

A Review of Strengths and Weaknesses of Pradhan Mantri Ujjwala Yojana

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Abstract – The Modi Government has launched the Pradhan Mantri Ujjwala Yojana with a goal to provide environment friendly clean cooking fuel (LPG) to women of rural areas in order to get rid of health hazards faced by them by using traditional hazardous fuel. The policy has multipronged objectives such as getting rid of hazardous traditional cooking in rural India, empowering women and supporting poor households for adopting green fuel. The examination of the policy reveals that it was initiated under the influence of reports of international bodies. The policy was launched without considering the conduciveness of the ground level conditions. The scheme has been interfacing various problems in its implementation. It has been found that despite rapid pace of its implementation, it has the same hurdles to face which other schemes had earlier. There are number of challenges before the PMUY. The launching of policy in haste reflects that it has also the political goals of policy framers.

Key-Words: Clean Fuel, Women Empowerment, Implementation

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INTRODUCTION

A path-breaking initiative that bolstered Government's thinking was the 'Give it Up' Programme, under which the well-off consumers were encouraged to give up their subsidized LPG connections. It is a commendable success story by itself. Customers have given up their entitlements under this initiative, helping save crores per year. Give it Up also provides an unique case of unearthing the altruistic side of average citizens which often lies hidden for lack of encouragement. The call from the Prime Minister has suddenly led to a deluge of surrender of subsidy entitlement. This also in a way underlined the importance of right political leadership to usher in transformational changes. This encouraged the policy framers to divert the benefits of 'Give it Up' call to rural areas in favour of women in shape of Pradhan Mantri Ujjwala Yojana (PMUY).

FEATURES OF THE YOJANA

PMUY is one of the most talked about welfare initiatives undertaken in recent years by our government. The stated objective of providing five crore LPG connections free of cost to families below the poverty line within a three year time frame is well and truly an ambitious initiative. This Programme has multi-dimensional impact a major shift towards clean energy resulting into health benefits for poor households, empowerment of women who always faced the negative impact of the use of traditional cooking fuels like firewood, cow dung and kerosene.

PMUY was launched by the Hon'ble Prime Minister on May 1, 2016 at Ballia in Uttar Pradesh. The government is providing a support of Rs 1,600 per connection. The government has allocated Rs 8,000 crore for the scheme to be spent over three years. An important aspect of the Programme lies in the fact that connections are being issued in the name of the women of the beneficiary families. The scheme is primarily aimed at replacing the unclean cooking fuels mostly used in the rural India with the clean and more efficient LPG (Liquefied Petroleum Gas) and is motivated by a sincere commitment to bring drastic changes in lives of women.

Rapid Pace of Implementation

By April 2017, PMUY became one of the fastest penetrating programmes. The speed of execution is praise worthy in the light of the fact that India has just about 172 million LPG connections in the country at the moment, which effectively means that more than 10% of them have been added during the last one year through this scheme alone.

Such an ambitious welfare programme has been made possible by several imaginative operational maneuvers and strategic initiatives. To a large extent it is the result of a reorientation of the subsidy and better targeting of subsidies.. Through a massive de-duplication exercise, the government was successful in weeding out millions illegal/bogus LPG connections. These connections

were being used by the unscrupulous dealers to divert subsidized cylinders to commercial users.

The Direct Benefit Transfer (DBT) process, which facilitates transfer of the LPG subsidy amount directly to the Aadhar enabled account of the beneficiary helped removal of bogus beneficiaries, thereby saving precious government resources. The savings have clearly bolstered the government coffers on this count. The Government has saved about Rs 21,000 cr during FY15 and FY16. Similarly, in 2015-16, when the average subsidy was Rs 150.82 per cylinder, the Government made a saving of Rs 6,443 cr.

Introduction of PMUY Plus as next level programme

It's particularly credible that the Government has not rested on its laurels of the early success of the Ujjwala Programme and instead sought to take it to the next level. The flagship programme, PMUY, is set to get an image makeover, with the participation of private corporates and other individuals through a scheme called 'PMUY Plus'. A lot of private companies and individuals have started showing interest to be part of this initiative. Under PMUY Plus private parties can pay for the subsidy amount targeted at BPL families. The three oil marketing companies (OMCs) Indian Oil Corporation, Hindustan Petroleum Corporation and Bharat Petroleum Corporation - will form a society to run this programme

Women Empowerment and Smoke Free Environment

The transformational change was brought in to the lives of poor women folk in villages, where most of the beneficiaries live in. Provision of a cleaner fuel has discernible impact on their health. According to the World Health Organization, polluting fuels used for cooking purposes results in 1.3 million premature deaths in India every year.¹ It has been observed that cooking on gas stoves helped save at least 2-3 hours daily, giving them opportunities for leisure activities or other household pursuits. This was partly because cooking on gas was faster, and because it saved them the time and effort needed to go out to collect firewood.² Their houses are cleaner now, in the absence of smoke emissions that would earlier come with using biomass and firewood, staining their utensils and roofs with soot.³ Due to use of LPG, Women do not have to face the problems of

smoke, burning eyes, headache and coughing problems⁴

Besides working as an instrument of women empowerment, an LPG connection often perceived as a trigger for social mobility in the rural environment. Another important consequence of Ujjwala is its impact on environment. By providing an alternate fuel, the Government has considerably lessened the demand for firewood. Village forests are no longer under threat. About 700 million people in India have been using traditional cooking fuels like firewood, charcoal and kerosene etc and these emits more smokes which severely affects the health of women households. It has improved their quality of life⁵

Some Real Implementation Challenges

Like any other programme, PMUY also faced many challenges. One question the critics have started raising is whether the BPL families will actually be able to afford LPG cylinders on a sustained basis. Early data shows that many of the beneficiaries have not come back to the dealers for refilling (The slow rate of refilling could actually be because of slow rate of consumption among lower classes as compared to the average middle class consumers). The real problem most likely lies in the fact that PMUY beneficiaries also are not required to pay security deposit or any other overhead costs while taking LPG connections. They have the option to pay in installments for gas stove and first refill when they get the first connection. But these concessions are not applicable for the second refill so the poor get demotivated to continue in future.⁶

In the absence of authenticated data on BPL population, identification of poor households for allotment of free LPG connection is big challenge. Usage of Socio-Economic Caste Census data can easily be misused by well-offs. As a result the Programme will continue to be poorly targeted despite the best intent of the Government. Since the Aadhaar-based direct benefits transfer (DBT) system is facing legal battle in courts, transferring subsidies directly to oil companies may well encourage leakages in the system by vested interest groups which will bear significant cost to the exchequer, thereby creating apprehensions on future direction of LPG pricing and reform of subsidies.

The other challenge could emanate from the sustained rise in the subsidy load on the Government because of the rise in the subsidized consumers. India is world's second largest LPG

¹ <https://currentaffairs.gktoday.in/tags/ministry-of-petroleum-and-natural-gas/page/9>

³ www.thehindubusinessline.com/economy/policy/article9685035 7th may 2017

⁴ <https://www.thehindubusinessline.com/economy/policy/modi-govts-ujjwala-scheme-leaves-women-healthier-happier/article9685035.ece>

⁴ 14 Months, 2.5 Crore Connections - What Makes Pradhan <https://tfipost.com/2017/07/pradhan-mantri-ujjwala-yojana-02/>

⁵ https://www.ulehssustainability.com/wp-content/uploads/2017/03/UL76_Santee-Cooper_CS.pdf

⁶ The Poor Got LPG Cylinders Under Modi's Scheme But They... <https://thewire.in/energy/modi-lpg-scheme>

importer, a position that was previously occupied by Japan. According to Petroleum Planning & Analysis Cell, LPG imports in the country has increased 23% during the financial year 2016-2017 to about 11 million tonnes⁷. One of the reasons behind the increase in the consumption of LPG in India is due to the free gas connections and the rising number of subsidized cylinders₂.

The poor micro-level implementation mechanism and inadequacy of supply of gas cylinders to the beneficiaries are another big challenge. The much publicized PMUY has also been facing problems of mismatching the promise with implementation. Two examples would be sufficient enough to explain the situation. First, Indian-Asia News Service reported in July 2017, on the basis of data received from Indian Oil Corporation Ltd (IOCL) through RTI query, reveals that in six out of eight northeastern states, the government has failed to provide even a single LPG connection under its flagship scheme (PMUY). The information was received from Indian Oil Corporation Limited (IOCL) through an RTI application by IANS (Indo Asian news service in May).⁸ According to the RTI reply, till 8 May, 2017 not a single family benefitted from the Pradhan Mantri Ujjwala Yojana (PMUY) in states like Arunachal Pradesh, Meghalaya, Mizoram, Nagaland, Tripura and Sikkim"⁹

In the Jagatsinghpur district of Odisha, district level bureaucracy has made participatory implementation mechanism for women beneficiaries but the mechanism has almost failed in the district. Sources said due to large-scale irregularities, negligence on the part of administration, illegal collection of money from beneficiaries by the agents, no provision to provide LPG to single woman and non-supply of cylinders as per requirement, women belonging to poor households are yet to get the benefits under the scheme.¹⁰ On the other hand, the State Government is finding itself in a difficult situation over selection of beneficiaries as it does not have a fresh BPL list. Even if there is there is availability of BPL lists, identity of beneficiaries may be faulty. There was made a participatory body consisting of 19 distributors and 16 Self-help Groups (SHGs) under District Supply and Marketing Society (DSMS) were pressed into service to provide LPG connections in the district. The society has received only 288 LPG cylinders while its requirement in the district is 1200. So far, nearly 1000 women have applied under the scheme and only 300 beneficiaries were provided with LPG connections due to shortage of cylinders, said a officer of DSMS.¹¹ The existence of faulty

provisions under the scheme have taken a heavy toll on single woman beneficiaries of the district as the online system has no scope to accept their names for supply of connections. On the other hand, the State Government is finding itself in a difficult situation over selection of beneficiaries as it does not have a fresh BPL list. Even if there is there is availability of BPL lists, identity of beneficiaries may be faulty. There was made a participatory body consisting of 19 distributors and 16 Self-help Groups (SHGs) under District Supply and Marketing Society (DSMS) were pressed into service to provide LPG connections in the district. The society has received only 288 LPG cylinders while its requirement in the district is 1200. So far, nearly 1000 women have applied under the scheme and only 300 beneficiaries were provided with LPG connections due to shortage of cylinders, said an officer of DSMS.

CONCLUSION

PMUY is a historic initiative. The Government quite rightly is expecting big social and political dividends. Some of the political dividends came out clearly in the state elections following the implementation of the scheme. The National Democratic Alliance (NDA) managed to make a stunning comeback in Uttar Pradesh winning 325 seats in the Assembly election in March 2017. The overall social dividends in terms of women empowerment, public health and environment protection is appreciable. The Ujjwala scheme was hailed as NDA's version of the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) remained a mainstay of the BJP's political messaging within the run up to the 17th Lok Sabha.

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¹⁰. First Post: 2017

¹¹ www.indianexpress.com, 17th October 2016 PMUY fails to ensure free LPG connections for poor

¹¹ *ibid*

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