

Title:

How to Start Import Export Business

Word Count:

302

Summary:

Indian Government hike Fuel prices

Keywords:

Indian Economy, Inflation, Fuel Prices

Article Body:

Courage is the discovery that you may not win, and trying when you know you can lose.

The Government finally managed to muster up enough courage to hike retail prices of petrol, diesel and cooking gas. (Kerosene of course was exempt and will add to the joy of adulterators). To limit the burden on consumers, the Centre has also slashed customs duty on crude and petro products besides trimming the excise duty on petrol and diesel. But, all this may be a case of too little, too late. At best, it will provide a lifeline to the PSU oil marketing companies for some time. A long-term solution to the perennial problems of India's highly politicised oil sector continues to elude us.

In an unprecedented (perhaps a desperate) move to pacify the people, the Prime Minister went on air to explain the rationale behind the move. He is also seeking a long-term solution rather than saddle the Government and oil companies with the majority of the burden. As usual, the Left parties, and the BJP slammed the Government's decision. Even the RJD, very much part of the Congress coalition, has called for a rollback. If the political temperature continues to mount, there could be a small reversal in the fuel price hike.

There are difficult days ahead in 2008 for worldwide markets. With the continuous rise in CRUDE oil prices, the worldwide economy is being affected. The recent price hike in Fuel prices across India is the LIVE example where there will be an additional burden on common man:

Petrol prices increased by Rs. 5 / Liter

Diesel prices increased by Rs. 3 / Liter

LPG prices increased by Rs. 50 / Liter

This price hike was inevitable as the Oil marketing companies were facing the

liquidity crunch because of global Crude oil price increase taking the price to \$125/barrel.