122.29 | (0.04) | 0.0% |
| Gasoline 95 RON | \$ / BBL | 120.82 | 124.17 | 3.35 | 2.8% |
| Exchange rate | Rs | 86.72 | 87.53 | 0.81 | 0.9% |

Detailed computations are available at OGRA's website (www.ogra.org.pk).