

Petrol price reduced by Rs4.86, diesel by Rs4.26 per litre

ISLAMABAD: The government on Monday reduced the petroleum products' prices, which would be effective from today (Tuesday) and remain in force till January 31.

Petrol price has been reduced by Rs4.86 per litre, diesel Rs4.26 per litre, kerosene Re0.52/litre and price of Light Diesel Oil (LDO) has been reduced by Rs2.16 a litre.

In percentage terms, diesel price has been reduced by 3.84pc, petrol 5.07pc, kerosene 0.62 percent and LDO price has been reduced by 2.7 percent. With the reduction, diesel, which is widely used in transport and agriculture sector, will now be sold at Rs106.68 per litre from Rs110.94/litre; petrol price has been reduced from Rs95.83 to Rs90.97, kerosene from Rs83.50 to Rs82.98 and LDO from Rs77.44 to Rs75.28/litre.

The reduction has been made on the recommendation of the Oil and Gas Regulatory Authority (Ogra). Ogra had suggested that price of HSD may be reduced by Rs15 per litre, petrol by Rs9.5 per litre, LDO by Rs2 per litre and kerosene by Re0.25 per litre.

The present reduction in petroleum prices is contrary to the public expectations that the government would reduce the prices according to Ogra recommendations keeping in view the fact that in the international market the crude oil prices are around \$60/barrel. But on the fiscal side, as the government was facing a hard time and needed more finances and revenue, while the petroleum sector is one of the major revenue sources. So the Ogra recommendation was partially accepted and the prices were reduced in the range of Re0.52 to Rs4.86/litre.

Israr Khan