

PMUY effect: PDS kerosene sales dip 20% in FY17

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THE NARENDRA MODI government's free LPG scheme for below poverty line (BPL) women seems to have achieved its objective of addressing health hazards posed to millions by polluting cooking fuels.

Thanks mainly to the 2.2 crore new LPG connections issued under the Pradhan Mantri Ujjwala Yojana (PMUY) launched in May last year, households using this less-polluting fuel for cooking increased 20.3% to about 20 crore in 2016-17 from the previous year.

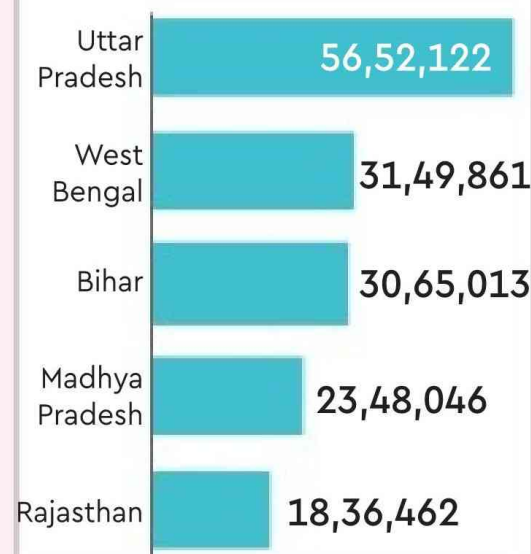
Put differently, 73% of the country's households had LPG connections by the end of 2016-17 as against 56% at the start of 2014-15.

While the LPG coverage increased in this manner, the allocations of PDS kerosene to households saw a corresponding dip: In 2016-17, the allocation of PDS kerosene, which is used for both lighting and cooking, decreased 20.2% to 6.93 million kilo litre from the previous year, which saw only 3.2% drop in the allocations.

As earlier reported by *FE*, the PMUY scheme has been a big success. Though the original goal was to provide 5 crore LPG connections in three years with an allocation of ₹8,000 crore, the target is likely to be increased.

Several economists and agencies have long pointed out the huge economic costs of polluting cooking fuels like wood, coal, cow dung and kerosene. According to a World Health Organization report released in 2016, nearly 3 billion people across the world

LPG connections under PMUY so far



use open fires or biomass and coal to cook and heat homes and at least 4 million people die due to illness attributable to household air pollution caused by usage of solid fuels. A separate World Bank study estimates that India's economic cost of indoor and outdoor pollution is around 7.7% of the gross domestic product.

In the current financial year, Chandigarh, Delhi, Haryana and Punjab had zero kerosene allocations.

The Modi government has issued around 6.97 crore LPG connections since it assumed office, of which 2.2 crore have been under PMUY. Between 2014-15 and 2016-17, the number of LPG distributors across the country has gone up from 13,981 to 18,786.

The PMUY decreasing the dependence on kerosene is evident across states. The states that received maximum LPG connections under the scheme — Uttar Pradesh, West Bengal, Bihar, Madhya Pradesh and Rajasthan — have also witnessed the maximum decline in allocation of kerosene.