



STC PRESS RELEASE

The Petroleum Pricing Committee (PPC) met on Saturday 26 February 2022 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 of Mogas and Gas Oil be increased as per Regulation 5 (3), as shown below:

Product	New Retail Price Rs / Litre
Mogas	61.30
Gas Oil	45.10

The Committee took note of the evolution of world prices of Mogas and Gas Oil, which have been persistently increasing since the past months. The Committee also considered the status of the Price Stabilisation Accounts. It has been noted that at the last PPC meeting of 28 December 2021, the retail price of Mogas should have increased by Rs 10.00 per litre or by 19.72% and that of Gas Oil should have increased by Rs13.55 per litre or 36.33% but the increases were limited to a maximum of 10%. Thereafter, there has been a continuous upsurge in the world prices of both products reaching a peak of **US\$964.25 per metric ton for Mogas and US\$114.28 per barrel for Gas Oil** on 24 February 2022.

Mogas (L'Essence) – Based on the new Reference Price of US\$898.01 per metric ton for Mogas, that is, the actual prices for December 2021 to February 2022 and the future prices for March to May 2022 at an exchange rate of Rs44.10/US\$, the retail price of Mogas should increase to Rs68.15 per litre i.e by Rs12.40 per litre or by 22.24%. However, as provided for under Regulation 5 (3)(b), the increase in the retail price of Mogas has been limited to a maximum of 10% (9.96%). Thus, a loss of Rs6.85 per litre is being carried forward.

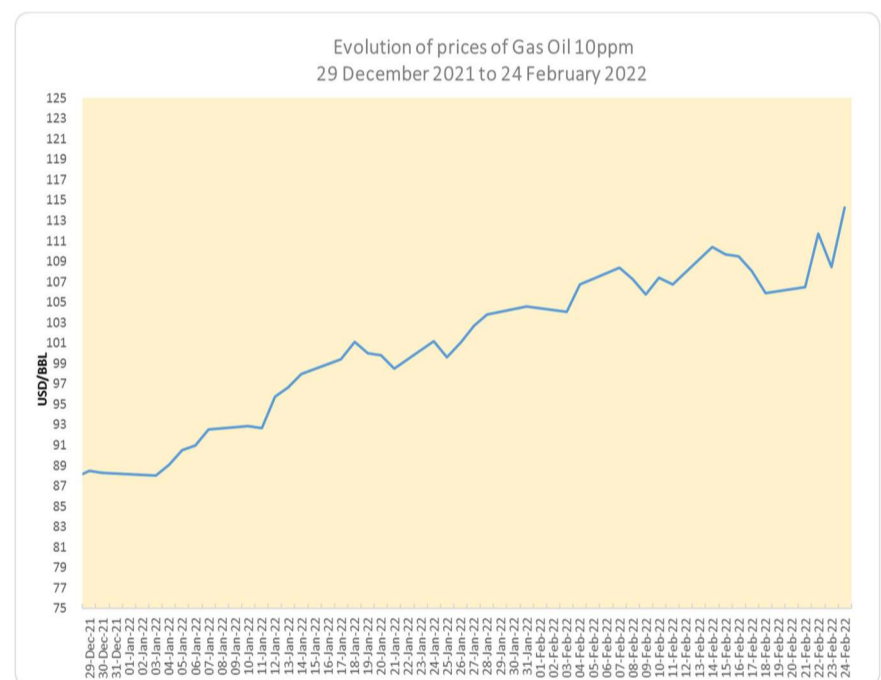
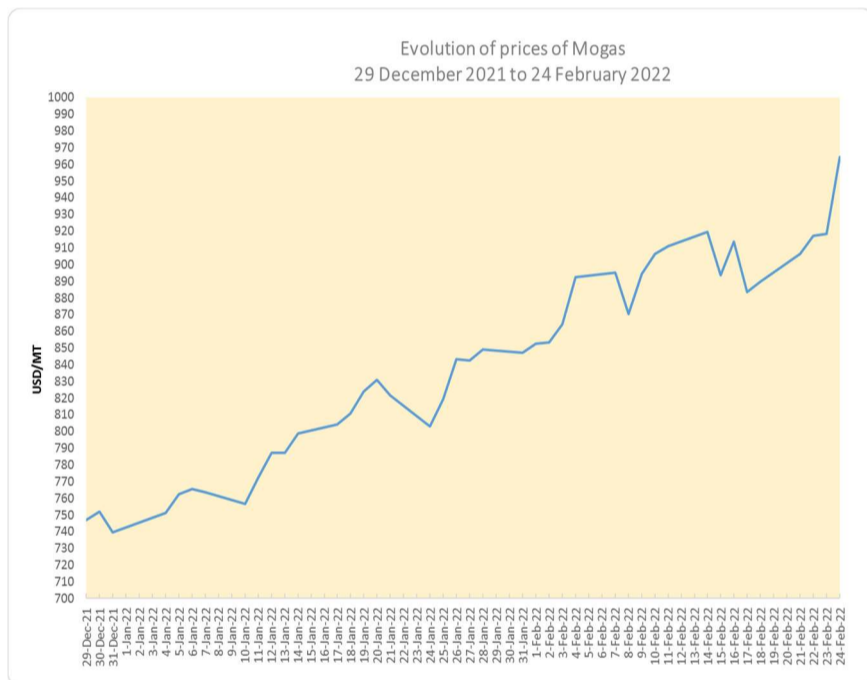
Gas Oil (Diesel) – Using the new Reference Price of US\$108.45 per barrel, that is the actual prices for December 2021 to February 2022 and the future prices for March to May 2022 at an exchange rate of Rs44.10/US\$, the retail price of Gas Oil should increase to Rs58.05 per litre i.e by Rs17.05 per litre or 41.59%. However, as provided for under Regulation 5 (3)(b), the increase in the retail price of Gas Oil has been limited to a maximum of 10%. Thus, a loss of Rs12.95 per litre is being carried forward.

The new retail price for both Mogas and Gas Oil is effective as from **00.00 hr on Sunday 27 February 2022**.

The evolution of the world prices of Mogas and Gas Oil since 29 December 2021 to 24 February 2022 is shown in the graphs below:

Graph 1 – Mogas

Graph 2 – Gas Oil



Based on the new Reference Prices, the retail price of Mogas (L'Essence) is increased to Rs61.30 per litre and that of Gas Oil (Diesel) is increased to Rs45.10 per litre. The new Price Structures are as follows:

	Mogas	Gas Oil
Reference Price - US\$ per Metric Ton	898.0100	-
Reference Price - US\$ per barrel	-	108.4500
CIF - US\$/litre	0.7298	0.7092
Exchange rate – Rs/US\$	44.1000	44.1000
	Rupees per litre	
CIF	32.1842	31.2757
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	4.2000	4.2000
Contribution to the COVID-19 Solidarity Fund	1.0000	1.0000
Contribution to finance the cost of COVID-19 vaccines	2.0000	2.0000
STC's Operational Expenses	0.3500	0.4000
Adjustment	(5.9598)	(11.2683)
TRANSFER PRICE TO OIL COMPANIES	48.8844	34.9674
Oil Companies' Operational Expenses and Wholesale Margin	2.3500	2.1800
VAT (15%)	7.9956	5.8826
WHOLESALE PRICE	59.2300	43.0300
Retail Margin	2.0700	2.0700
RETAIL PRICE (Price at Petrol Service Station)	61.3000	45.1000