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## **Hike in petrol price by Rs1 per litre, diesel by Rs0.27 per litre proposed**

ISLAMABAD: The Oil and Gas Regulatory Authority (Ogra) has suggested the government to increase the prices of petrol and diesel, however recommended slashing prices of kerosene and light diesel oil (LDO) for November 2019.

The regulatory authority has suggested that prices of petrol may be increased by Rs1/litre and high speed diesel (HSD) by Rs0.27/litre, however for Kerosene it suggested reduction of Rs2.39/ litre and a cut of Rs6.56 per liter for LDO. Ogra has sent the summary to the Ministry of Energy (Petroleum Division) which would then be forwarded to the Finance Ministry for approval. The government would decide on it today (Thursday).

For both petrol and diesel, the suggested increase is less than a percent, while the proposed reduction for kerosene price is 2.4 percent and for LDO, it suggests 7.14 percent cut for next month. If the government accepts this recommendation, petrol price will go up from the existing Rs113.24 per litre to 114.24 per litre, diesel price will increase to Rs127.14 per litre from the current Rs127.14 per litre. LDO, which is mainly used for industrial purposes, price will reduce to Rs85.33/litre from Rs91.89/ litre. Kerosene price will down from current Rs99.57 to Rs97.18 per litre. Kerosene is used for cooking purpose, especially in remote areas where LPG or pipeline gas is not available.

The Brent oil price in international market on October 30 was \$61.15 per barrel while on September 27 it was recorded at \$62.22 per barrel, August 30 (\$60.14) and on July 30, it was \$64 per barrel. Earlier, in April and June, it was hovering near \$72/barrel.

It also worth mentioning that since July 2019, Pakistan started receiving monthly oil supplies worth \$275 million from Saudi Arabia on deferred payment. Under this arrangement, Pakistan would get this oil facility to the tune of \$9.9 billion over next three years.