



STC PRESS RELEASE

The Petroleum Pricing Committee (PPC) met on Friday 9 February 2018 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), decided that the retail prices be maintained as follows as per Regulation 5(3):

Product	Retail Price Rs / Litre
Mogas	47.30
Gasoil	38.10

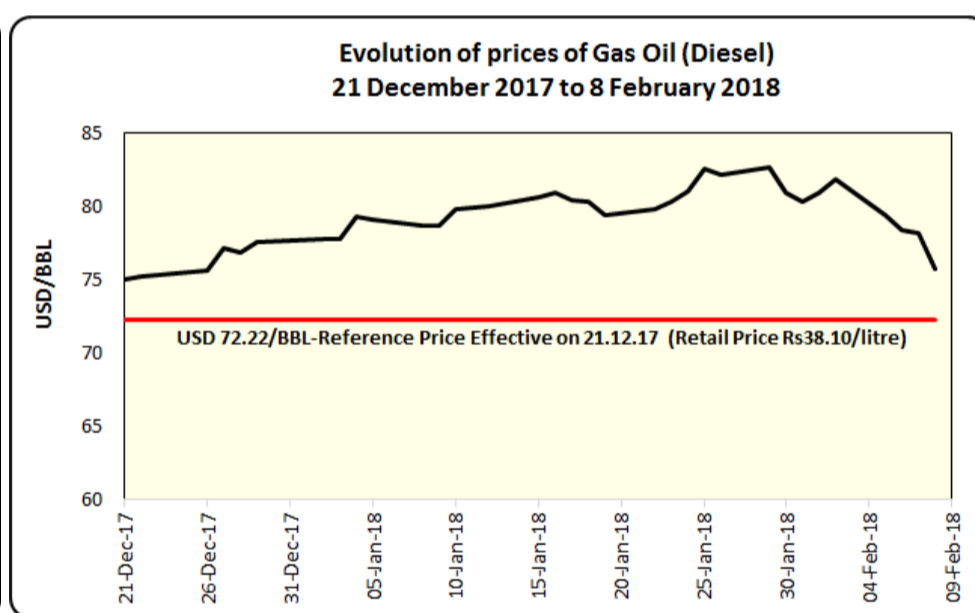
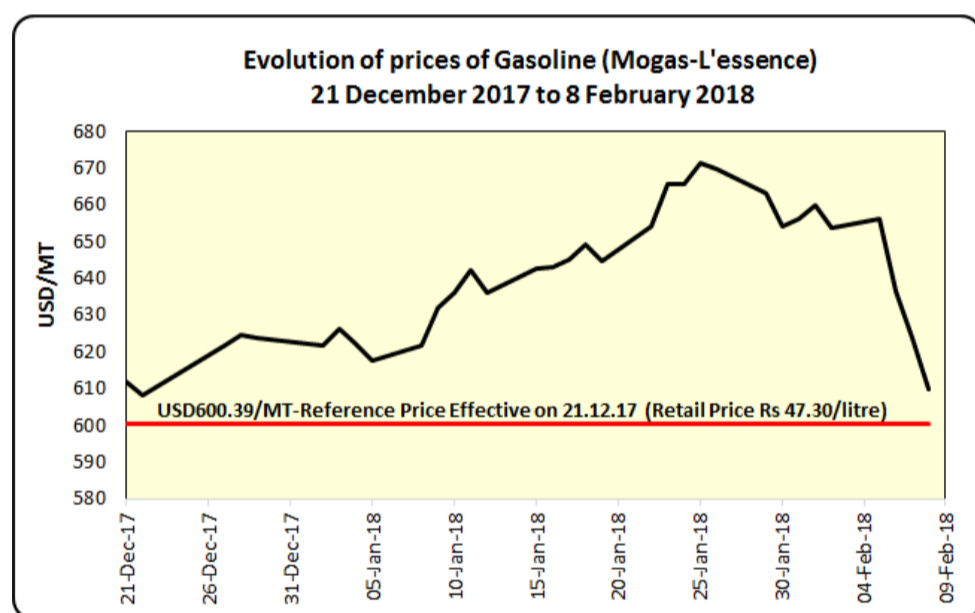
As per PPC of 20 December 2017, the retail price of Mogas was Rs47.30 per litre and that of Gas Oil was Rs38.10 per litre. The Reference prices used at that time were US\$600.39 per M.Ton for Mogas and US\$72.22 per Barrel for Gas Oil. The Price Stabilisation Account (PSA) had a negative balance of Rs333 million as stated in the press release of 20 December 2017. Since then, the deficit in the balance of the PSA has been reduced to Rs211.1 million as at 9 February 2018.

The Reference prices used for the present exercise, that is, the actual price for November 2017 to January 2018 and the future prices for February 2018 to April 2018 are US\$644.53 per M.Ton for Mogas representing an increase of US\$44.14 per M.Ton (7.35%) and US\$80.12 per Barrel for Gas Oil representing an increase of US\$7.90 per Barrel (10.94%) compared to December 2017. Since the percentage increases in the retail prices of Mogas and Gas Oil are below 4%, their prices are maintained at their current levels, as per Regulations.

The evolution of the FOB prices of Mogas and Gas Oil since 21 December 2017 are shown below:

Graph 1 – Mogas

Graph 2 – Gas Oil



Based on the new Reference prices, the retail prices of Mogas and Gas Oil have been maintained at their current level, that is, Rs47.30 per litre and Rs38.10 per litre respectively as shown below:

	Mogas	Gas Oil
Reference Price - US\$ per metric ton	644.53	-
Reference Price - US\$ per Barrel	-	80.1200
CIF - US\$/litre	0.5179	0.5268
Exchange rate – Rs/US\$	33.2500	33.2500
	Rupees per litre	
CIF	17.2202	17.5161
Excise duty	14.8000	7.3000
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 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
Adjustment	(0.3638)	(0.9037)
TRANSFER PRICE TO OIL COMPANIES	37.3664	29.5724
Oil Companies' operational expenses and wholesale margin	1.9300	1.7600
VAT (15%)	6.1696	4.9696
WHOLESALE PRICE	45.4660	36.3020
Retail margin	1.8340	1.7980
RETAIL PRICE (Price at Petrol Service Station)	47.3000	38.1000