





TURNING SCRAP INTO GOLD WITH SYSTEM TRANSFORMATION

SUGAMTA, DADRA AND NAGAR HAVELI,
AND DAMAN AND DIU



A story of digitally driven and transparent mode of scrap disposal system making life easier and richer for industry owners

The Union Territory of Dadra and Nagar Haveli and Daman and Diu has a rich conglomeration of industrial units of different sizes and areas of output. It has around 7000 industrial units in an area of approximately 600 square km.

Of these, around 1,000 of the big industrial units generate around 2-3 lakhs of scrap material every year primarily consisting of hazardous ferrous and non-ferrous materials. The total cost of these scrap in terms of market value is estimated to be around Rs. 100-200 crores.

THE CHALLENGES

Unaccountability – most of the ongoing trade in scrap was without documentation.

Non-transparent system and unfair competition

Cartelization

Arbitrary rates

Corruption and illegal activities

Environmentally unsafe disposal system

Tax evasion and lack of proper data



THE SOLUTION

The administration as part of the Ease of Doing Business (EoDB) initiative launched the programme “Sugamta” on 15th August 2020 for transparent and easy disposal and sale of scrap materials. Since the benefits were clear to everyone, most of the scrap producing industries of UT became part of this initiative within 3 months of the launch.

PARTICIPATORY SYNERGY OF ENTITIES

- State PSU OI DC (Omnibus Industrial Development Corporation) Ltd.
- Central PSU MSTC Ltd.
- Labour Department of the UT Government.

FINAL OUTCOMES

Increase in tax revenue for industrial units from scrap sale. Rates received were 15%-20% more, compared to traditional modes.

Nationwide coverage where actual users participate.

Eliminates monopolized scrap cartels and illegal activities related to it.

Saving of time and money attract bidders.

Works on “cash & carry” concept.

Access to scrap data by Government agencies for proper monitoring.

All transactions being done digitally and were taxable.