



PRESS RELEASE



The Petroleum Pricing Committee (PPC) met on 18 May 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), recommended 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	74.10
Gas Oil	54.55

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 Account (PSA). It has been noted that at the last PPC meeting of 19 April 2022, the retail price of Mogas should have been increased by Rs12.63 per litre or by 20.60% and that of Gas Oil should have increased by Rs21.80 per litre or 48.34% but the increases were limited to a maximum of 10%.

Mogas (L'Essence) – Based on the new Reference Price of US\$1,133.54 per metric ton for Mogas, that is, the actual prices for February, March and April 2022 and the future prices for May to July 2022 at an exchange rate of Rs43.50/US\$, the retail price of Mogas should increase to Rs76.47 per litre i.e. by Rs9.07 per litre or by 13.46%. 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% (9.94%). Thus, a loss of Rs2.06 per litre is being carried forward.

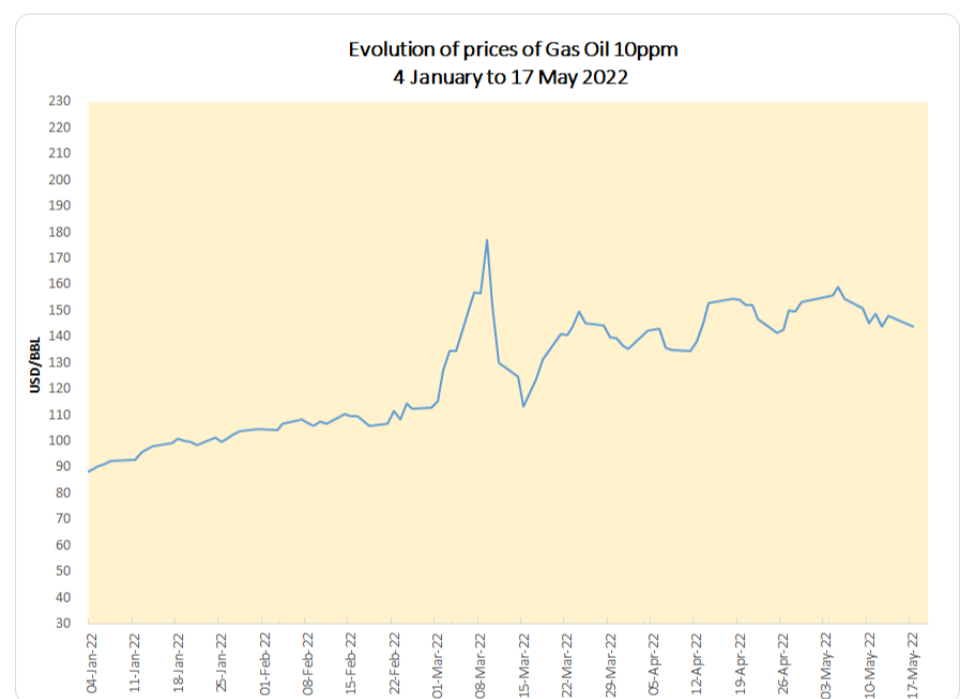
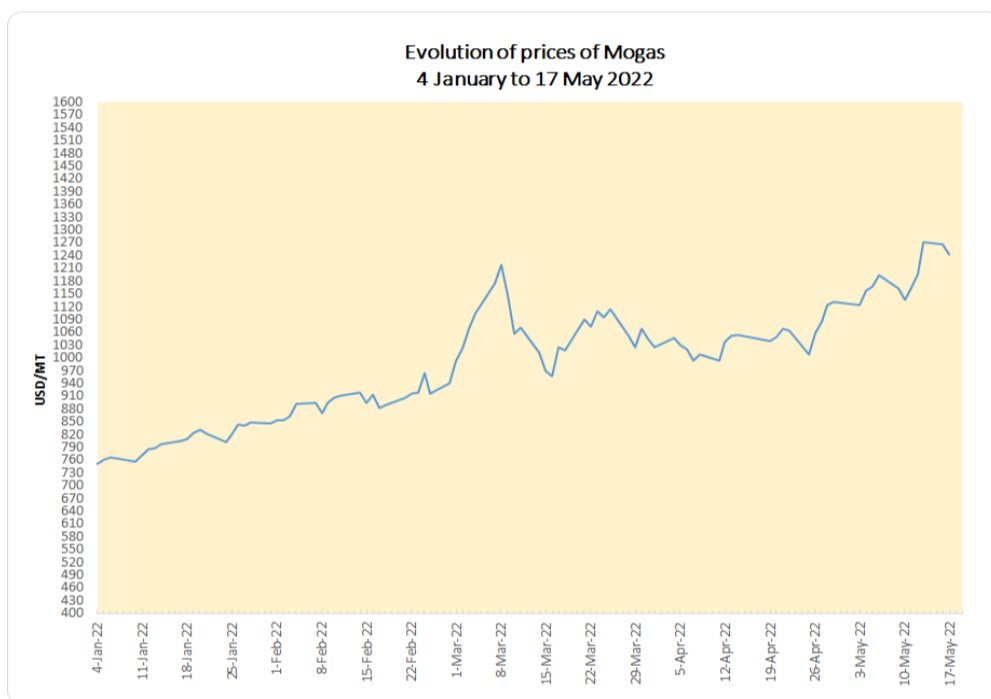
Gas Oil (Diesel) – Using the new Reference Price of US\$145.13 per barrel, and an exchange rate of Rs43.50/US\$, the retail price of Gas Oil should increase to Rs69.11 per litre i.e. by Rs19.51 per litre or 39.33%. However, as provided for under Regulation 5 (3)(b), the increase in the retail price of Gas Oil has been limited to a maximum of 10% (9.98%). Thus, a loss of Rs12.66 per litre is being carried forward.

The new retail price for both Mogas and Gas Oil is effective as from **00.00 hr on Thursday 19 May 2022**.

The evolution of the world prices of Mogas and Gas Oil since 04 January to 17 May 2022 are 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 Rs74.10 per litre and that of Gas Oil (Diesel) is increased to Rs54.55 per litre. The new Price Structures effective as from 19 May 2022 are as follows:

	Mogas	Gas Oil
Reference Price - US\$ per Metric Ton	1,133.5400	-
Reference Price - US\$ per barrel	-	145.1300
CIF - US\$/litre	0.9062	0.9399
Exchange rate – Rs/US\$	43.5000	43.5000
	Rupees per litre	
CIF	39.4197	40.8857
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	(2.0649)	(12.6609)
TRANSFER PRICE TO OIL COMPANIES	60.0148	43.1848
Oil Companies' Operational Expenses and Wholesale Margin	2.3500	2.1800
VAT (15%)	9.6652	7.1152
WHOLESALE PRICE	72.0300	52.4800
Retail Margin	2.0700	2.0700
RETAIL PRICE (Price at Petrol Service Station)	74.1000	54.5500

18 May 2022