Pradhan Mantri Street Vendor’s AtmaNirbhar Nidhi (PM SVANidhi) Scheme

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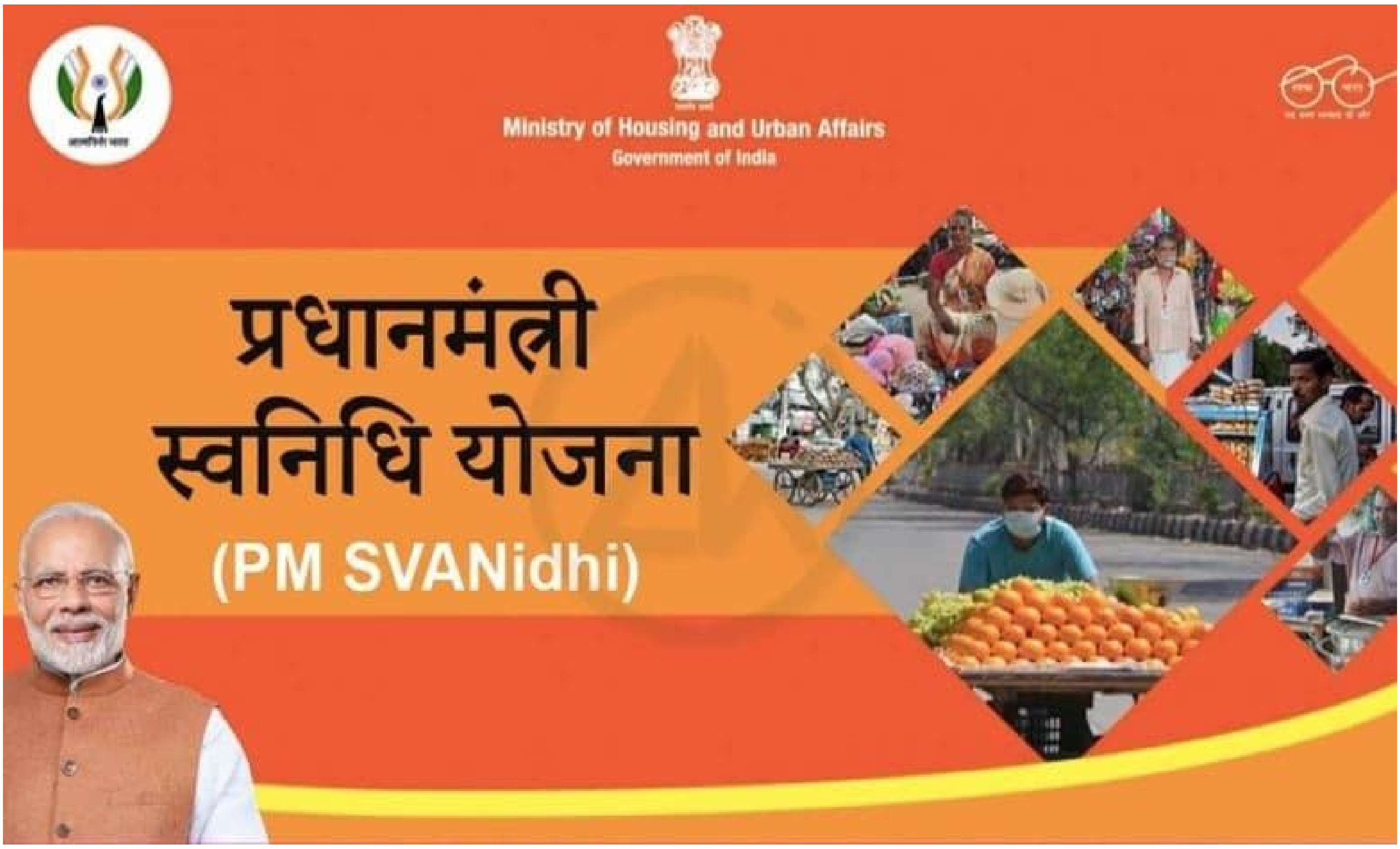

What’s in today’s article?

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Why in News?

- A total of 42.7 lakh loans amounting to approximately **Rs. 5100 crore** had been disbursed to street vendors under the PM SVANidhi scheme.

About PM Street Vendor's AtmaNirbhar Nidhi (PM SVANidhi) Scheme

- The PM SVANidhi scheme was launched by the Government of India in **June, 2020**.
- **Objective –**
    - To empower Street Vendors by not only extending loans to them, but also for their holistic development and economic upliftment.
- The scheme intends to facilitate ***collateral free working capital loans of up to Rs.10,000/- of one-year tenure, to approximately 50 lakh street vendors***.
- **Nodal Ministry** – Ministry of Housing and Urban Affairs

Need for the PM SVANidhi Scheme

- The **Covid-19 pandemic** and the nationwide **lockdown** left daily wage workers and street vendors out of work.
- The scheme aims at ***aiding the vendors at getting back on their feet financially***.
- In the long term, it aims at establishing a credit score for the vendors as well as creating a digital record of their socio-economic status, so that they can avail the Central government schemes later.
- The scheme also ***attempts to formalise the informal sector of the economy and provide them safety nets and a means of availing loans in the future***.

Eligibility for PM SVANidhi Scheme

- ***The Scheme is available to all street vendors engaged in vending in urban areas.***
- As per the **Street Vendors Act, 2014**, the Town Vending Committees (which comprises the local authorities and vendors from an area) issue a certificate of vending after a survey has been conducted of all the vendors.
- But since many states and cities have not conducted the survey yet, the urban local bodies – in this case, the municipalities – shall provide a **Letter of Recommendation** for every vendor who wishes to avail the loan.

Benefits of PM SVANidhi Scheme

- The PM SVANidhi scheme offers incentives in the form of –
    - ***Interest subsidy at 7% per annum*** on regular repayment of loan;
    - ***Cashback up to Rs.1200/- per annum*** on undertaking prescribed digital transactions;
    - Eligibility for enhanced next tranche of loans.

Q1) Is PM SVANidhi centrally sponsored scheme?

It is a central sector scheme launched in June 2020. It aims to provide micro-credit facilities to street vendors affected due to Covid-19 pandemic.

Q2) What is the objective of HRIDAY: Heritage City Development & Augmentation Yojana?

The main objective of HRIDAY is to preserve character of the soul of heritage city and facilitate inclusive heritage linked urban development by exploring various avenues including involving private sector.

Source: Pradhan Mantri Street Vendor's AtmaNirbhar Nidhi (PM SVANidhi) Scheme | pmsvanidhi.mohua.gov.in