

**Ogra seeks up to Rs 8.99 hike in POL products' prices**

A month after a massive increase in POL prices, the Oil and Gas Regulatory Authority (Ogra) has computed up to Rs 8.99 in prices of petroleum products for June. The recommendation of oil and gas regulator has been sent to Petroleum Division for final decision. The regulatory body has estimated a 6.2 per cent increase in price of petroleum product following the rise in international crude prices amid rumours of supply shortage.

It recommended an increase of Rs 8.99 per litre in price of high speed diesel (HSD). In case the government approves the recommendation of Ogra, the price of HSD will increase from Rs 122.32 to Rs 131.31 per litre or 6.2 percent per litre increase. It has proposed Rs 8.53 per litre in price of motor spirit (MS). If Ogra's summary is approved, the price of MS will increase from current Rs 108.42 per litre to Rs 116.95 per litre or 7.8 percent per litre increase.

The summary also recommended increasing the price of kerosene oil by Rs 1.69 per litre. In case the recommendation is accepted, the price of kerosene oil will go up to Rs 98.46 per litre or 1.7 percent per litre increase.

Ogra proposed increase in LDO price by Rs 1.68 per litre. If the proposal is approved, LDO price will be Rs 88.62 per litre from current Rs 86.94 per litre or 1.7 percent increase.

The regulator has forwarded the summary of increase in petroleum prices on Thursday but sources said the government is likely to bring down general sales tax (GST) on petroleum products from 17 percent and make adjustments in petroleum levy (PL) on other products to prevent a sharp rise in prices ahead of Eid-ul-Fitr.

Ogra has calculated ex-refinery sale prices of petroleum products at standard 17pc GST and PL on petrol and HSD. The Ogra has proposed PL on petrol at the rate of Rs 10 per litre, Rs 8 for HSD, Rs 6 for kerosene oil and Rs 3 for LDO. In May the government decided to reduce the GST rate on petrol products to provide some relief to public. The reduction will entail a revenue loss of an estimated Rs 5 billion to the government for the month.

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