

SWACHHTA UDYAMI YOJANA (SUY)



NATIONAL SAFAI KARAMCHARIS FINANCE & DEVELOPMENT CORPORATION (NSKFDC)

(A Govt. of India undertaking under the Ministry of Social Justice and Empowerment)

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INDEX

S. No.	Particulars	Page No.
1	NSKFDC	3
2	Swachhta Udyami Yojana (SUY) of NSKFDC	3
3	Subsidy component under loan schemes for the Target Group of NSKFDC	4
4	Engagement with Urban Local Bodies (ULBs) under SUY	4
5	Economic Models	5
6	Handholding Agencies	5
7	Procedure for financial assistance to ULBs	5
8	Contact details	6
9	Annexure-A Format for nomination of beneficiaries	11
10	Annexure-B Letter of Assurance by ULBs	12
11	Annexure-C Format for direct Loans to ULBs under SUY	13

1. NSKFDC

National Safai Karamcharis Finance & Development Corporation (NSKFDC) is a wholly owned Govt. of India Undertaking under the Ministry of Social Justice & Empowerment, it works for all round socio-economic upliftment of the Safai Karamcharis (including wastepickers), Manual Scavengers and their dependants.

2. Swachhta Udyami Yojana (SUY) of NSKFDC:

The objective of Swachhta Udyami Yojana (SUY) is cleanliness and providing sustainable livelihood to Safai Karamcharis, Manual Scavengers and Wastepickers Target Groups. It aims at complete mechanization of cleaning operations and zero fatality during cleaning of Sewer & Septic Tanks Training On. Recognition of Prior Learning (RPL) is provided to all Safai Karamcharis and Workshop is conducted in Urban Local Bodies (ULBs) for dissemination of information regarding adoption of best practices in all cleaning operations.

Financial assistance is provided to target groups, ULBs and Contractors working with the Channelizing Agencies (CAs) and Banks for procurement of sanitation related equipments/vehicles/machines.

The three broad models of implementation of SUY are enumerated below:

A) Financial assistance through Channelizing Agencies (CAs)/Banks: Financial assistance is extended at concessional rates of interest for procurement of mechanized cleaning/sanitation related equipments/vehicles as per following details:-

Assistance to	Maximum Project Cost (per unit)	Applicable rate of interest to Beneficiaries	Repayment period
Individual / SHG / JRG / Cooperative	Rs.15.00 lacs for Individuals and Rs.50.00 lacs for SHG/ JRG/Cooperative	4% p.a.	Upto 7 years

B) Financial assistance to Urban Local Bodies (ULBs): The details of assistance to ULBs through CAs/Banks are as follows: -

Total Unit Cost	Beneficiary Profile	Interest Rate	NSKFDC Share	ULB Contribution	Repayment Period
Upto Rs.50.00 lacs (No. of units could be more than 1)	Municipal Corporations/ Municipalities/Jal Boards/ Public Health & Engineering Dept./ Cantonment Boards/Railways etc.	4%* (Further, 1% rebate for timely repayment)	90%	10%	Upto 7 Years

C) Financial assistance to Private Agencies/Contractors: The private agencies/contractors engaged by ULBs for managing their cleaning operations are also eligible for the financial assistance for procurement of mechanized cleaning equipments/vehicles at concessional rates. The details given below:-

Name of the scheme	Maximum Limit (upto)	Channel Agency	Beneficiaries	Repayment period
Private agencies/contractors engaged by the ULBs including Municipal Corporation/ Municipalities/ Jal Boards/ Public Health & Engineering Department/Cantonment Board/ Railways etc.	Rs.50.00 lacs per unit (no. of unit could be more than 1)	3% p.a.	6% p.a. (1% rebate for timely repayment)	Upto 7 years

3. Subsidy component under loan schemes for the Target Group of NSKFDC:

In addition to concessional rates of interest, capital subsidy for procurement of mechanised cleaning equipments/vehicles is also provided under SRMS scheme for procurement of sewer and septic tank cleaning machines only, to the target group. The details are as follows:-



Range of Project Cost (Rs.)	Capital Subsidy
For individuals	
Upto Rs. 5,00,000	50% of project cost
5,00,000 to 15,00,000	Rs. 2.50 lakh + 25% of remaining project cost
For Group Projects:	
Upto Rs.10,00,000 lakh per beneficiary with maximum project cost upto Rs. 50,00,000	Same as admissible to individuals subject to maximum Rs. 3.75 lakh per beneficiary.

Interest Subvention under SRMS scheme:

Further, interest subvention upto 6% for the rate of interest charged by the Banks over and above the interest rate admissible under SRMS.

4. Engagement with Urban Local Bodies (ULBs) under SUY:

In order to regulate hazardous cleaning and to promote mechanised cleaning, NSKFDC is working closely with the ULBs to facilitate financing for procurement of required cleaning equipments/vehicles. Actions expected by ULBs/Banks are as follows:-

- a) Nomination of the persons from the target group of NSKFDC as beneficiaries for SUY in the prescribed format given at **Annexure-A**.
- b) Provision of long term assured work to them and their inclusion in panel of service providers. A Letter of Assurance regarding assured work may be provided to the banker in the prescribed format as per **Annexure-B**.
- c) Arrangement to deduct the EMI and remit the same to the SCAs/Banks from the payments due to the beneficiaries by the Municipality.
- d) Active engagement and Liasoning with banks/channel agency of NSKFDC for disbursement of financial assistance to the beneficiaries.

5. Economic Models:

The financial viability model of sanitation enterprise wherein the beneficiaries procure a septic tank cleaning machine under SUY assistance (loans) has been worked out as under:

Urban areas	Parameters				
Number of septic tanks in country (in Cr)	4.95				
Number of cleanings every year (in Cr)@once in 3 years	1.65				
Number of Machines deployed	25000				
Expected working days per machine	250				
Number of tanks cleaned per day per machine	2.5				
Loan for machine					
Cost of machine (Rs. Lakhs)	5 Lakhs	7 Lakhs	10 Lakhs	12 Lakhs	15 Lakhs
Capital Subsidy under SUY (Rs. Lakhs)	2.5	3	3.75	4.25	5.00
Loan Amount under SUY (Rs. Lakhs)	2.5	4	6.25	7.75	10.00
Earnings per machine @ Rs 1000 per cleaning					
Annual Earning (1000 x 250 x 2.5) (Rs in Lakhs)	6.25	6.25	6.25	6.25	6.25
Monthly Earning	52,083	52,083	52,083	52,083	52,083
Costs (Rs) Monthly					
Loan EMI @4% rate, 10 year tenure	2,500	4,000	6,250	7,750	10,000
*Fuel & Maintenance	12,500	12,500	12,500	12,500	12,500
**Salary (Driver/cleaner)	10,000	10,000	10,000	10,000	10,000
Total cost (Rs)	25,000	26,500	28,750	30,250	32,500
Profitability					
Per month profit (Rs)	27,083	25,583	23,333	21,833	19,583

Thus regular monthly earning of Rs.20,000 to Rs.27,000 after repayment of EMI and taking care of other related expenses that includes the salary of a helper and fuel and maintenance cost is ensured.

6. Handholding Agencies:

NSKFDC has engaged few handholding agencies to facilitate in the process of identification of suitable beneficiaries for taking up sanitation related enterprise and help them to avail loans and liason with the ULBs for provision of assured and long term work assurance.

7. Procedure for financial assistance to ULBs :

ULBs may avail assistance/loans for procurement of more than one units of mechanised cleaning equipments/vehicle each having unit cost upto Rs.50.00 Lakhs in the name of ULB.

Such assistance/loan could be provided after completing the following :-

- a. MoA to be executed between NSKFDC and the Urban Local Bodies (ULBs) to implement the scheme.
- b. Submission of proposal for sanction and release of funds to NSKFDC in prescribed format as per **Annexure-C**.
- c. Submission of Electronic Clearing Service (ECS) instruction and Bank Guarantee in favour of NSKFDC for repayment of loan before the release of funds.

8. Contact details:

The information about SUY scheme is available at website www.nskfdc.nic.in. For any further query in this regard, the following officials of NSKFDC may be contacted:-

- (i) Shri K. K. Bhagat, CM, NSKFDC at 9540767594, krishna-nskfdc@nic.in
- (ii) Shri S.K. Gupta, Assistant Manager at 9958787202, sandeep-nskfdc@nic.in

9. Some indicative cleaning machines/equipments generally used for cleaning operations:

Name of the equipments/vehicles	Purpose	Capacity	Picture
Sewer Line Cleaning Bucketing Machine	This machine is apt for cleaning the obstruction in the pathways of drains or pipes as these are robustly constructed and highly efficient.	3000-4000 Litre	
Jetting machine	Jetting machine is used to clear the blockage/choking of sewer lines by High capacity Jet throw of liquid that is store in its fresh water tank.	500-15000 Litre	
Suction Machine (Gully Emptier)	Gully Emptier is an advanced technology for emptying cesspit, cesspool and manhole chambers as well as for underground drainage, sewer lines etc.	3000-5000 Litr	
Combined Machine (Jetting cum Suction)	These are truck mounted and trailer mounted suction-cum-jetting machines. The equipments are used for dislodging and removing obstructions, blockages from sewer pipelines and emptying gully pits & septic tanks.	May vary from 3000-5000 Litre	

<p>Deep Suction Combined Machine (Jetting cum Suction Machine)</p>	<p>This equipment is capable of efficiently working in sewer lines of diameters ranging from 200-1000 mm. Siphoning the liquid and solid effluents into the equipment's sludge collection tank under high vacuum, from surcharged manhole chambers, sewer and storm water drain lines, septic/ sump tanks and gully pits and transporting the same to any desired disposal site for emptying under gravity/ positive pressure/ tipping of sludge tank.</p>	<p>In Multiple volumetric capacities of clean water and sludge collection tank</p>	
<p>Manual Hand Operated Grab Bucket</p>	<p>The grab bucket is a device which can grasp and remove the bulk or long material by opening and closing the jaw plate</p>	<p>-</p>	

10. Machines procured by few ULVs)

Name of Equipment	Purpose	Capacity	Picture
<p>De-Sludging Machine</p>	<p>Sewer Cleaning</p>	<p>5000 Ltr.</p>	
<p>Sewage Suction Machine</p>	<p>Safety Tank Cleaning</p>	<p>14000 Ltr.</p>	
<p>Sewer Lines Cleaning Machine</p>	<p>Sewar Lines</p>	<p>2000 KL</p>	
<p>De-slitting Machine</p>	<p>De-slitting</p>	<p>-</p>	

Annexure-A: Format for nomination of beneficiaries:

Name of the ULB:

Contact details of the Nodal person from ULB for Swachhta Udyami Yojana (SUY):

S. No.	Type of mechanised cleaning work for which ULB is willing to provide assured work	Details of Safai Karamcharis/Dependent of Safai Karamcharis nominated for the said work							
		Name	Father's Name	Age	Gender	Mobile No.	Address	Permanent	Job Type
1.									Other (Contractual/Temporary/Daily Wager)
2.									Other (Contractual/Temporary/Daily Wager)

Annexure-B: Letter of Assurance by ULBs:

Date:

To,

1.Bank

2. NSKFDC

Subject: Proposal of Shri _____ for loan of Rs. _____ for procurement of machines/vehicles required for mechanised cleaning under SUY Scheme of NSKFDC

Sir,

With reference to the application of Shri who is a sanitation worker engaged with our Municipal Corporation/Municipality for loan from your Bank for purchase of machinery, equipment/ vehicles from M/S----- for mechanised cleaning of sewers and septic tanks in areas under the jurisdiction of ULB, it is to inform that the machinery, equipment, vehicles mentioned in the application are essential for the cleaning/ maintenance of the sewer lines and cleaning of septic tanks. The applicant has been included in the panel of approved service providers for cleaning/ maintenance of the sewers and septic tanks under the jurisdiction of this ULB.

The financial assistance for the loan will be provided under Swachhta Udyami Yojana (SUY) of National Safai Karamcharis Finance and Development Corporation (NSKFDC), New Delhi. The ULB would engage his services for maintenance of sewers / septic tanks for a minimum period ofdays in a year from..... to either directly or through approved agencies registered with the ULB, subject to fulfilment of work related requirements.

The ULB has no objection to deduct the EMI and remit the same to your Bank from the payments due to the applicant from this ULB, subject to a written undertaking from the applicant agreeing for such deductions. However, this ULB is not liable to remit the EMI if payments are not due to applicant for any reason.

Yours faithfully,

Name & Signature of the designated officer of the ULB

Annexure-C: Proposal Format for direct Loans to ULBs under SUY:

A) Profile of the Municipal Corporation/Municipality

S. No.	Particulars	Details
1	Name of the Municipal Corporation/Municipality:	
	Complete Registered Address (With Pin code):	
	Complete Correspondence Address (With Pin code):	
	Contact (including Mobile) No.:	
	Email Address:	
	Website:	
2	Name of authorized representative of the Municipal Corporation/ Municipality:	
	Designation:	
	Contact (including Mobile) No.:	
	Email Address:	
3	Name of Nodal officer of the Municipal Corporation/Municipality for this project:	
	Designation:	
	Contact (including Mobile) No.:	
	Email Address:	

