

How Are the Retail Prices of Mogas and Gas Oil Calculated in Mauritius?

This step-by-step guide explains in simple terms how the retail prices of Mogas (L'Essence) and Gas Oil (Diesel) are calculated by the State Trading Corporation (STC).

◆ Step 1: International Market Price is Collected

- STC buys Petroleum Products on the international market.
- Price is in US\$/barrel for Mogas and in US\$/barrel for Gas Oil.
- Uses 3 months' actual + 3 months' future prices.

■ Example: September 2026 pricing exercise = Average of Platts Price [July 2026 – September 2026 (actual) and October 2026 – December 2026 (forecast)]. Section 3.2A of the Regulations provides that “Where the reference price is lower than the last month average Platts price, the Corporation shall, in determining the retail price of a petroleum product, use the last month Platts price.”

◆ Step 2: Convert to Mauritian Rupees (Rs)

- Prices in USD are converted to MUR using exchange rate of the day.

◆ Step 3: Add Shipping and Insurance (CIF)

- CIF = Cost, Insurance & Freight.
- Total landed cost per litre in Mauritius.

◆ Step 4: Add Government Charges & Contributions

	Rs/Litre	
	Mogas	Gas Oil
Excise Duty	9.8700	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

◆ **Step 5: Add STC Operational Expenses**

- A charge (e.g., Re 0.35/litre for Mogas– Re 0.40/litre for Gas Oil) is added for STC's expenses.

◆ **Step 6: Transfer Price to Oil Companies**

- This is the price at which STC sells Mogas and Gas Oil to oil companies.

◆ **Step 7: Oil Companies Add Their Margins**

- Includes wholesale margin of Rs2.59/litre for Mogas and Rs2.18/litre for Gas Oil and Retail margin of Rs 3.00/litre (for petrol stations) for both Mogas and Gas Oil.

◆ **Step 8: VAT- 15%**

- VAT is computed at 15% on Transfer price + Oil companies' operational expenses (OPEX) and wholesale margin + Retail margin.

◆ **Step 9: Final Retail Price = What You Pay**

- Total price = international cost + shipping + taxes + margins.

💡 Example (September 2026):

Component	Rs/Litre	
	Mogas	Gas Oil
CIF	47.2986	53.9378
Excise Duty	9.8700	4.2200
Other Contributions	9.5100	9.4100
Others (STC expenses + Adjustment)	(4.7034)	(4.6174)
VAT	10.1348	10.2196
OPEX and Wholesale & Retail Margin	5.5900	5.1800
Retail Price (Price at Petrol Service Station)	77.7000	78.3500

◊ **Why Prices Don't Always Decrease?**

- If the percentage decrease is below 4%, it is not applied (per law).
- If PSA (Price Stabilisation Account) is in deficit, no decrease is allowed.
- STC uses surpluses realized on each product to offset their respective past deficits.

28 September 2026