

Rein in the price rise.

The prices of all essential commodities, like wheat, cooking oil, LPG gas, etc., are skyrocketing. This is evidenced by the government's own statistics. Quoting the National Statistical Office, the Times of India dated 13th May, 2022 reported that, the retail inflation had reached 7.8%, which was an 8 year high.

Likewise, the Times of India dated 18th May, 2022 reported that, the Wholesale Price Index (WPI) had reached a nine year high of 15.1%. It further reported that, the WPI inflation was the highest in 31 years, going by the 1981-82 series. The report also stated that, the prices of wheat rose by 10.7%, vegetables by 23.2% and manufactured products by 10.9%. All these figures prove that, price rise is breaking the back of the common man.

Undoubtedly, the rise in the price of diesel is having a cascading effect and is pushing up the prices of all the commodities. But, the government is having a ready-made reply for this. It says that, the increase in the prices of petrol, diesel and cooking gas is due to the increase in the price of crude oil in the international market, which in turn, is a fallout of the Russia-Ukraine war. Certainly, the war has an impact on the prices of petroleum products. But, that is not the main reason.

The main reason is the unprecedented increase in the excise duty levied on the petroleum products, by the Modi government.

Way back on 4th February, 2021, Dr.Subramanian Swamy, an MP of the ruling BJP, made a sarcastic comment by stating that, petrol price was Rs.93/- per litre in Ram's India, and the same was only Rs.51/- in Ravan's Sri Lanka. He has also stated that, the price of petrol in Sita's Nepal was only Rs. 51/- per litre. Dr. Subramanian Swamy's biting sarcasm proves that, the price of petrol and diesel is rising in India, not due to the international price of crude oil, but due to the excessive excise duty being levied by the Modi government.

This is further proved by the government's own submission in the Parliament. On 14th December, 2021, Finance Minister Nirmala Sitharaman informed the Parliament that, the Centre had earned nearly Rs 8.02 lakh crore from taxes on petrol and diesel, during the preceding 3 financial years, of which more than Rs 3.71 lakh crore was collected in the financial year 2021 alone. This is compared to the Rs.52, 573 crore, collected as a taxes on petrol and diesel in the year 2013.

Stung by severe criticism, on 20th May, 2022, the government announced reduction in excise duty on petrol by Rs. 8 per litre and on diesel by Rs. 6 per litre. This is not enough. If the government really wants to control the price rise, it should substantially cut back the taxes on petrol, diesel and cooking gas.
