

Frequently Asked Questions for PM SVANidhi Scheme

Sr. No.	Query	Answer
1.	What is the Scheme?	This is a Central Government Scheme to facilitate street vendors to access affordable working capital loan for resuming their livelihoods activities, after easing of lockdown.
2.	What is the rationale of the Scheme?	The COVID-19 pandemic and consequent lockdowns have adversely impacted the livelihoods of street vendors. They usually work with a small capital base, which they might have consumed during the lockdown. Therefore, credit for working capital to street vendors will be helpful to resume their livelihoods.
3.	Who is a Street vendor/hawker?	Any person engaged in vending of articles, goods, wares, food items or merchandise of daily use or offering services to the public in a street, footpath, pavement etc., from a temporary built up structure or by moving from place to place. The goods supplied by them include vegetables, fruits, ready-to-eat street food, tea, pakodas, breads, eggs, textile, apparel, artisan products, books/ stationary etc. and the services include barber shops, cobblers, pan shops, laundry services etc.
4.	What is the amount of initial working capital loan?	The Initial working capital loan is upto Rs.10, 000/- for a tenure of one year.
5.	<u>Customer:</u> I have an Identity Card /Certificate of Vending. How can I apply for the loan?	Customer can approach a Banking Correspondent (BC)/ Agent of Micro Finance Institution (MFI) in your area (ULBs will have the list of these persons). They will help you in filling up the application and upload the documents in a Mobile App/ Portal.
6.	<u>Customer:</u> How will I know that I am in the surveyed list?	You can access this information on the website of Ministry of Housing and Urban Affairs.
7.	<u>Customer:</u> My name is in the list of surveyed vendors, but I do not have either Identity Card or Certificate of Vending? Can I avail the loan facility? If yes, what is the process?	Yes, Customer can still avail the Scheme benefits. A Provisional Certificate of Vending would be issued to vendors through an IT based Platform. The BC/ Agent will help customer in filling up the application and upload the documents in a mobile App/ Portal.

Sr. No.	Query	Answer
8.	<p><u>Customer:</u> I stay in the surrounding rural area and vend in the city. Am I eligible for the Scheme? If yes, what is the process?</p> <p>(Or)</p> <p>I am a vendor from the city but not included in the survey. How can I avail benefits of the Scheme?</p>	<p>The Scheme is available to vendors of surrounding development/ peri-urban/ rural areas vending in the geographical limits of the cities/ towns and those left out of the survey. If you belong to this category you have to produce one of the following documents to obtain the Letter of Recommendation from ULB/TVC:</p> <p>(i) Documents of past loan taken from a bank/ NBFC/ MFI for the purpose of vending;</p> <p>or</p> <p>(ii) If you are a member of street vendors' association like NASVI, NHF, SEWA etc., your membership details;</p> <p>or</p> <p>(iii) Any other documents to prove that you are a vendor; You can also request ULB through a simple application on white paper to conduct local enquiry to ascertain the genuineness of your claim. After receipt of LoR, you may approach BC/ Agent to apply for the loan.</p>
9.	<p><u>Customer:</u> Do I need to give any collateral to avail this loan?</p>	<p>No collateral security is required.</p>
10.	<p>What is the amount of incentive for digital transactions?</p>	<p>The on-boarded vendors would be provided with a monthly cashback in the range of Rs.50 -100 as per the following criteria:</p> <p>(i) On executing Rs.50 eligible transactions: Rs.50;</p> <p>(ii) On executing the next Rs.50 eligible transactions: Additional Rs.25; and</p> <p>(iii) On executing the next Rs.100 eligible transactions: Additional Rs.25.</p> <p>Each transaction > Rs.25 will be counted.</p>
11.	<p>Is there any penalty for repayment of loan before the scheduled date?</p>	<p>There is no penalty for pre-closure of the loan.</p>

Sr. No.	Query	Answer
12.	What is the rate and amount of interest subsidy?	The rate of interest subsidy is 7%. The interest subsidy amount will be credited directly in customer account on quarterly basis. In case of early payment, the admissible amount of subsidy will be credited in one go.
	What will be the maximum cash back incentive?	Cash Back Incentive shall be available only to a maximum limit of Rs 1200
13.	Whether eKYC is mandatory for all direct loan applications?	Yes, eKYC is mandatory for all direct loan accounts.

- For more details, Please contact our nearest Branch.