



# PM Street Vendor's AtmaNirbhar Nidhi (PM SVANidhi)

*A Special Micro Credit Facility for Street Vendors*



**Ministry of Housing and Urban Affairs**  
Government of India

# PM Street Vendor's AtmaNirbhar Nidhi (PM

## SVANidhi)

- Launched on **June 01, 2020** to help formalize the street vendors and open up new opportunities for them to move up the economic ladder
- A **Central Sector Scheme** - fully funded by GoI

### OBJECTIVES

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graph TD; A[OBJECTIVES] --> B[To facilitate working capital loan up to Rs.10,000]; A --> C[Incentivize regular repayment through interest subsidy]; A --> D[Reward Digital transactions by cash backs]
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To facilitate working capital loan up to Rs.10,000

Incentivize regular repayment through interest subsidy

Reward Digital transactions by cash backs

# Scheme at a Glance

<b>Loan Tenure</b>  1 year	<b>Coverage</b>  All Cities/ Towns  In States/UTs who have notified Scheme and Rules under the SV Act 2014	<b>Eligibility</b>  50 lakh Street Vendors from urban/ peri-urban & rural areas - vending on or before, 24th March 2020
<b>Interest Subsidy</b>  @7% on timely repayment, paid half yearly	<b>Cash-backs</b>  Up to Rs.100 every month on digital transactions	<b>Scheme period</b>  Up to March 2022

# Scheme at a Glance

<b>Security</b>  No collaterals required	<b>Prepayment</b>  No penalty charged	<b>Credit Guarantee</b>  Graded Credit Guarantee for lending institutions under CGTMSE
<b>Information Technology</b>  Mobile App and Web Portal based application process	<b>Enhanced eligibility for additional/ next tranche</b>  On timely or early repayment	<b>Promotion</b>  E-commerce & Quality Improvement of SVs

# Who are Eligible?

## STATES / UTs

**A:** With notified Rules and Scheme under Street Vendors (Protection of Livelihood and Regulation of Street Vending) Act, 2014

**B:** Meghalaya, having its own State Street Vendors Act.

## STREET VENDORS

**4 Categories**, engaged in vending in urban areas, as on or before **March 24, 2020:**

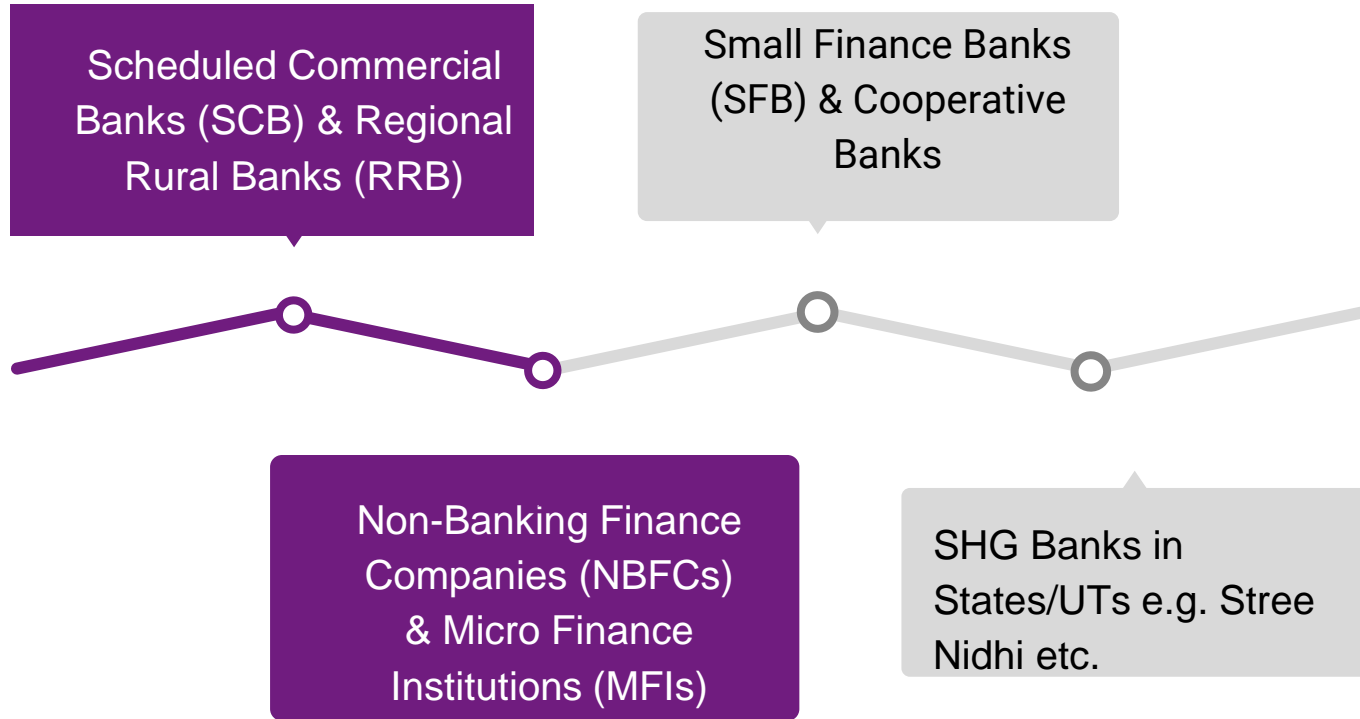
**A:** Having Certificate of Vending (CoV)/ Identity (ID) Card issued by Town Vending Committee (TVC)/ ULB;

**B:** Identified in the survey but have not been issued CoV/ ID Card;

**C:** Left out of the ULB-led identification survey or have started vending after completion of the survey and have been issued Letter of Recommendation (LoR) by the ULB/ TVC;

**D:** From surrounding development/ peri-urban/ rural areas vending in the geographical limits of the ULBs and have been issued LoR by the ULB/ TVC.

# Lending Institutions (LIs)



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States where MFIs are  
operational

LIs to be encouraged to use their network of field functionaries i.e. Business Correspondents (BCs) of Banks/ Constituents/ Agents from NBFC/MFIs extensively

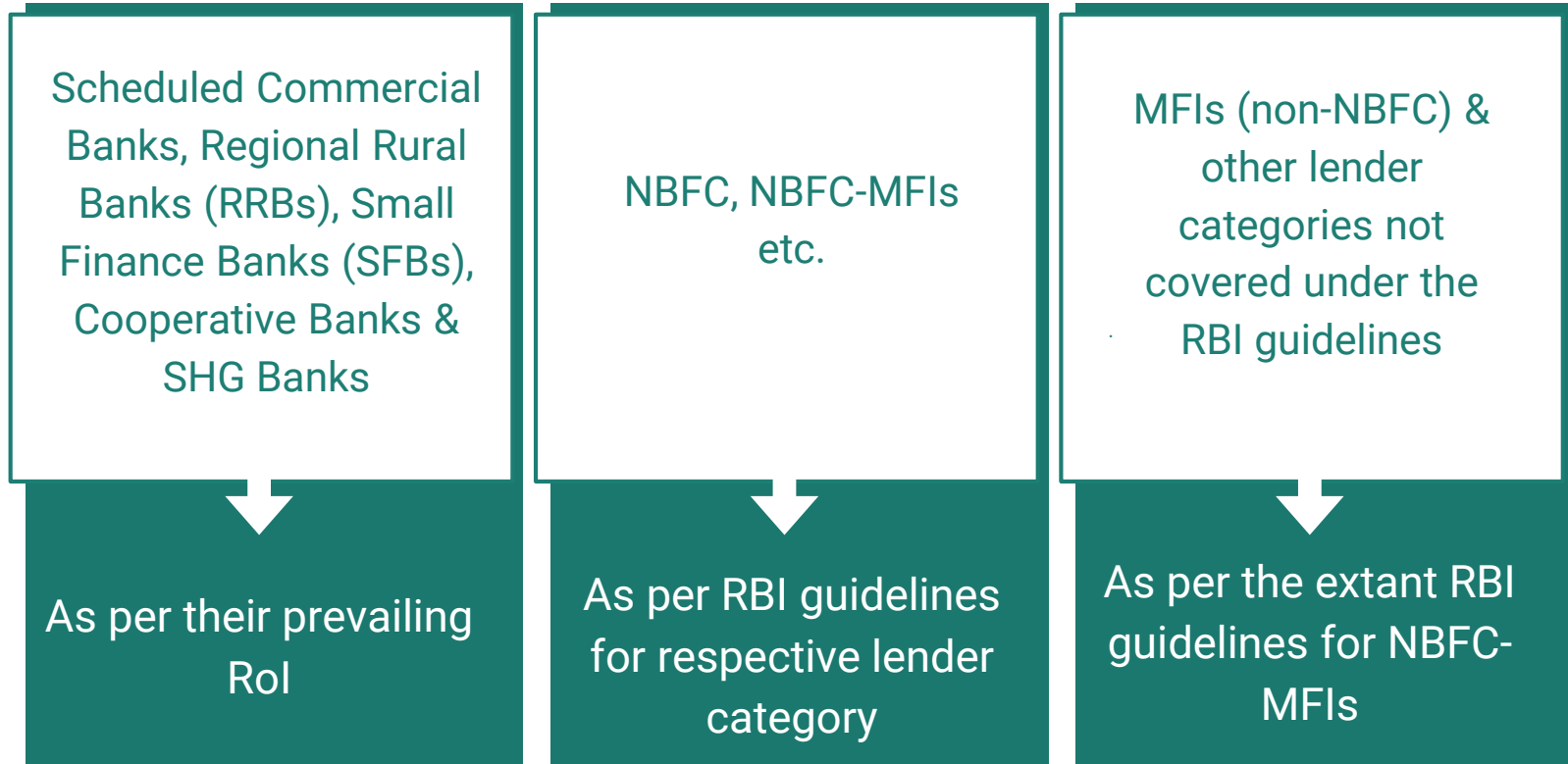
Existing network of SHGs under DAY-NULM may be utilised

States where MFIs are  
not operational

Robust network of SHGs and Federations under DAY-NULM to be utilised

For this, these States may devise a suitable incentive mechanism for the SHGs

# Rate of Interest (RoI) on loans





**Transferred directly into the borrower's account through DBT mode in 4 equal instalments (as on June 30, September 30, December 31 and March 31 during each financial year)**

**Available up to March 31, 2022 only**

**@7%**

**INTEREST SUBSIDY BY THE GOVERNMENT**

**Only for the accounts, which are Standard (non-NPA as per extant RBI guidelines) on respective claim dates and only for those months during which the account has remained Standard in the concerned quarter.**

**Available on first and subsequent enhanced loans**

# Promotion of Digital Transactions by Vendors


**Monthly Cash back** on eligible transactions (ETs)\* to on-boarded vendors in the **range of**

**₹ 50 - ₹100,**



- **50 ETs** in a month: **₹ 50**
- **Next 50 additional ETs** in a month: **₹ 25**
- **Next additional 100 or more:** **₹ 25**
- \***ET** means a **digital payout or receipt with minimum value of ₹ 25.**
- Details in [Annexure-B](#) of Scheme guidelines

**Partners** for on-boarding vendors on digital platforms



- Network of lending institutions
- Digital payment aggregators like NPCI (for BHIM), PayTM, GooglePay, BharatPay, AmazonPay, PhonePe etc.

**Transaction trail** so created will build the **credit score** of vendors for enhanced future credit needs

# Implementation Process

SVs already provided with  
CoV/ ID

May approach BC/  
Agents for filling and  
uploading application

OR

Submit loan  
application on Portal/  
App through CSC etc

Survey completed, but CoV  
/ ID not yet given to SVs

Provisional CoVs  
(PCoVs) will be  
downloaded based on  
the authentication  
process against the  
information stored on  
the portal

SVs not covered in the  
survey

Approach BC/ Agent  
with documents  
identifying themselves  
as Street Vendors.

The Agent to upload the  
identification documents  
along with application  
form.

# Implementation Process - Role of ULB

- Organise a 'Kick-start meeting', involving TVC members, BCs/ Constituents/ Agents of LIs, Vendors Associations, SHG Federations etc
  - To explain scheme objectives and implementation mechanisms
  - To share information relating to SVs and field level functionaries of LIs.
- Formation of Collectives (such collectives are preferred but individuals can also avail ) of the SVs, **ULBs to;**

Extensively encourage formation of Common Interest Groups (CIGs) to ensure maximum coverage of the scheme

Share list of CIGs formed with the LIs

Ask LIs to share the list of Joint Liability Groups (JLGs) of eligible street vendors formed with respective ULBs.

# Implementation Process - Role of ULB

- SVs left out of the survey/ started vending after the survey/ of surrounding development/ peri-urban/ rural areas vending in the geographical limits of the ULBs:
  - Undertake a 'quick survey' through SHGs/ Federations or invite applications
  - Verify the details & issue LoR (in consultation with TVC) before forwarding it to LI (a copy of the LoR to be given to the applicant also) based on any of the following criteria:

List of vendors, prepared by States/ UTs, for providing one-time assistance during lockdown

OR

System generated request sent to ULBs / TVCs for issue of LoR based on the recommendation of the Lender on verification

OR

Membership details with the vendors associations including NASVI/ NHF/ SEWA etc.

OR

The documents in possession of the vendor buttressing his claim of vending

OR

Report of local enquiry conducted by ULB / TVC involving SHGs, CBOs etc.

# Implementation Process - Role of ULB

**Capacity Building and  
Financial Literacy**

**For**



BCs/ Agents of LIs (banks/ NBFCs/ MFIs), SHGs/ federations, implementing bodies like ULBs/ TVCs and digital payment aggregators

Digital payment aggregators like NPCI & other payment aggregators to help in imparting financial literacy to the street vendors for encouraging on-boarding on digital platforms

**Branding and  
Communication**




Based on guidelines of the Scheme by MoHUA.

Innovative use of local & social media to reach the targeted beneficiaries in an effective and engaging manner.

**Promotion of E-Commerce and  
Quality Improvement of SVs** to conduct e-commerce and obtain necessary **quality certificates** from the concerned agencies like FSSAI etc.

# Application Process

**SVs with COV/ ID/ PCOV/ LoR, MFI-A/BC/CSC Operator** to go ahead with the filling-in and submission of application forms in the following manner:



Scan and upload relevant documents including PCoV along with a photograph of the SV

Complete OTP, which would be received on the mobile of SV mentioned in loan application form (LAF), based confirmation

**On successful submission,** LAF to move to the preferred Lending Institution(LI) for it to process, sanction & disburse the loan

LI to upload proof of sanction, the date of sanction/ disbursal on the Udyami Mitra Portal (UMP) on a weekly basis

**In case of rejection,** LI to upload the reasons on the UMP and UMP to intimate through SMS

LIs to update the UMP with EMI payment status on a Monthly basis/ On closure of the loan

UMP to calculate interest subsidy amount, generate a payment file and send to Indian Bank for payment through the PAiSA portal.

# Illustration

## Annexure B

Cash back and interest subsidy under the Scheme for  
a loan amount of 10,000 Rupees



<u>Month</u>	<u>Principal</u>	<u>Interest @ 24%</u>	<u>EMI</u>	<u>Interest Subsidy (7%)</u>	<u>Cash back Incentive</u>	<u>Total Benefit</u>
1	₹ 746	₹ 200	₹ 946	₹ 58	₹ 100	₹ 158
2	₹ 761	₹ 185	₹ 946	₹ 54	₹ 100	₹ 154
3	₹ 776	₹ 170	₹ 946	₹ 50	₹ 100	₹ 150
4	₹ 791	₹ 154	₹ 945	₹ 46	₹ 100	₹ 146
5	₹ 807	₹ 139	₹ 946	₹ 42	₹ 100	₹ 142
6	₹ 823	₹ 122	₹ 945	₹ 36	₹ 100	₹ 136
7	₹ 840	₹ 106	₹ 946	₹ 32	₹ 100	₹ 132
8	₹ 856	₹ 89	₹ 945	₹ 27	₹ 100	₹ 127
9	₹ 874	₹ 72	₹ 946	₹ 22	₹ 100	₹ 122
10	₹ 891	₹ 55	₹ 946	₹ 17	₹ 100	₹ 117
11	₹ 909	₹ 37	₹ 946	₹ 12	₹ 100	₹ 112
12	₹ 927	₹ 19	₹ 946	₹ 6	₹ 100	₹ 106
<b>Total</b>	<b>₹ 10,001</b>	<b>₹ 1,348</b>	<b>₹ 11,349</b>	<b>₹ 402</b>	<b>₹ 1,200</b>	<b>₹ 1,602</b>
% w.r.t interest		100%		30% of Interest	88% of Interest	118%



*Thank you*