



PRESS RELEASE

The Petroleum Pricing Committee (PPC) met on Friday 6 October 2023 to consider the decision of Government to inject Rs 250 million in the Price Stabilisation Account (PSA) of Mogas and to review the prices of Mogas and Gas Oil taking into account the evolution of world prices of petroleum products in line with the provisions of the Regulation 8 of the Consumer Protection (Control of Price of Petroleum Products) Regulations 2011 (as amended). After verification of the computation submitted by the Corporation, the Committee has recommended that the retail prices of Mogas and Gas Oil be revised as per Regulation 5, as follows:

Product	New Retail Price Rs / Litre
Mogas	69.00
Gas Oil	63.95

Mogas (L'Essence) -The Committee took note of the evolution of world prices of petroleum products and the decision of Government to inject funds in the PSA of Mogas and recommended that the price of Mogas be fixed at Rs 69.00 per litre.

Gas Oil (Diesel) – The Committee has taken into consideration the huge deficit of Rs 5.1 billion in the PSA of Gas Oil and the fact that the increase in the retail price of Gas Oil was limited to 10% at the last PPC meeting of 30 September 2023, a loss was carried forward. Subsequently, an increase of Rs 3.95 per litre has been recommended in line with the provisions of the Regulations.

The Committee took note that since December 2021, the maximum increases could not be passed on to consumers resulting in an increase in the deficit in the PSA as shown below.

	Deficit in PSA		
	Mogas (Rs Billion)	Gas Oil (Rs Billion)	Total Deficit in PSA (Rs Billion)
PPC meeting of 28 December 2021	(0.6)	(0.9)	(1.5)
PPC meeting of 26 February 2022	(0.8)	(1.3)	(2.1)
PPC meeting of 19 April 2022	(1.0)	(1.8)	(2.8)
PPC meeting of 18 May 2022	(1.1)	(2.2)	(3.3)
PPC meeting of 13 September 2022	(1.0)	(3.5)	(4.5)
PPC meeting of 12 January 2023	(0.6)	(3.8)	(4.4)
PPC meeting of 11 May 2023	(0.3)	(4.4)	(4.7)
PPC meeting of 2 June 2023	0.1	(4.4)	(4.3)
PPC meeting of 30 September 2023	(0.1)	(5.1)	(5.2)
Fund received from Government	0.25	-	-
PPC Meeting of 6 October 2023	0.13	(5.1)	(5.0)

The retail prices of Mogas (L'Essence) is decreased to Rs 69.00 per litre and that of Gas Oil (Diesel) is increased to Rs 63.95 per litre. The new Price Structures are as follows:

	Mogas	Gas Oil
Reference Price - US\$ per Metric Ton	961.3500	-
Reference Price - US\$ per barrel	-	121.6500
CIF - US\$/litre	0.7923	0.8145
Exchange rate – Rs/US\$	44.6500	44.6500
	Rupees per litre	
CIF	35.3762	36.3674
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	7.2000	7.2000
STC's Operational Expenses	0.3500	0.4000
Rounding of Figures	-	0.0313
Fund (from) Price Stabilisation Account	(2.4562)	-
TRANSFER PRICE TO OIL COMPANIES	55.5800	51.3587
Oil Companies' Operational Expenses and Wholesale Margin	2.3500	2.1800
VAT (15%)	9.0000	8.3413
WHOLESALE PRICE	66.9300	61.8800
Retail Margin	2.0700	2.0700
RETAIL PRICE (Price at petrol service station)	69.0000	63.9500