



The Petroleum Pricing Committee (PPC) met on Friday 24 May 2024 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 maintained at their present level as per Regulation 5 (1) and 5 (2).

The Committee also took note of the evolution of world prices of Mogas and Gas Oil and also considered the **deficit of Rs 4.3 billion in the Price Stabilisation Account (PSA) of Gas Oil**.

Mogas (L'Essence) – Based on the new Reference Price of US\$ 858.08 per metric ton for Mogas, that is, the actual prices for March to May 2024 and the future prices for June to August 2024 at an exchange rate of Rs 46.84/US\$, the new retail price works at Rs 69.66 per litre, that is an increase of 5.22%. Since the PSA for Mogas has a positive balance, the retail price is maintained at its current level in accordance with Regulation 5 (1).

Gas Oil (Diesel) – Using the new Reference Price of US\$ 96.70 per barrel, that is, the actual prices for March to May 2024 and the future prices for June to August 2024 at an exchange rate of Rs 46.84/US\$, the retail price of Gas Oil works at Rs 57.51 per litre. However, given that the PSA of Gas Oil is in deficit by about Rs 4.3 billion and as per Regulation 5 (2) which states that “subject that there are funds in the PSA, the retail price of a petroleum product shall be decreased,” the retail price of Gas Oil is being maintained at Rs 63.95 per litre.

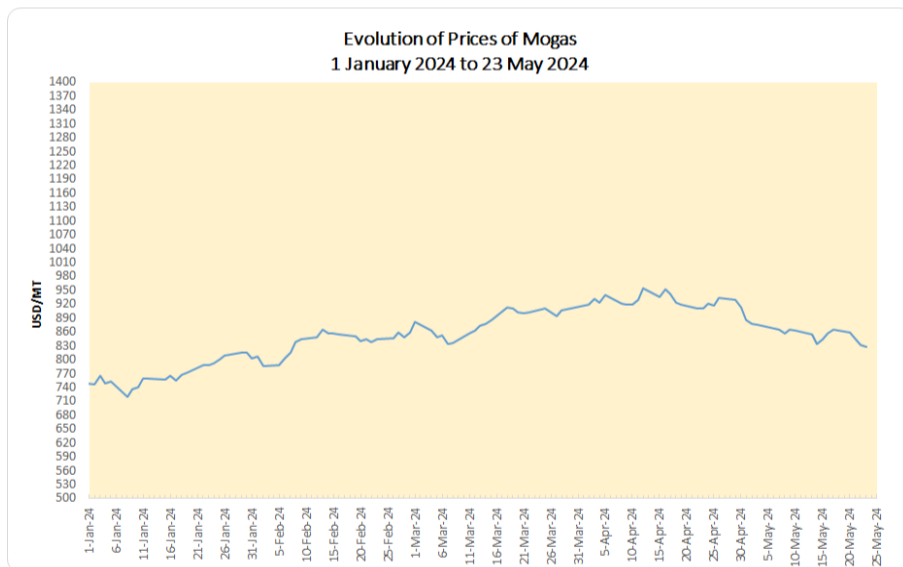
The deficit in the PSA has evolved as hereunder:

| 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) |
| PPC meeting of 6 October 2023 | 0.1 | (5.1) | (5.0) |
| PPC meeting of 27 January 2024 | 0.3 | (4.5) | (4.2) |
| PPC meeting of 24 May 2024 | 0.1 | (4.3) | (4.2) |

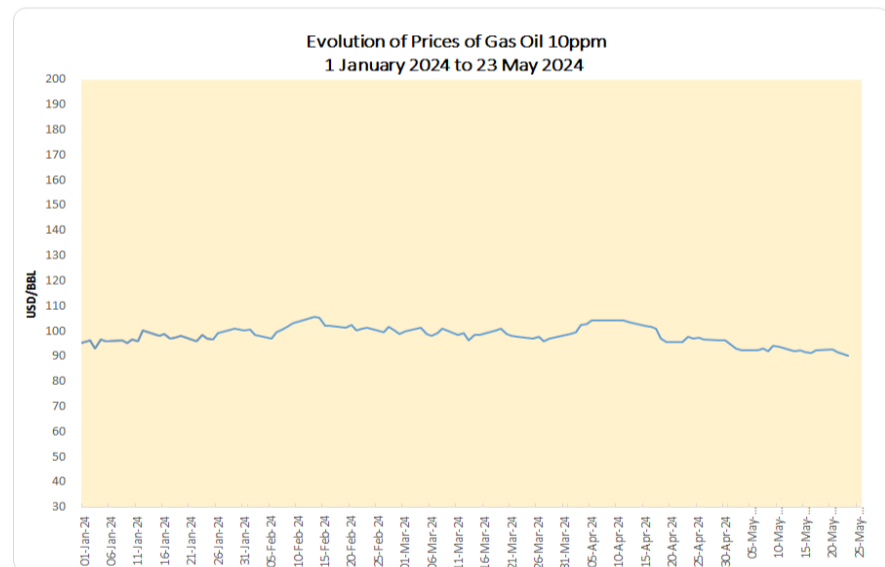
It is to be highlighted that the above deficits pertain only to Mogas and Gas Oil and not to the other operations of STC.

The evolution of the world prices of Mogas and Gas Oil from 1 January to 23 May 2024 is shown in the graphs below:

Graph 1 – Mogas



Graph 2 – Gas Oil



The retail prices of Mogas (L'Essence) and Gas Oil (Diesel) are maintained at Rs 66.20 per litre and Rs 63.95 per litre respectively. The new Price Structures are as follows:

| | Mogas | Gas Oil |
|---|----------------|----------------|
| Reference Price - US\$ per Metric Ton | 858.0800 | - |
| Reference Price - US\$ per barrel | - | 96.7000 |
| CIF - US\$/litre | 0.7150 | 0.6575 |
| Exchange rate – Rs/US\$ | 46.8400 | 46.8400 |
| Rupees per litre | | |
| CIF | 33.4906 | 30.7973 |
| Excise duty | 11.8700 | 4.2200 |
| 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 | 0.0500 | 0.0500 |
| Contribution to Subsidy on LPG, Flour and Rice | 7.2000 | 7.2000 |
| STC's Operational Expenses | 0.3500 | 0.4000 |
| Fund to/(from) Price Stabilisation Account | (3.0054) | 5.6014 |
| TRANSFER PRICE TO OIL COMPANIES | 52.2152 | 50.4287 |
| Oil Companies' Operational Expenses and Wholesale Margin | 2.3500 | 2.1800 |
| VAT (15%) | 8.6348 | 8.3413 |
| WHOLESALE PRICE | 63.2000 | 60.9500 |
| Retail Margin | 3.0000 | 3.0000 |
| RETAIL PRICE (Price at Petrol Service Station) | 66.2000 | 63.9500 |