



STC PRESS RELEASE

The Petroleum Pricing Committee (PPC) met on Friday 6 March 2020 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), approved that the retail prices be maintained at their present level as shown below as per Regulation 5(1) (a) and 5(1) (b):

Product	Retail Price Rs / Litre
Mogas	44.00
Gas Oil	35.00

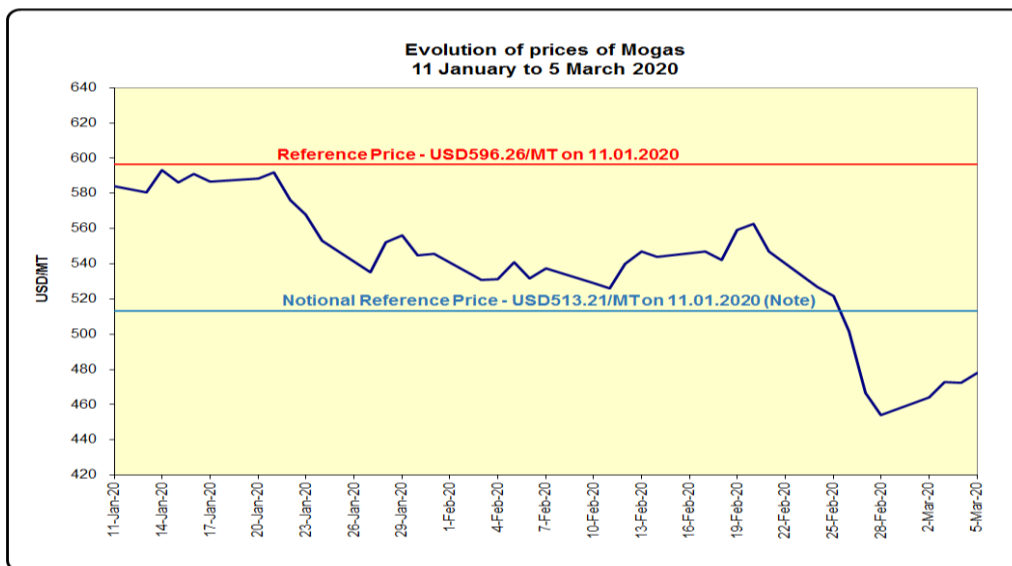
The Committee took note of the evolution of world prices of Mogas and Gas Oil and the status of the Price Stabilisation Account (PSA) which has a positive balance of Rs118.4 million on 6 March 2020.

Mogas (L'essence): Based on the Reference Price of US\$534.53 per M.Ton for Mogas, that is, the actual prices for December 2019 to February 2020 and the future prices for March to May 2020 and an exchange rate of Rs37.75/US\$, the retail price of Mogas should have been increased by Rs1.10 per litre or by 2.50%. However, as provided under Regulation 5(1) (b), the retail price of Mogas has been maintained at its current level as the increase is less than 4 percent and by using funds from the PSA.

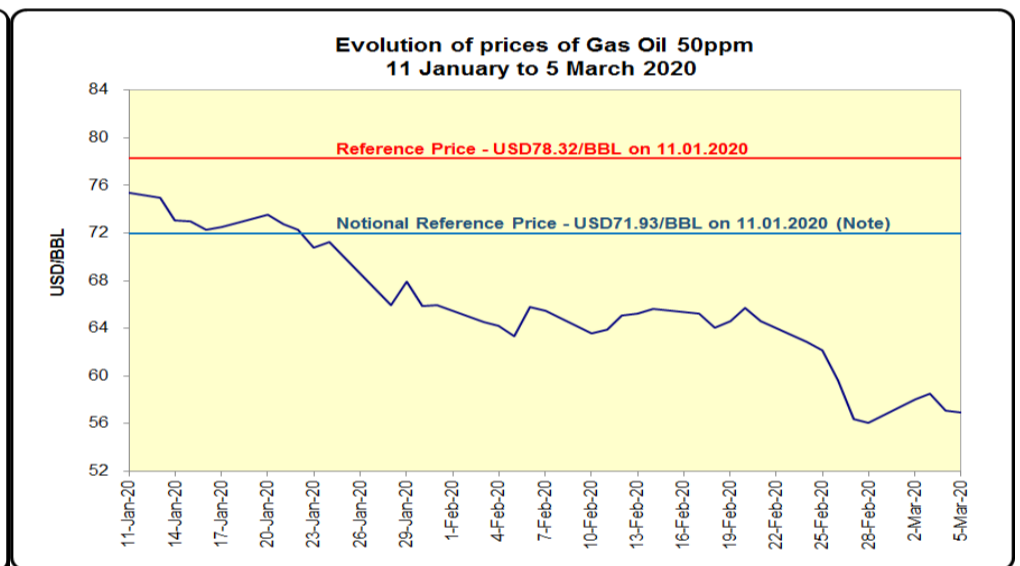
Gas Oil (Diesel): The Reference Price of US\$65.53 per barrel, that is, the actual prices for December 2019 to February 2020 and the future prices for March to May 2020, and an exchange rate of Rs37.75/US\$, results in a decrease in the retail price of Gas Oil by Rs1.30 per litre or by 3.71 %. However, the retail price of Gas Oil has been maintained at its current level as the decrease is below 4 percent as provided under Regulation 5(1) (a).

The evolution of the world prices of Mogas and Gas Oil since 11 January 2020 is shown in the graphs below.

Graph 1 – Mogas



Graph 2 – Gas Oil



Note: As published in the press release of 4 October 2019 and 10 January 2020, the retail prices of Mogas and Gas Oil were kept unchanged by using funds from the Price Stabilisation Account (PSA). The Notional Reference Prices shown in the above graphs are the prices without using funds from the PSA.

Based on the new Reference Prices, the retail prices of Mogas and Gas Oil are maintained at Rs44.00 per litre and Rs35.00 per litre respectively as shown below:

	Mogas	Gas Oil
Reference Price - US\$ per metric ton	534.53	-
Reference Price - US\$ per barrel	-	65.53
CIF - US\$/litre	0.4415	0.4361
Exchange rate – Rs/US\$	37.7500	37.7500
Rupees per litre		
CIF	16.6666	16.4628
Excise duty	12.2000	4.7000
Contribution to Road Development Authority	1.8500	1.7500
Contribution to Rodrigues transportation and storage	0.4100	0.4100
Contribution to the construction of storage facilities for petroleum products	0.6500	0.5000
Contribution to subsidy on LPG, Flour and Rice	3.0000	1.2000
STC's operational expenses	0.3500	0.4000
Fund from Price Stabilisation Account	(0.9197)	0.0000
Adjustment	0.0000	1.1640
TRANSFER PRICE TO OIL COMPANIES	34.2069	26.5868
Oil Companies' operational expenses and wholesale margin	2.1500	1.9800
VAT (15%)	5.7391	4.5652
WHOLESALE PRICE	42.0960	33.1320
Retail margin	1.9040	1.8680
RETAIL PRICE (Price at Petrol Service Station)	44.0000	35.0000