

**A statement circulated by Shri Ram Naik, former Petroleum Minister in a  
Press Conference held in Patna on Thursday, 21st April 2011**

***Finalise Petroleum Policy,  
Stop acute scarcity of LPG cylinders!***

**Patna, Thursday:** "India is facing two very serious problems, prolonged spell of spiralling prices and all - round corruption. One of the most important reasons for high inflation which is highest in 16 years is increasing prices of petroleum products which accelerate the vicious circle of increasing prices. Prime Minister Dr. Manmohan Singh should demonstrate courage and political will to formulate Petroleum Policy and implement it", stated Shri Ram Naik, Bharatiya Janata Party leader and former Petroleum Minister. He was addressing media persons to-day in Patna.

Elaborating his views, Shri Ram Naik said, "India imports 70 % of her crude oil requirements. The volatility of crude oil prices is extremely high in the international market. It has its natural impact on Indian economy. It is therefore necessary to have a Petroleum Policy which will insulate the economy as well as the consumers. While the current petrol prices have 50 % component of import duty, excise - duty, sales - tax, etc., diesel prices have 33 % taxes. It is in the national interest to reduce these taxes by evolving an appropriate Petroleum Policy. The million dollar question is whether Prime Minister Dr. Manmohan Singh possesses the political will. The fact that the country has seen three Petroleum Ministers in the last six years speaks volumes about the mismanagement."

"There is an acute scarcity of LPG cooking gas cylinders all over the country. It takes more than a month to get a replacement cylinder. In Vajpayee Government we gave more than 4 crore new connections and cylinders used to be delivered within 24 hours without charging any additional price. Why is it getting delayed now? The black market operations are rampant. We had also introduced 5 Kg. small size cylinders for the benefit of people in hilly areas and also lower income groups in rural areas and city slums so that they become affordable. The Congress Government have discontinued the scheme and these cylinders are being sold at commercial rates. I discussed personally this sorry state of affairs with Petroleum Minister Shri Jaipal Reddy on 18th March. However there is no perceptible change in the situation", added Shri Naik.

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"The lack of political will took a serious casualty when Oil Mafias in Maharashtra burnt alive a Deputy Collector who attempted to catch oil adulterers red-handed. While working as a Petroleum Minister, I had constituted an Anti - adulteration Cell with regional offices in all the states. The campaign yielded results and adulteration activities were considerably reduced. However as soon as Dr. Manmohan Singh took over, the Anti - adulteration Cell was disbanded", stated Shri Naik.

While giving one more example of lack of political will, Shri Ram Naik added, "In order to reduce dependence on imported crude oil and also to have supplementary source of supply, Vajpayee Government introduced Ethanol, which is a byproduct of sugarcane molasses. This would have also added to the income of sugarcane farmers. In the first stage, we started blending 5 % ethanol in petrol in sugarcane producing states. In the second stage it was to be increased to 10 % in all the states. Nearly 50 factories came up in different states. However the Congress Government succumbed to the pressure of liqueur lobby and discontinued ethanol blending in petrol. After a lapse of six years, they are now reconsidering the issue. However the question remains as to who is responsible for the loss to the country and also the farmers?", questioned Shri Naik at the end.

**(Office Secretary)**