



## BUDGET BRIEFS

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# Self Employment Scheme for Rehabilitation of Manual Scavengers (SRMS) GoI, 2017-18

The **Self Employment Scheme for Rehabilitation of Manual Scavengers (SRMS)** is a Central Sector Scheme of the Ministry of Social Justice and Empowerment (MSJE). The scheme was introduced in January 2007, to rehabilitate the identified manual scavengers in alternative professions by the end of FY 2008-09. The scheme was subsequently revised in November 2013. Using government data, this brief reports on:

- Trends in allocations, and releases
- Coverage of SRMS.

### Cost share and implementation:

GoI provides 100 per cent of the funds. The scheme is implemented by the National Safai Karmacharis Finance and Development Corporation (NSKFDC), a GoI owned, not for profit, formed in 1997 with the sole objective of ending manual scavenging and aiding the development of manual scavengers. State Channelising Agencies (SCAs) identified at the state level aid the implementation of the scheme.

## HIGHLIGHTS

**₹ 6,908 cr**

GoI allocations for Ministry of Social Justice and Empowerment (MSJE) in FY 2017-18

**₹ 5 cr**

GoI allocations for SRMS in FY 2017-18

## SUMMARY & ANALYSIS

- Allocations for SRMS have been declining since Financial Year (FY) 2013-14. In FY 2017-18, GoI allocated ₹5 crore to SRMS, a 93 per cent decrease from FY 2013-14 but 5 times the revised estimates for the previous financial year, when only ₹1 crore had been allocated.
- Between FY 2014-15 and FY 2017-18, the scheme has incurred an expenditure of ₹56 crore.
- There are significant differences in the number of manual scavengers identified by the states and those identified in the Social Economic Caste Census (SECC) 2011. States had identified only 8 per cent (13,465) of the manual scavenger households listed in the SECC 2011 till December 2017. No manual scavengers were identified in 23 states and UTs..
- The scheme provides a one-time cash assistance of ₹40,000 to identified manual scavengers or their dependents. Till November 2017, OTCA had been given to 94 per cent identified beneficiaries.
- As of July 2017, 1,233 self-employment projects had been sanctioned across the country.
- A compensation of ₹10 lakh is to be provided to manual scavenger households in case of deaths related to sewer cleaning. As of December 2017, a total of 323 cases of such deaths had been reported. However, complete compensation was paid in only 63 per cent or 251 cases.

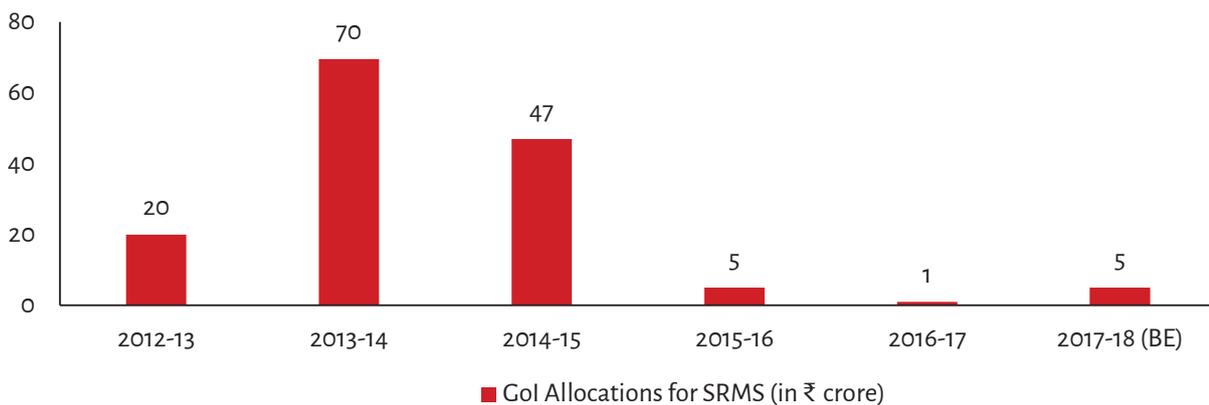
## TRENDS IN GOI ALLOCATIONS AND EXPENDITURES

- In 2007, Government of India (GoI) launched the Self Employment Scheme for Rehabilitation of Manual Scavengers (SRMS) to rehabilitate the identified manual scavengers and their dependents to alternate professions. The scheme mandate was slated to end in 2010. In November 2013, GoI revived the scheme and increased its scope, by widening the definition of manual scavenging and enhancing the entitlements available to identified beneficiaries.
- The revival followed the passing of the Prohibition of Employment as Manual Scavengers and their Rehabilitation Act, 2013 (MS Act). The scheme is run by the National Safai Karmacharis Finance and Development Corporation (NSKFDC), a GoI owned, not for profit undertaking, under the aegis of the Ministry of Social Justice and Empowerment (MSJE).

### Allocations

- The allocations for the scheme have been progressively declining since FY 2013-14. In FY 2013-14, GoI had allocated ₹70 crore to the scheme. This decreased to ₹47 crore in FY 2014-15 and further to only ₹5 crore in FY 2015-16. In FY 2017-18, ₹5 crore was allocated for SRMS, the same as FY 2015-16 but 5 times more than the ₹1 crore allocated in FY 2016-17.

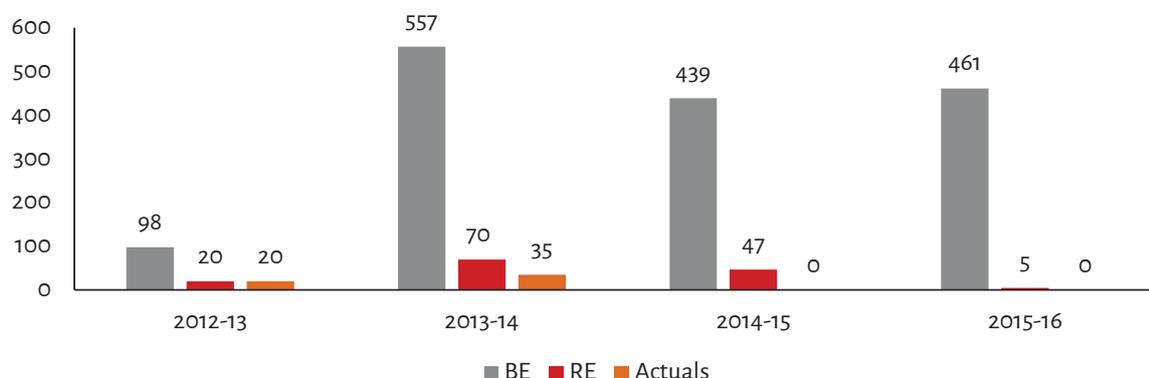
### ALLOCATIONS REDUCED BY 93% BETWEEN 2013-14 AND 2017-18



**Source:** India Expenditure Budget, Vol 2, Ministry of Social Justice and Empowerment. Available online at: <http://indiabudget.nic.in>. Note: Figures are in crore of rupees and are revised estimates, except for FY 2017-18 which are budget estimates (BE).

- There have been significant gaps between the Budget Estimate (BEs), Revised Estimates (REs) and actual expenditures. At the start of FY 2014-15, the first complete financial year since the launch of the revived scheme, ₹439 crore was allocated by GoI. This was however revised to ₹47 crore in the REs. Similarly, while BEs for FY 2015-16 were ₹461 crore, REs were only ₹5 crore.
- According to a response to Unstarred question number 594, answered in the Lok Sabha on 19 December 2017, the reduction in budget allocations was due to the existing corpus of funds available with the NSKFDC. At the end of FY 2015-16, ₹35.16 crore were available with the NSKFDC.
- Between FY2014-15 and FY2017-18, only ₹56.12 crores has been spent under the scheme.

## SIGNIFICANT DIFFERENCES BETWEEN BUDGET ESTIMATES, REVISED ESTIMATES, AND ACTUAL EXPENDITURES INCURRED



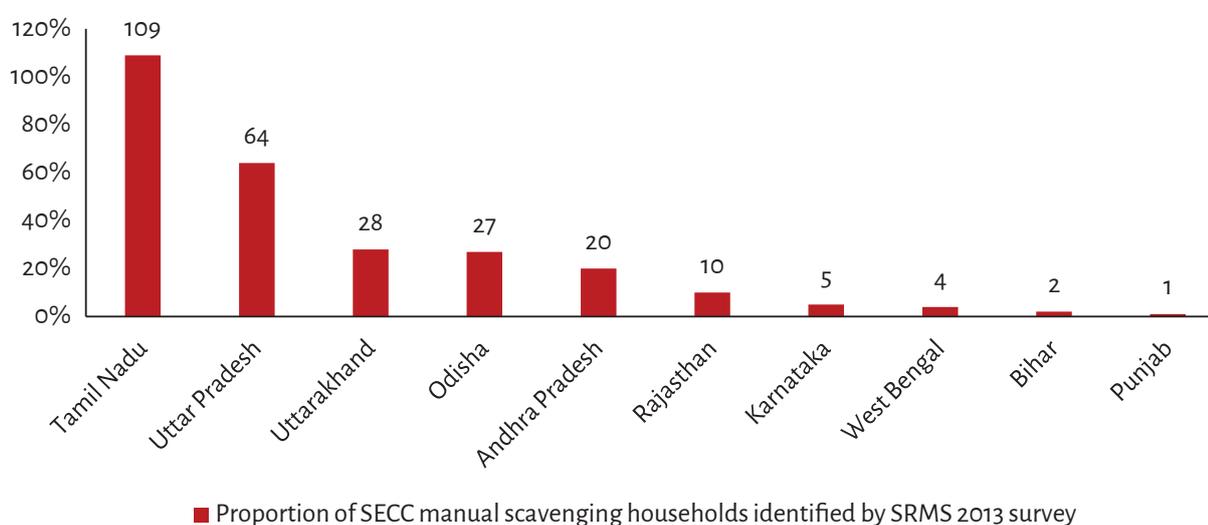
**Source:** India Expenditure Budget, Vol 2, Ministry of Social Justice and Empowerment. Available online at: <http://indiabudget.nic.in>. Figures are in crore of rupees.

## COVERAGE

- Subsequent to the revision of the scheme, a manual scavenger is defined according to the MS Act, 2013 as – “a person engaged or employed by an individual or a local authority or a public or private agency, for manually cleaning, carrying, disposing of, or otherwise handling in any manner, human excreta in an insanitary latrine or in an open drain or pit into which human excreta from insanitary latrines is disposed of, or on a railway track, before the excreta fully decomposes”.
- This definition includes both permanent and contractual employees, but excludes from its ambit, mechanized operators and sanitation workers who use protective gear as defined by GoI. Dependents include any family member or dependent who is not employed other than in manual scavenging.
- Coverage and rehabilitation is hampered by the lack of reliable information on the actual number of manual scavengers in the country. There are three main sources for information on the number of manual scavengers. These are -
  - The Houselisting and Housing Census of 2011, which provides information on the number of insanitary latrines – either serviced manually or emptying into an open drain and thus requiring manual scavenging.
  - The Socio Economic Caste Census conducted in 2011 (SECC 2011) which lists the number of households with at least one member involved in the profession.
  - Finally, in accordance with the MS Act, 2013, states are to conduct their own surveys to identify manual scavengers in need of rehabilitation.
- There are significant differences across the different sources on the number of manual scavengers. According to Census 2011, there were 26,06,278 insanitary latrines across India, of which 31 per cent (7,94,390) were found to be serviced manually, and another 50 per cent (13,14,562) were found to be emptied into an open drain.
- The SECC 2011 identified 1,68,066 rural manual scavenger households across the country, which had at least one member involved in manual scavenging.
- There are however inconsistencies in SECC 2011 numbers reported in different sources. Thus, in Lok Sabha, Unstarred Question No. 276, answered on 25 February 2016, the total number of rural manual scavenger households as per SECC 2011 is reported as 1,67,487. In Rajya Sabha, Unstarred Question No. 1296, answered on 28 July 2016, SECC 2011 is reported to have identified 1,82,505 manual scavenging households. In this brief, the number reported on SECC database (1,68,066) is used for analysis.

- As per the surveys conducted under the SRMS mandate however, only 13,465 manual scavengers were identified till 26 December 2017. While SECC 2011 provides self reported data, the SRMS surveys are meant to verify the claims presented. SRMS had found only 8 per cent of the manual scavenger households listed in SECC 2011 after verification till 26 December 2017.
- There are also significant state variations. SRMS survey identified more manual scavengers than as recorded in SECC 2011 in Tamil Nadu and Assam. In fact, 154 manual scavengers were identified in Assam by the state survey although the SECC did not list any MS households.
- In contrast, the proportion of manual scavenger households identified in the survey were less than 10 per cent of those listed by SECC 2011 in 6 states, namely, Rajasthan (10 per cent), Karnataka (5 per cent), West Bengal (4 per cent), Bihar (2 per cent), Punjab (1 per cent), and Madhya Pradesh (less than 1 per cent).

### 154 MANUAL SCAVENGERS IDENTIFIED IN ASSAM WHICH WERE NOT LISTED IN SECC 2011



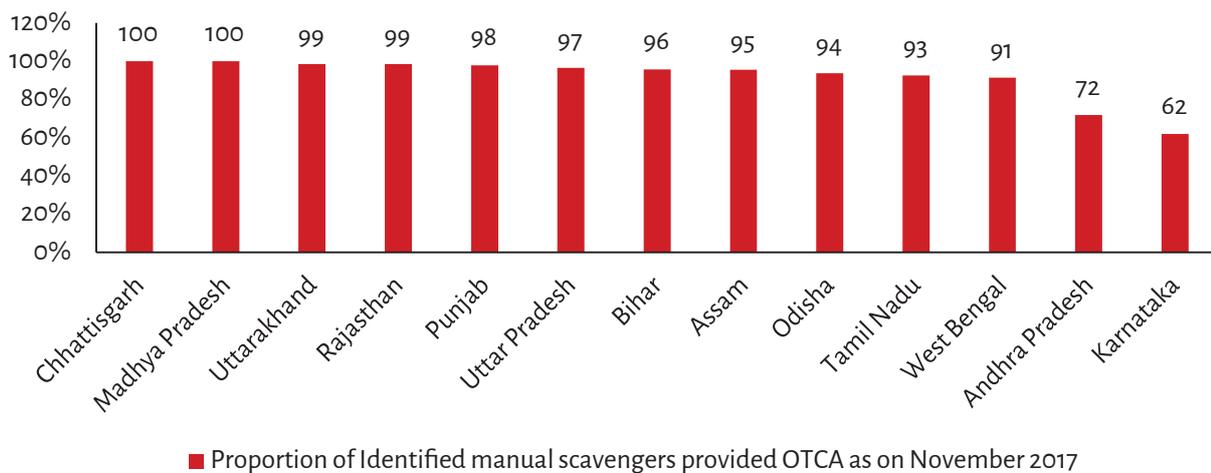
**Source:** Socioeconomic and Caste Census, secc.gov.in, and mssurvey.nic.in. Last accessed on 26 December 2017.

- No manual scavengers were identified in 23 states and UTs by the survey. According to the SECC 2011, these states and UTs have 85,024 manual scavenger households. For instance, no manual scavenger households were found in Jharkhand while SECC 2011 had reported 4,153 manual scavenger households.
- SRMS in its present form has 4 major components. These include –
  - o An immediate cash assistance of ₹40,000 to one member of the family of the identified manual scavenger. This assistance can be withdrawn on a monthly basis with a maximum withdrawal limit of ₹7,000 per month.
  - o A loan upto a maximum cost of ₹10 lakh, for self-employment projects. In case of sanitation related projects such as Vacuum loaders and pay and use toilets, this loan amount is increased to ₹15 lakh. The interest on these loans is capped at 5 per cent for projects up to ₹25,000 and 6 per cent beyond that. It is capped at 4 per cent for women beneficiaries. The difference is subsidized under the scheme.
  - o A credit linked capital subsidy that is given as part of the loan. The subsidy is back ended i.e., it is excluded from the calculation of interest as well as repayment of the principal amount.
  - o Skills training and stipend for up to 2 years.

### One time cash assistance (OTCA)

- Of the manual scavengers identified as per the SRMS mandate, 94 per cent (12,657) had been provided the one time cash assistance (OTCA) by November 2017.
- All identified manual scavengers in Chhattisgarh and Madhya Pradesh had been provided OTCA by November 2017. The proportions were lowest in Andhra Pradesh 72 per cent (56 out of 78) and Karnataka at 62 per cent (450 out of 726).

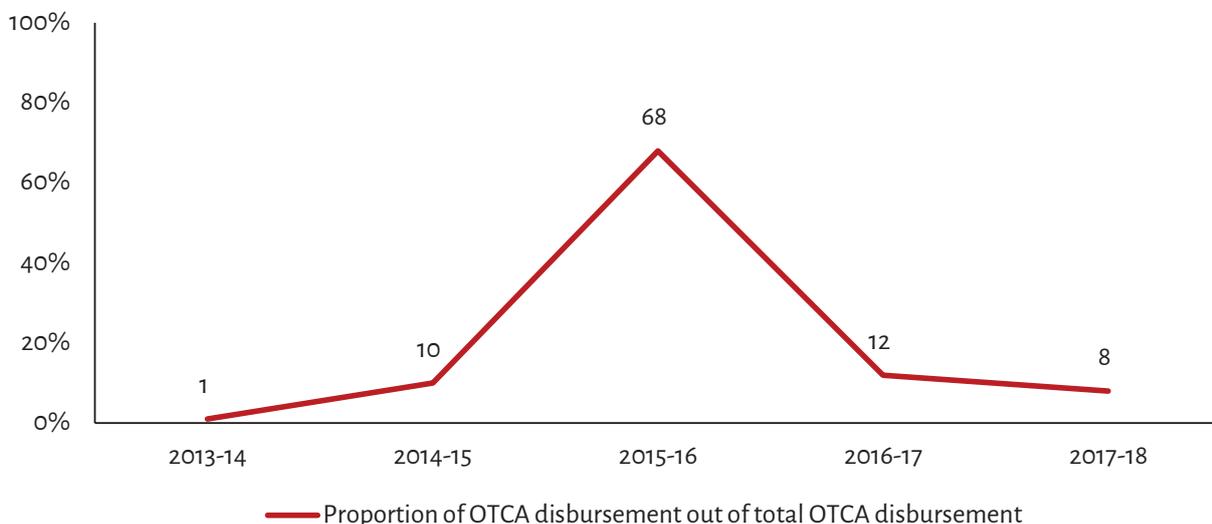
### OTCA PROVIDED TO ALL BENEFICIARIES IN CHHATTISGARH AND MADHYA PRADESH



**Source:** Lok Sabha, Ministry of Social Justice and Empowerment, Unstarred Question No. 594, 19 December 2017. Last accessed on 15 January 2018.

- The release of funds for providing OTCA however has been slow. A majority of these disbursements (68 per cent) were made in FY 2015-16. In FY 2016-17, only 12 per cent of the identified manual scavengers had been provided OTCA and in FY 2017-18 till 4 January 2018, 8 per cent of identified manual scavengers had been provided assistance.

### OTCA DISBURSEMENT FLAGGING DESPITE PENDING CASES

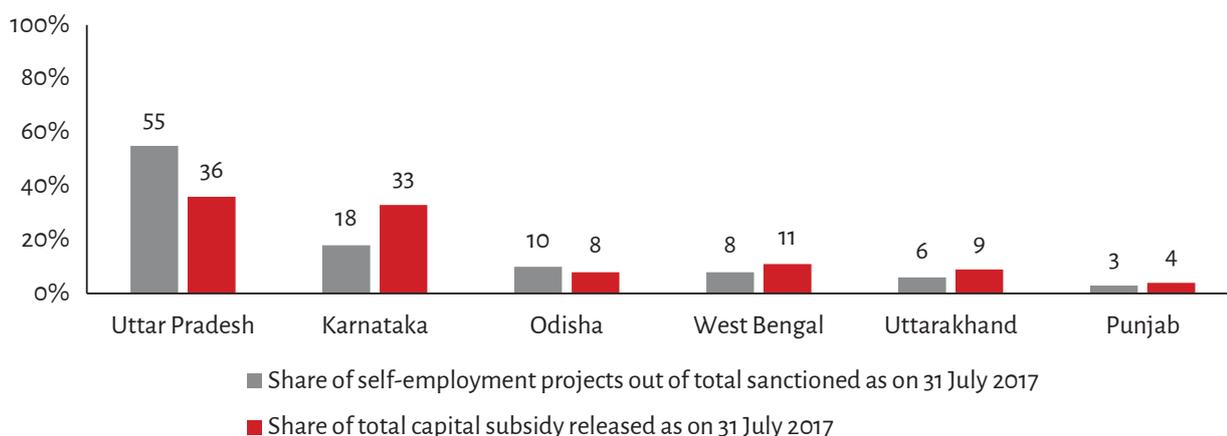


**Source:** Lok Sabha, Ministry of Social Justice and Empowerment, Unstarred Question No. 594, 19 December 2017. Last accessed on 15 January 2018.

## Self Employment Projects

- Under the revised SRMS, as of July 2017, 1,233 self-employment projects had been sanctioned across the country. No projects had been sanctioned in 7 of the 13 states with identified manual scavengers, including Andhra Pradesh, Bihar, Madhya Pradesh and Rajasthan.
- Releases of funds for loans however, have been low. Only 1 per cent (200) of all identified manual scavengers had actually been provided assistance till July 2017. All these beneficiaries belong to the states of West Bengal (92), Odisha (87), and Punjab (21).
- As a proportion of identified manual scavengers however, these beneficiaries who were provided a loan account for only 49 per cent of the identified beneficiaries in West Bengal, 41 per cent in Odisha, and 11 per cent in Punjab.
- The revised SRMS also provides a capital subsidy for self-employment projects. Its receipt is made contingent on the proper utilization of the loan amount for the project, in order to prevent divergence of money for other purposes. Of the total self-employment projects sanctioned, capital subsidy amounting to ₹4.53 crore was granted for only 54 per cent or 662 projects. There is however significant difference between the proportion of projects sanctioned by a state and subsidy released across states. Thus, while Karnataka accounted for 18 per cent of all projects sanctioned, it has released one third of the total subsidy amount given across states.

### UTTAR PRADESH ACCOUNTS FOR 55% OF ALL PROJECTS SANCTIONED BUT 36% OF TOTAL SUBSIDY GIVEN

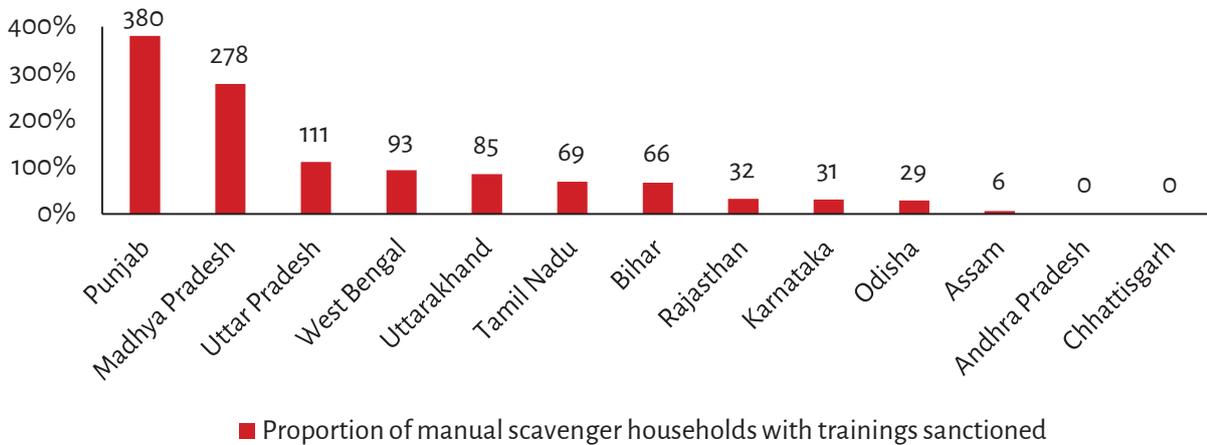


**Source:** NSKFDC, Progress Report on Implementation of the Self Employment Scheme for Rehabilitation of Manual Scavengers as on 31st July, 2017, <http://nskfdc.nic.in/content/home/progress-report-srms>. Last accessed on 15 January 2018

## Trainings and Skill Development

- Under the revised SRMS, trainings may be sanctioned for any member of manual scavenger households who are not otherwise employed.
- As of November 2017, trainings for 13,587 beneficiaries had been sanctioned under SRMS. Chhattisgarh and Andhra Pradesh had sanctioned no trainings for their 81 identified manual scavenger households till November 2017. In contrast, the number of trainings sanctioned in Punjab were 3.8 times the number of identified manual scavenger households.
- 80 per cent of all trainings were sanctioned in FY 2016-17.
- 52 per cent of the beneficiaries undergoing trainings and 64 per cent of those who had completed trainings have been categorized as manual scavengers, whereas the remainder are classified as Safai Karmacharis.

## NO TRAINING SANCTIONED IN ANDHRA PRADESH AND CHHATTISGARH TILL DECEMBER 2017

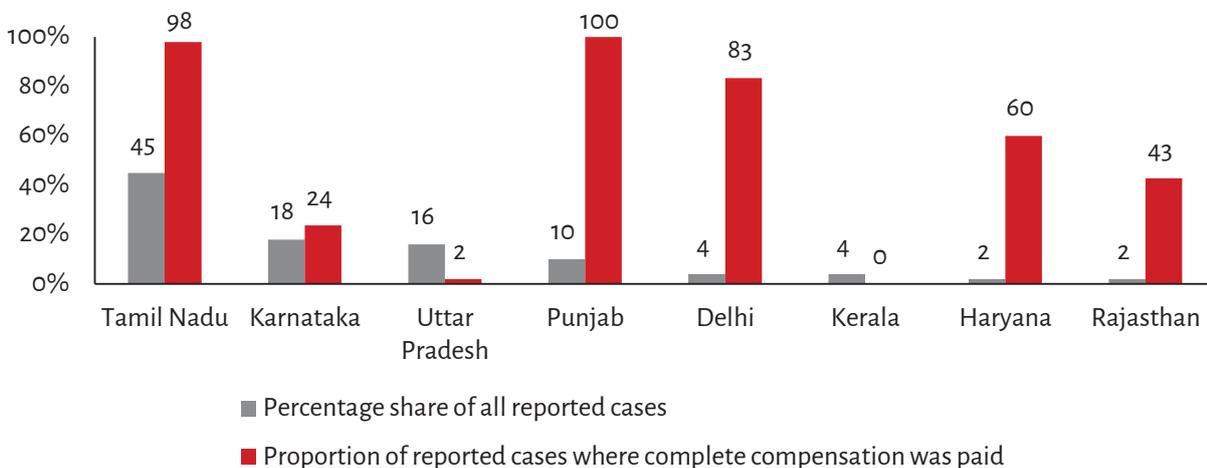


Source: Lok Sabha, Ministry of Social Justice and Empowerment, Unstarred Question No. 594, 19 December 2017

### Compensation

- A compensation of ₹10 lakh is to be provided to manual scavenger households in the case of deaths related to sewer cleaning. As of December 2017, a total of 323 cases of such deaths had been reported. 89 per cent of the cases of sewer deaths were reported in 4 states alone, namely Tamil Nadu (45 per cent), Karnataka (18 per cent), Uttar Pradesh (16 per cent), and Punjab (10 per cent).
- Compensation has not been paid in all cases. Till December 2017, compensation had been paid in 78 per cent or 251 of these cases. Complete compensation of ₹10 lakh, however was paid only in 63 per cent (204) of cases.
- There are state variations. Complete compensation was paid in all reported cases in Punjab, and 98 per cent of the reported cases in Tamil Nadu. In contrast, complete compensation was given in only 1 of the 52 reported cases in Uttar Pradesh. Kerala had not given complete compensation in any of its 12 reported cases.

### COMPLETE COMPENSATION AMOUNT GIVEN IN 63% OF THE TOTAL 323 REPORTED CASES



Source: Lok Sabha, Ministry of Social Justice and Empowerment, Unstarred Question No. 594, 19 December 2017. Last accessed on 15 January 2018