

# MOBILE APP LAUNCHED TO PROVIDE USER FRIENDLY DIGITAL INTERFACE TO SOURCE LOAN APPLICATIONS OF STREET VENDORS

Relevant for: Indian Economy | Topic: Issues Related to Poverty, Inclusion, Employment & Sustainable Development

Shri Hardeep Singh Puri, Minister of State (I/C), Housing and Urban Affairs interacted with Urban Development Ministers, Chief Secretaries, UD Secretaries/Principal Secretaries, DGPs, Collectors / SPs / SSPs / Municipal Commissioners / Chief Executive Officers of 125 cities in the context of Prime Minister Street Vendors AtmaNirbhar Nidhi (PM SVANidhi) Scheme which has been launched to provide credit for working capital to street vendors to resume their business. While the Scheme provides the credit facility to the vendors, there is a requirement to ensure that they are able to do business in a harassment free environment. Shri Durga Shankar Mishra, Secretary, MoHUA was also present in the meeting.

On the occasion, Hon'ble Minister launched a Mobile App for ULB functionaries. This App aims to provide user friendly digital interface for the functionaries of ULBs to source loan applications of street vendors.

Hon'ble Minister received feedback from states/UTs. He urged the Ministers of Urban Development and senior officials to hold meetings with key stakeholders towards successful implementation of PM SVANidhi and also to ensure the protection of livelihood of street vendors.

During the interaction with the Hon'ble Urban Development Ministers, it was decided that Ministry will conduct complete socio economic profiling of the scheme beneficiaries with an aim to facilitate their actions in other government welfare schemes e.g. PMAY (Urban), Aayushman Bharat, Ujjawala, Jan Dhan Yojana, Saubhagya, DAY-NULM etc. During his interaction, Shri Hardeep Puri said that "States are encouraged to dovetail other schemes for economic upliftment of vendors e.g. Mudra/DAY-NULM credit for purchase of modern pushcarts in place of traditional *thelas*. With regard to undue harassment of the street vendors by police/municipal officials, action should be initiated against the erring officials by fixing responsibility. Further, to help beneficiary raise their grievances in a conducive environment, a forum chaired by District Collector and having representation of police/ULB and other relevant departments should be constituted. The Forum so constituted should meet at least once in a month."

Observing that PM SVANidhi is not only a micro-finance scheme, the Housing Minister stated that it has a more ambitious objective to formalise the street vendors into urban economy and to provide a complete poverty alleviation package by facilitating their access to various other government schemes. It was decided that further meetings will be conducted with the lending institutions in coordination with DFS.

Since commencement of online submission of applications on PM SVANidhi portal on 2<sup>nd</sup> July 2020, more than 5.68 lakh applications have been received and over 1.30 lakh have been sanctioned in different States and UTs. With the purpose of taking the microcredit facility to the door step of the vendors a Mobile App for Lending Institutions has already been launched by the Ministry and is available on google play store.

PM SVANidhi was launched by the Ministry on June 01, 2020, for providing affordable Working Capital loan to street vendors to resume their livelihoods that have been adversely

affected due to Covid-19 lockdown. This scheme targets to benefit over 50 lakh Street Vendors who had been vending on or before 24 March, 2020, in urban areas including those from surrounding peri-urban/ rural areas. Under the Scheme, the vendors can avail a working capital loan of up to Rs. 10,000, which is repayable in monthly instalments in the tenure of one year. On timely/ early repayment of the loan, an interest subsidy @ 7% per annum will be credited to the bank accounts of beneficiaries through Direct Benefit Transfer on quarterly basis. There will be no penalty on early repayment of loan. The scheme promotes digital transactions through cash back incentives up to an amount of Rs. 100 per month. The vendors can achieve their ambition of going up the economic ladder by availing the facility of enhancement of the credit limit on timely/ early repayment of loan.

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