

Saeed Ahmed

ICCI slates govt's decision to raise prices of POL products

ISLAMABAD: The Islamabad Chamber of Commerce & Industry (ICCI) has slammed the government decision to increase prices of all petroleum products for the month of August despite the fact that their prices in international market have come down.

The ICCI called upon it (govt) to immediately withdraw the recent hike in POL products as it would further enhance the cost of production and unleash a new wave of inflation for the common man who is already feeling crushed by high prices of all daily use items.

Ahmed Hassan Moughal, President, and Rafat Farid, Senior Vice President, Islamabad Chamber of Commerce & Industry, said that the POL prices have been hiked at a time when the crude oil price in the world market has dropped by 14 percent to \$61.89 per barrel on August 03, 2019 from \$72 on April 28, 2019, which was quite strange. They said that government had also been increasing tax rates on POL products making them a source of revenue collection, which was unjustified.

The government was currently charging 17 percent GST on all POL products besides charging petroleum levy of Rs14 per litre on petrol, Rs18 per litre on HSD, Rs3 per litre on kerosene and Rs6 per litre on LDO, which was unjustified.

Ahmed Hassan Moughal said that while in opposition, Imran Khan had been severely criticising the then government for hiking prices of POL products and charging heavy taxes on them, but now in power, he was following the similar approach that was increasing heavy burden on business sector and the general public.

He said that petrol was a key input for many industries while diesel was key input for transport and agriculture sectors. He said that every hike in petroleum products directly increased cost of doing business and pushed up inflation for people.

The ICCI president said that repeated hike by the current government in POL products, gas and electricity tariffs has badly eroded Pakistan's competitiveness due to which the country was losing business activities, exports, investment and economic growth. He said for the first time in the last 6 years, the inflation in Pakistan has touched the double digit that has significantly squeezed the purchasing power of the common man due to which businesses were badly suffering.

He urged that government should immediately withdraw the recent hike in petroleum products as it would further destabilise the economy and push the country into deep troubles. The government has increased price of petrol by Rs5.15 per litre and Rs5.65 for High Speed Diesel (HSD), Rs8.9 for Light Diesel Oil (LDO) and Rs5.38 for kerosene and.

With this latest increase, the price of petrol rose to Rs117.83 per litre from Rs112.68 and Rs132.47 per litre from Rs126.82 for HSD, Rs97.52 per litre from Rs88.62 for LDO and Rs103.84 per litre from Rs98.46 for kerosene.