

### **Petrol prices slashed by Rs 7.06**

ISLAMABAD: The government has announced a significant reduction in the prices of petroleum products other than High Speed Diesel (HSD) with effect from Monday (today) (June 1) in a monthly review. The price of HSD is nominally increased by 5 paisa. Whereas, petrol price is slashed by Rs 7.06 per litre or 8.6 percent. The price of kerosene oil is reduced by Rs 11.88 or 25 percent and Light Diesel Oil (LDO) by Rs 9.37 or 19.7 percent for the month of June. On Sunday, Finance Division states, "Despite the global trend of increasing prices of the petroleum products, the government has decided to extend further relief in petroleum prices to the public". Petrol price is come down from current Rs81.58 per litre to Rs74.52 per litre, Kerosene price comes down to Rs35.56 per litre from current Rs47.44 per litre and the LDO price reduces to Rs38.14 per litre from current Rs47.51 litre. The diesel is slightly increased by 5 paisa per litre to Rs80.15 per litre. With the start of harvesting season, the demand for diesel has increased leading the government to remove the ban on its import. The government accepted the price review of petroleum products and recommendations submitted by Oil and Gas Regulatory Authority (OGRA) on Friday. According to senior Federal Bureau of Revenue (FBR) officials, the FBR has not changed the standard rate of 17 percent sales tax on petroleum products during June, hence government will lose additional revenue of over Rs7-10 billion on new prices of the POL products during June, the FBR officials added. The Oil and Gas Authority calculated the HSD and petrol prices on the basis of maximum permissible limit of petroleum levy. The price of HSD was calculated at the last notified PL price at Rs30 per litre and petrol on Rs23.76 per litre. The government collects PL on both petroleum products. Based on existing 17 percent general sales tax and import price of Pakistan State Oil (PSO) and last notified petroleum levy, OGRA revised the prices for June. The government had raised PL on the price of petrol from Rs17.16 per litre in April to Rs23.76 per litre in May. Similarly, the government had increased the PL on HSD by Rs14.51 per litre to Rs30 per litre.