



### ROLE OF PM SVANIDHI YOJANA IN DEVELOPING STREET VENDORS OF MUMBAI REGION

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#### Abstract:

Street Vendors are a part of Informal sector of economy which directly or indirectly contributes to a large part of GDP of India. Due to Covid 19 pandemic, street vendors were forced to shut their businesses considering health crisis in Country. Due to this, many people lost their jobs and faced many economical problems. Government of India launched PM SVANidhi Yojana for providing Working capital to all street vendors in form of micro-finance credit facility. Also Government took initiative in promoting digital payment for generating CIBIL score so as to consider their income as well. The research paper reveals the impact of PM SVANidhi Yojana on getting loan and their usage on their daily business. The study also reveals certain suggestions given by Street Vendors for overall development of economy at large by considering development of Street Vendors.

**Key Words:** PM SVANidhi Scheme, Self-employers

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#### Introduction:

The Street Vendors represent a very important constituent of the urban informal economy and play a significant role in ensuring availability of goods and services at affordable rates at the door step of the city. Ministry of Housing and Urban Affairs addressed in their 6th meeting of National Association of Street Vendors of India (NASVI) as the theme of “**From Encroachers to Self-Employers**”. Street vendors usually set up their small stalls, carts and offer variety of affordable and convenient options to pedestrians or commuters. Pradhan Mantri Street Vendor Atmanirbhar Nidhi Yojana was launched by Ministry of Housing and Urban Affairs, Government of India street vendors by not only extending loans to them in

the form of working capital but also for their holistic development and economic upliftment.

The PM SVANidhi Scheme was introduced with the aim of providing loans to more than 50 lakh street vendors by the way to resume their businesses which got shut during pandemic including peri-urban and rural areas. This scheme is available to all those street vendors conducting their business on or before March 2020 and should have Certificate of Vending or Identity card issued by Urban Local Body (ULBs). In Mumbai, the Urban Local Body is Brihan Mumbai Mahanagar Palika (BMC). PM SVANidhi scheme is available to all the beneficiaries belonging to only those states & Union Territories which have notified rules & schemes under Street Vendors (Protection of Livelihood &



Regulation of Street Vending) Act, 2014.

### Basic objectives of scheme:

- Facilitates Working Capital of Rs. 10,000/- (First tranche), Rs. 20,000/- (Second tranche) and Rs. 50,000/- (Third tranche)
- Incentivise regular repayment.
- Reward digital transactions.
- Vendors get interest subsidy of 7%.

Under the program, socio-economic profiling of PMSVANidhi beneficiaries and their families is conducted to assess their eligibility for 8 Government of India's welfare schemes and facilitate sanctions of eligible schemes. These schemes include Pradhan Mantri Jeevan Jyoti Bima Yojana, PM Suraksha Bima Yojana, Pradhan Mantri Jan Dhan Yojana, Registration under Building and other Constructions Workers (Regulation of Employment and Conditions of Service) Act (BOCW), Pradhan Mantri Shram Yogi Maandhan Yojana, National Food Security Act (NFSA) portability benefit – One Nation One Ration Card (ONORC), Janani Suraksha Yojana, and Pradhan Mantri Matru Vandana Yojana (PMMVY)

### Objectives of the Study:

The following are the proposed objectives for pilot study:

- I. To study the awareness of PM SVANidhi Yojana among street vendors of Mumbai region.
  - II. To analyse benefits availed from PM SVANidhi Yojana in Mumbai region.
  - III. To find out problems faced by street vendors while applying for PM SVANidhi Yojana in Mumbai.
  - IV. To explore banks involved in implementing PM SVANidhi Yojana in Mumbai region.
- 45 responses have been collected so far.

V. To give suggestions based on study.

### Significance of the Study:

As per the government of India's Ministry of Statistics and Programme Implementation reports, informal sector is contributing more than 90% to the GDP of India which means they plays an important role in the growth and development of India's economy at large. COVID-19 pandemic had adversely affected all areas including the informal sector. In order to restart the closed businesses, Ministry of Housing and Urban Affairs, Government of India launched PM SVANidhi Yojana for providing micro finance facility to street vendors. Also in January 2021, the Government also attached 8 more schemes where the registered and benefited street vendors can avail the other schemes such as PM Suraksha Bima Yojana, PM Jeevan Jyoti Bima Yojana, PM Jan Dhan Yojana and many more. This study will help to analyse the implementation of the scheme and its impact on overall development of street vendors. This study will also help in understanding the current scenario and develop such schemes for street vendors in future.

### Research Methodology:

- The researcher has used structures questionnaire to collect primary data from street vendors who are beneficiaries of PM SVANidhi Yojana from Mumbai Region.
- Simple Random Sampling technique has been used for selecting 45 street vendors from 129,048 beneficiaries from Mumbai Region coming under ULB of Greater Mumbai Municipal Corporation.
- Researcher has collected data through telephonic Interview method to collect primary data.
- Due to time constraints, only

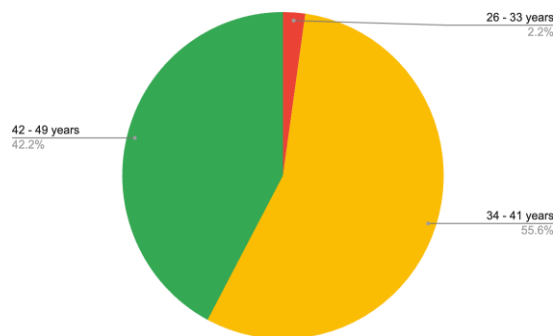


### Interpretation of Data:

The data has been analysed using pie chart and bar graph methods for interpretation.

**Chart 1.**

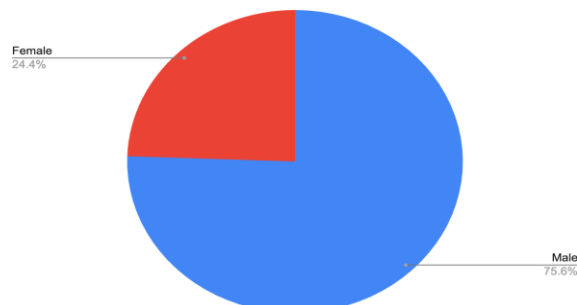
#### Age wise Distribution



From the above chart 4.1, It indicates that majority of respondents i.e. 55.6% of the respondents are belong to age group of 34 to 41 years followed by 42.2% of respondents belonging to age group of 42 to 49 years of age. Only 2.2% of respondents belongs to 26 to 33 years of age.

**Chart 2.**

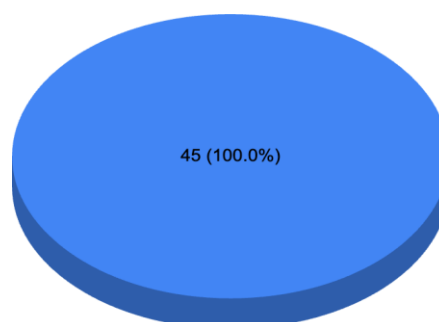
#### Gender wise Distribution



From the above chart 4.2, It shows that majority of respondents i.e. 75.6% of respondents are Male where as only 24.4% of respondents are Female.

**Chart 3.**

#### Distribution of Awareness of PM SVANidhi Yojana launched by Ministry of Housing & Urban Affairs,



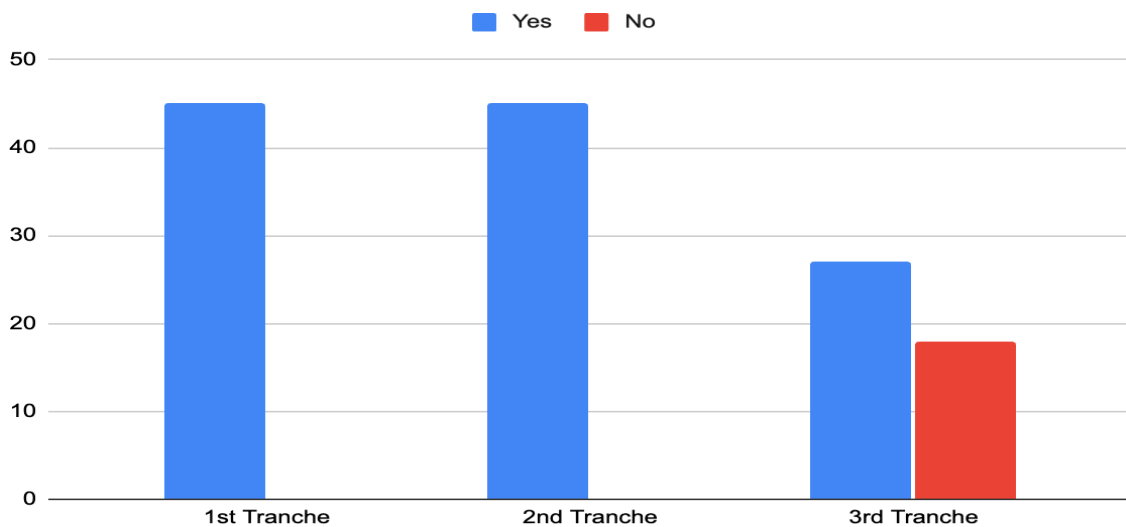
#### Government of India

From the above chart 3., it depicts that all the respondents that is 100% of respondents are aware of PM SVANidhi Yojana launched by Ministry of Housing and Urban Affairs, Government of India.



**Chart 4.**

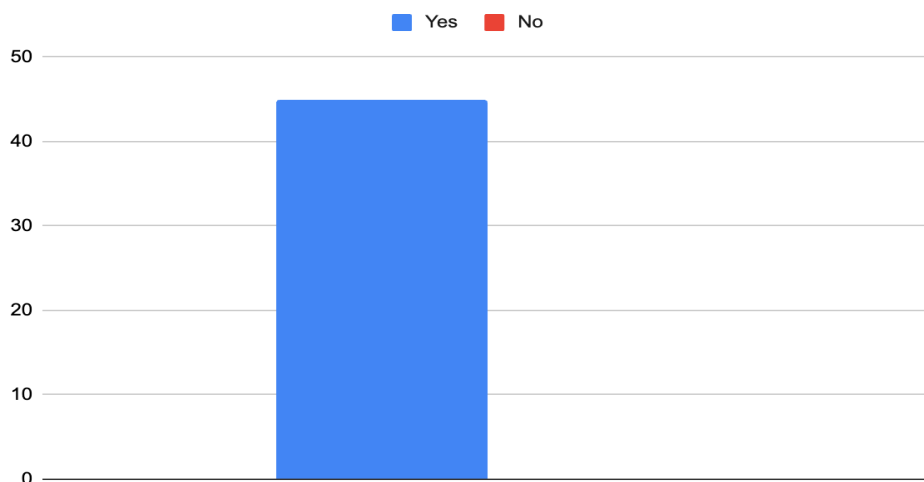
**Distribution of awareness of different Tranches of loans provided under PM SVANidhi Yojana**



From the above chart 4.4, It reveals that 100% of respondents are aware of 1st Tranche of Loan Rs. 10,000 and 2nd Tranche of Loan Rs. 20,000. Where as 60% of respondents are aware of 3rd Tranche of Loan and 40% of respondents are not aware of 3rd Tranche of Loan amount Rs. 50,000.

**Chart 5.**

**Distribution of Help of PM SVANidhi to restart Business after COVID 19**

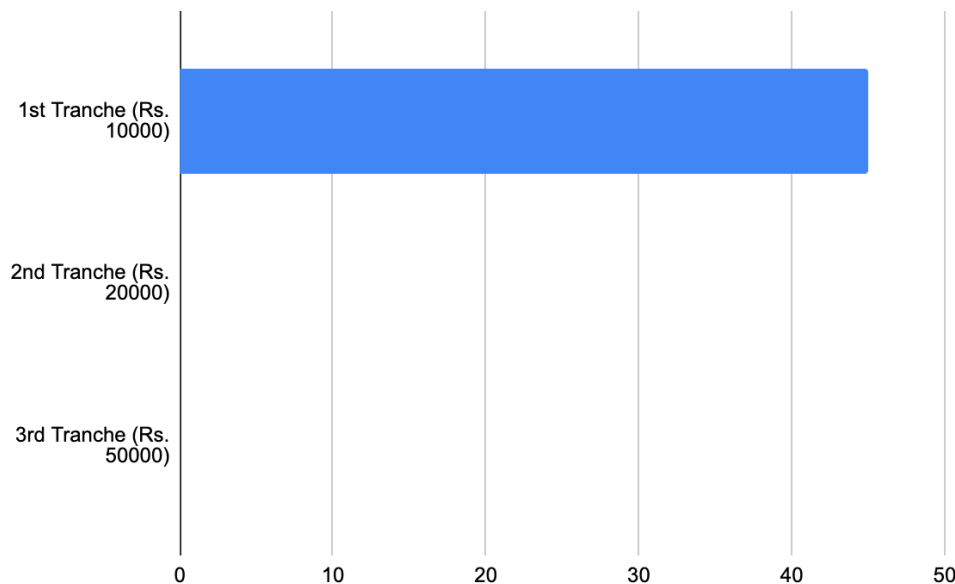


From the above chart 4.5, It clearly shows 100% of respondents feel that PM SVANidhi Yojana has helped them to restart their business after COVID 19.



Chart 6.

Distribution of Loan availed under PM SVANidhi Yojana

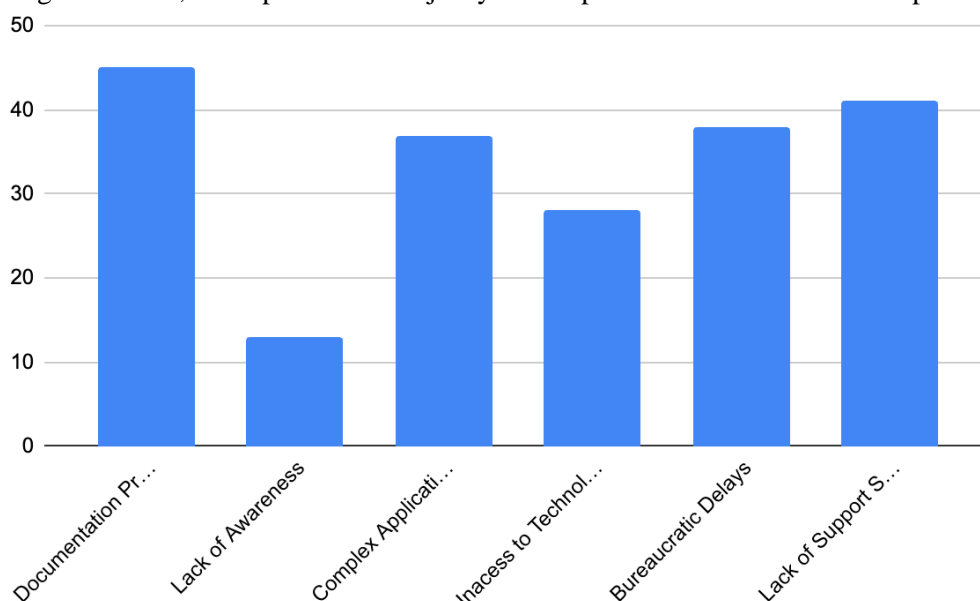


From the above chart 4.6, It depicts that 100% of respondents have received 1st Tranche of loan amounting Rs. 10,000. Where as no other respondents have received 2nd Tranche of Rs. 20,000 and 3rd Tranche of Rs. 50,000 respectively.

Chart 7.

Distribution of Problem faced by Street Vendors while applying for Pm SVANidhi Yojana

From the following chart 4.7, It depicts that majority of respondents i.e. 100% of respondents have faced



Documentation Process as major problem followed by 91.1% of respondents faced lack of support service where as 84.4% of respondents faced lack of awareness among street vendors regarding the scheme and Bureaucratic Delays as the major problem.



**Chart 8.**

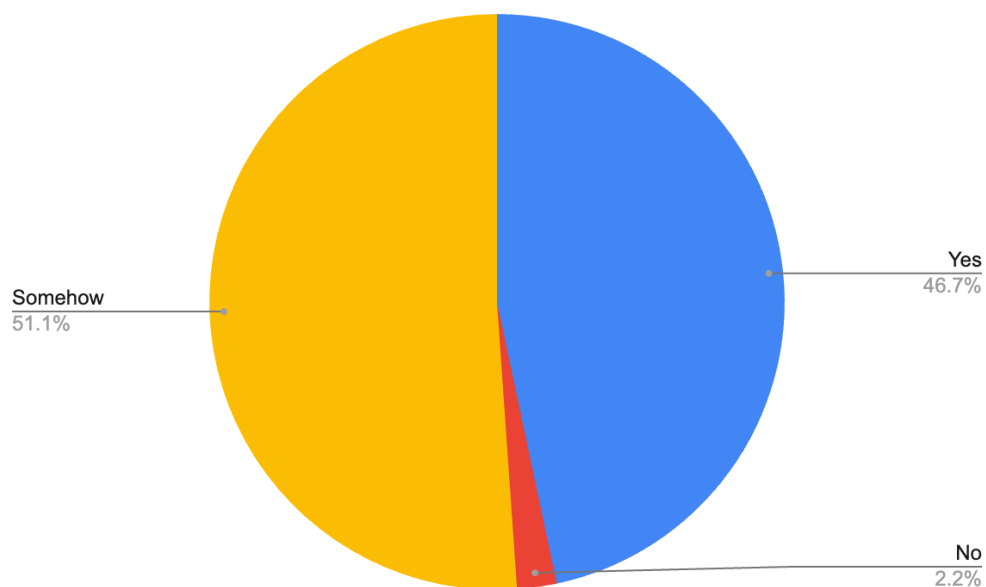
**Distribution of the Lenders Involved in implementing the PM SVANidhi Yojana**



From the following chart 4.8, It shows that 100% of Street vendors who have taken benefits of PM SVANidhi Yojana have received the loans from Public Sector Bank only.

**Chart 9.**

**Improvements in the street vendor's business after availing PM SVANidhi Yojana**



From the following chart 4.9, It depicts that 51.1% of respondents feel that PM SVANidhi Yojana has somehow helped them to improve their business where as 46.7% of respondents have stated that their business has been improved after availing the benefits of PM SVANidhi Yojana. 2.2% of respondents stated that PM SVANidhi Yojana did not helped them to improve their business which got affected due to COVID 19.



### Findings & Conclusion:

- The study shows that majority of respondents belongs to age group of 34 to 41 years and 42 to 49 years which indicate that they are working in this field from past many years.
- The study also shows that majority of respondents are male in nature as compared to female.
- The study also reveals that all the respondents are aware of PM SVANidhi Yojana and 1st and 2nd Tranche of loan amounting Rs. 10,000 and Rs. 20,000 respectively. Where as few of the street vendors are not aware about the 3rd Tranche of loan amounting Rs. 50,000.
- The study reveals that Pm SVANidhi Yojana has been successful in restarting street vendor's businesses who are the beneficiaries of the scheme which was earlier got adversely affected due to COVID 19 on informal sector.
- The study shows that respondents have received their 1st Tranche of loan Rs. 10,000 but faced various problems while applying for the scheme including documentation process, lack of support service, bureaucratic delays and complex application process. They also faced problems such as incases to technology.
- The study shows that majority of respondents feel that PM SVANidhi has somehow fulfilled their needs to improve the business which got adversely affected. Some respondents also state that PM SVANidhi was useful in improving the performance of the business after COVID 19.
- The study has also found that many of street vendors have been benefited by the Yojana but the amount of sanctioned loan was not fulfilling their requirement to start the vending business again after COVID-19 Pandemic.

### Role of PM SVANIDHI Yojana Towards Viksit Bharat 2047:

The Viksit Bharat 2047 mission of Government of

India wishes to transform the country as developed country by its 100th Independence Day. Government of India is majorly focusing towards development of 4 pillars of "Viksit Bharat Mission 2047" as Youth, Poor, Women and Farmers. For their development, government has introduced many schemes every now and then.

PM SVANidhi Yojana in one of the scheme launched for economic upliftment street vendors by providing working capital to them in the form of Micro Finance Scheme. Covid pandemic affected the entire country adversely and it became difficult to come back and restart the closed business. Understanding the situation, Government launched the PM SVANidhi Yojana considering to provide Working Capital to more than 50 lakh Street Vendors pan India.

Street Vendors have also stated that the scheme was helpful in bringing raw materials required to restart the business, repair their vending machines and to conduct business smoothly. Many street vendors also stated that Government should come with such more schemes which would be beneficial for overall development by increasing the amount of working capital. As considering the inflation in the economy, rising prices and increase in competition, Government should give a bigger amount in the form of working capital depending upon business model and nature of products and business.

### Suggestions:

The researcher would like to give suggestions based on responses and observation:

- Government of India should come with such more schemes for economic upliftment and development of weaker section of the society.
- Government should keep a track of implementation and usage of schemes by street vendors so as to offer second tranche of loan (Rs. 20,000) to street vendors who are in need.
- Government should make certain rules and



regulation on providing licenses to street vendors for conducting business so as to avoid charging penalty and fines from unregistered street vendors.

- Government should make extra efforts on promoting schemes as many street vendors were informed late about the said scheme.

### Limitations of the Study:

- Due to time constraints, the researchers has collected data from only 45 beneficiaries out of 129,048 registered and benefited street vendors.
- Only Mumbai region and street vendors conducting business in Mumbai region are considered.

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