

Nation's economy heading towards financial anarchy: Ram Naik

Mumbai, Monday: "With ever-increasing prices of essential commodities the nation is heading towards financial anarchy. Hiking dollar - rupee exchange rate up to Rs 68.83, This quarter's Gross Domestic Product (GDP) going down up to 4.4% which is lowest in last 4 years, increase in crude oil imports from 70% to 80%, etc are the signs of paralyzed economy of the country. Instead of taking Opposition into confidence at this hour of crisis, the Prime Minister Dr Manmohan Singh is making meek attempt to hold BJP responsible for the downfall. As if this was not enough now his cabinet colleague Petroleum Minister Shri Virappa Moily is considering shutting down petrol pumps at night to reduce the imports. Have they all lost their sense of proportion? How this would reduce imports? It would just create chaos at the retail outlets", criticized Shri Ram Naik, former Petroleum Minister in a press note issued today.

Shri Ram Naik also issued the chart of comparative prices of essential commodities during Vajpayee regime in May 2004 and during the 1st tenure of Congress i.e. in April 2009 and 2nd tenure in September 2013. Shri Ram Naik said, "Prices of wheat increased to Rs. 28 per kg in September 2013 from Rs.9 in April 2004 (211 % increase), whereas that of Rice to Rs.30 from Rs. 10 (200% increase), Toor Dal to Rs.80 from Rs. 30 (167% increase), Moong Dal to Rs. 84 from Rs.24 (250 % increase), Masoor Dal to Rs. 80 from Rs.22 (264% increase), Chana Dal to Rs.56 from Rs. 25 (124 % increase) and Jaggery Rs.55 from Rs.14 (293% increase). Prices of daily essential commodities, such as Onion are increased to 70 from Rs.6 (1074% increase), Potato to Rs. 22 from Rs.8 (175 % increase), Tomato to Rs.30 from Rs.9 (233% increase), Tea to Rs. 300 from Rs.80 (275 % increase), Sugar to Rs.38 from Rs.14 (293% increase) and milk to Rs. 44 from Rs.14 (214% increase).

The prices of petroleum products have also increased, i.e. Diesel to Rs. 58.86 from Rs. 22.50 (162% increase), Petrol to Rs. 81.57 from Rs. 33.15 (145% increase). While subsidized LPG Cooking Gas price is increased up to Rs. 448.50 from Rs. 224 (84% increase), the non-subsidized Cylinder price has gone up to Rs. 858 (252% increase). In addition to this, Petroleum Minister Shri Virappa Moily, in a letter written to Prime Minister, has hinted price hike of Petrol by Rs. 2, Diesel by Rs. 3 -5 and LPG Gas Cylinder by Rs. 50.

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"The devaluation of Rupee has added the fuel to the fire. The Dollar-Rupee Exchange rate, which was Rs. 45.10 in 2004, has now reached to Rs. 68.33. This 53% de-valuation of Rupee is the lowest in the history. In addition to this more imports than exports is adversely affecting the country's economy", added Shri. Ram Naik.

Prices of Crude Oil have increased enormously in the International Market. Imports of Crude Oil have increased to 80% from 70%. Additionally due to lack of firm Petroleum Policy since last ten years there is no substantial growth in the production of Oil and Natural Gas within the country. As if this was not enough Congress Govt. discontinued the use of Ethanol as an alternate fuel, which was started during the Vajpayee Govt. All these things together have accelerated the vicious circle of price-hike. "It is crystal clear that the economy is paralyzed in the Congress regime. Bharatiya Janata Party have resolved to bring to an end this financial anarchy once and for all, and appeal people to join the cause", Shri Ram Naik appealed at the end.

(Office Secretary)

Bharatiya Janata Party

Prices of Essential Commodities in Mumbai

(Compiled by Shri Ram Naik, Shri Giridhar Salunke)

Commodity	Rates in BJP Government (Per Kg in Rs.) May 2004	Rates in First Congress Government (Per Kg in Rs.) April 2009	Rates in Second Congress Government (Per Kg in Rs.) 1st September 2013	Increase compared to 2004 prices (Percentage%)
Wheat	9	20	28	211%
Rice	10	22	30	200%
Sugar	14	23	38	171%
Tea Powder	80	190	300	275%
Edible Oil	40 (per litre)	70 (per litre)	78 (per litre)	95%
Dalda	40	60	80	100%
Toor Dal	30	100	80	167%
Moong Dal	24	54	84	250%
Masoor Dal	22	60	80	264%
Gram Dal	25	36	56	124%
Jaggery	14	32	55	293%
Besan	20	48	60	200%
Potato	8	14	22	175%
Onion	6	16	70	1067%
Tomato	9	16	30	233%
Milk	14 (per litre)	28 (per litre)	44 (per litre)	214%
Kerosene	18 (per litre)	25 (per litre)	50 (per litre)	178%
Cooking Gas (LPG)	244 (per cylinder)	312 (per cylinder)	448.50 (per cylinder) * 858 (per cylinder) without subsidy	84% 252%
Petrol	33.15 (per litre)	44.60(per litre)	81.57 (per litre)	146%
Diesel	22.50 (per litre)	34.50(per litre)	58.86 (per litre)	162%
CNG	19.71 (per kg)	24.65(per kg)	35.95 (per kg)	82%
Dollar \$	Rs. 45.10	Rs. 50.05	Rs. 68.83	53%

Important:

1. Central Statistical Organization of Government of India have announced that GDP (Gross Domestic Product) would be 5% in 2012 - 2013. This is the lowest rate in the last 10 years and is a warning bell for the country's economy. GDP has reached its lowest in last 4 years. For April to June quarter it is now merely 4.4%.
2. The conversion rate for one US\$ was Rs.45.10 in 2004. It has now reached to Rs.68.83, increase by 53%. It means we will have to pay 53% more for imports. This is the lowest rate in the last 11 months. Since our imports are more than exports, the decline in Rupee is hitting hard to the economy.
3. Crude oil imports have shot up from 70% to 80%. Simultaneously its price in international market too has sky rocketed. Both these facts have further accelerated the speed of vicious circle of inflation.