

Press Release (PPS) - 03 June 2016

COMMUNIQUE

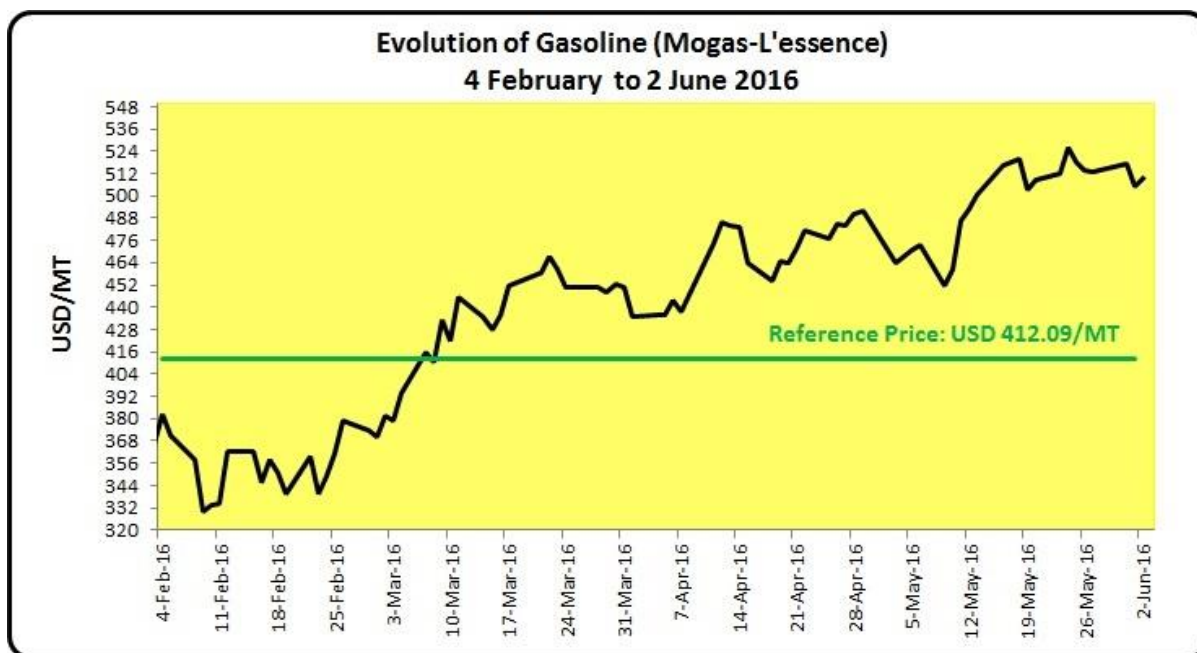
Under Regulation 7 of the Consumer Protection

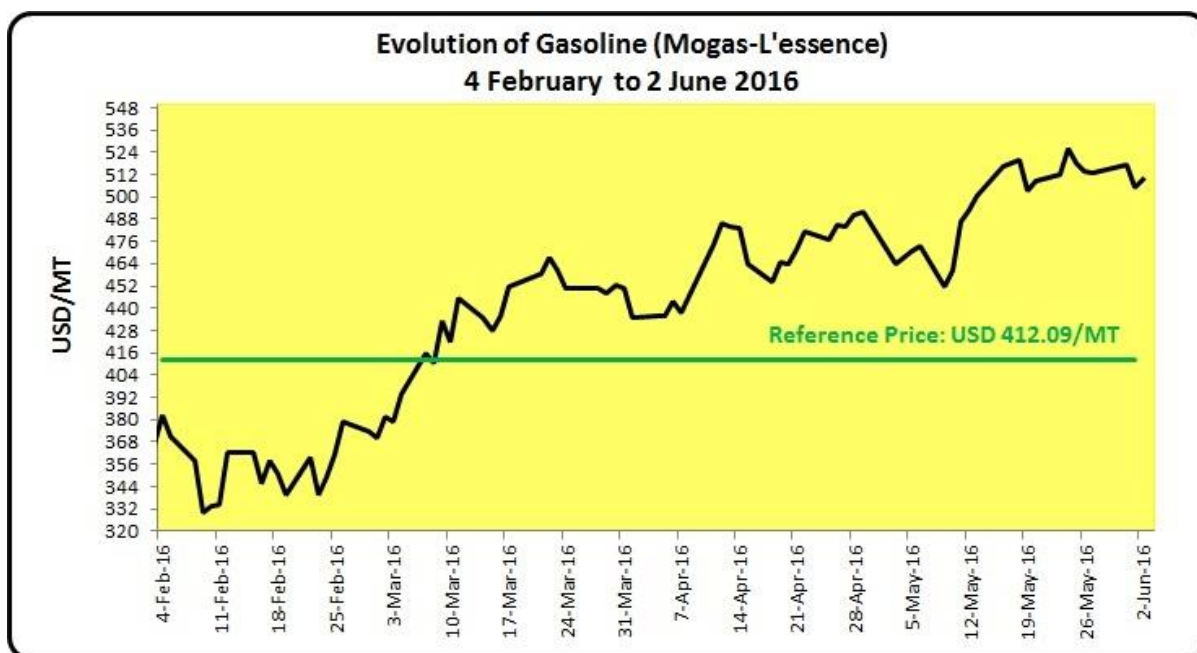
(Control of Price of Petroleum Products) Regulations 2011

The Petroleum Pricing Committee (PPC) met on Friday 3 June 2016 and, after verification of the computation of the retail prices of Mogas and Gas Oil, as provided for under Regulation 8 of the Consumer Protection (Control of Price of Petroleum Products) Regulations 2011 (as amended by Government Notice No. 222 of 2015), approved that the retail prices be maintained as per Regulation 5(1):

Product	Retail Price (Rs/Litre)
Mogas	38.85
Gas Oil	29.50

On 4 February 2016, the retail prices of Mogas and Gas Oil were fixed at Rs38.85 and Rs29.50 per litre respectively. The Platts prices of Mogas and Gas Oil since then have been depicting an upward trend as shown in the graphs below:





With the new Reference Prices, the retail prices of both Mogas and Gas Oil should have been increased. However, the balances available in the Price Stabilisation Account (PSA) have been used to absorb the losses incurred by STC to maintain the retail prices of these products at their current levels.

Accordingly, the retail prices of both products remain unchanged as shown below:

	Mogas	Gas Oil
Reference Price - US\$ per metric ton	497.0900	-
Reference Price - US\$ per barrel	-	53.9500
CIF - US\$/litre	0.4112	0.3890
Exchange rate - Rs/ US\$	36.0000	36.0000
	Rupees per litre	
CIF	14.8032	14.0040
Excise duty	10.8000	3.3000
Maurice Ile Durable levy	0.3000	0.3000
Contribution to Road Development Authority	1.8500	1.7500
Contribution to Rodrigues transportation and storage	0.4100	0.4100

Contribution to the Build Mauritius Fund	4.0000	4.0000
Contribution to the construction of Storage facilities for petroleum products	0.1000	0.1000
Contribution to subsidy on LPG, Flour and Rice	2.7000	2.7000
STC's operational expenses	0.3500	0.4000
Fund from Price Stabilisation Account	(5.1646)	(4.7498)
TRANSFER PRICE TO OIL COMPANIES	30.1486	22.2142
Oil Companies' operational expenses and wholesale margin	1.8200	1.6600
VAT (15%)	5.0674	3.8478
WHOLESALE PRICE	37.0360	27.7220
Retail margin (Filling station's margin)	1.8140	1.7780
RETAIL PRICE (Price at Filling Station)	38.8500	29.5000

Mogas (L'Essence)

The Reference Price has increased from USD 412.09/MT to USD 497.09/MT, i.e. an increase of 20.6%. With this new Reference Price, the calculated retail price works out to be Rs. 44.80 per litre i.e. an increase of 15.3%. Therefore, the amount used in the PSA since 4 February 2016, has been increased from Rs 3.1156 to Rs 5.1646 per litre to maintain the retail price of Mogas at Rs 38.85 per litre.

Gas Oil (Diesel)

The Reference Price has increased from USD 41.76/BBL to USD 53.95/BBL, i.e. an increase of 29.2%. With this new Reference Price, the calculated retail price works out to be Rs. 35.00 per litre i.e. an increase of 18.6%. Therefore, the amount used in the PSA since 4 February 2016, has been increased from Rs2.2136 to Rs 4.7498 per litre to maintain the retail price of Gas Oil at Rs 29.50 per litre.

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