Restructuring of PM SVANidhi

Prelims – *Current events of National and International importance| Economic and Social Development*

Why in News?

Recently, the Union Cabinet, had approved restructuring and extension of PM SVANidhi loan scheme for street vendors, till March 31, 2030.

- **PM SVANidhi –** Pradhan Mantri Street Vendors Atmanirbar Nidhi.
- It is a **Central sector scheme.**
- **Launched in** – 1st June 2020
- **Nodal Ministry –** The Ministry of Housing and Urban Affairs and Department of Financial Services (DFS).
- **Vendor Support** - It was initially launched to support street vendors who faced unprecedented hardships during the COVID-19 pandemic.
- **Objectives –** To formalize the street vendors and open up new opportunities for this sector to move up the economic ladder.
- To promote digital adoption, street vendors can **avail cashback incentives of up to Rs.1,600** on retail and wholesale transactions.
- **Target –** 1.15 crore beneficiaries including 50 lakh new beneficiaries.
- **Loan restructure –** It enhanced loan amount across the first & second tranche, **provision of UPI-linked RuPay Credit Card for beneficiaries** who have repaid the second loan.
- 1st tranche loans increased up to Rs.15,000 (from Rs.10,000)
- 2nd tranche loans increased up to Rs.25,000 (from Rs.20,000),
- 3rd tranche remains unchanged at Rs.50,000
- **Digital Inclusion –** Introduction of UPI-linked RUPAY Credit Card to provide immediate access of credit to the street vendors.
- It provides digital cashback incentives of up to Rs.1600 for retail & wholesale transactions.
- **Coverage extension –** It expanded beyond statutory towns to census towns, peri-urban areas in graded manner.
- **Other features –** It focuses on enhancing the capacity of street vendors by promoting entrepreneurship, financial literacy, digital skills, and marketing through convergence.
- It also includes standard hygiene and food safety training for street food vendors in collaboration with FSSAI.
- **SVANidhi se Samriddhi –** It is an initiative, launched on January 4, 2021, to connect beneficiaries' families to eight Government of India socio-economic welfare schemes.
- To promoting holistic development through comprehensive access to these welfare scheme.
- The component will be further strengthened, through monthly Lok Kalyan Melas.

Lok Kalyan Mela *is a public welfare event organized by government authorities to ensure the effective delivery of various government schemes and services directly to eligible citizens.*

- **Recognition –** PM’s Award for Excellence in Public Administration (2023), Innovation (Central Level).
- Silver Award (2022), Government Process Re-engineering for Digital Transformation.
- **Significance –** It empowers street vendors, foster inclusive economic growth, socio-economic upliftment livelihoods, and transforming urban spaces into a vibrant, self-sustaining ecosystem.

Reference

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