



## PM SVANidhi: From Survival to Self-Reliance

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*PM SVANidhi has emerged as a major initiative supporting vendors working across India's informal urban economy. Beyond providing collateral-free loans, the scheme has encouraged digital adoption, improved access to institutional credit and expanded social security coverage. Since its launch in 2020, more than 1.12 crore loans have already been disbursed. The initiative has benefited over 75 lakh beneficiaries across cities and towns. Loans worth over ₹17,800 crore have been provided under the scheme. Its impact is visible not only in official numbers but also in the everyday journey of vendors building stronger and more sustainable livelihoods.*

### The Changing Story of India's Street Vendors

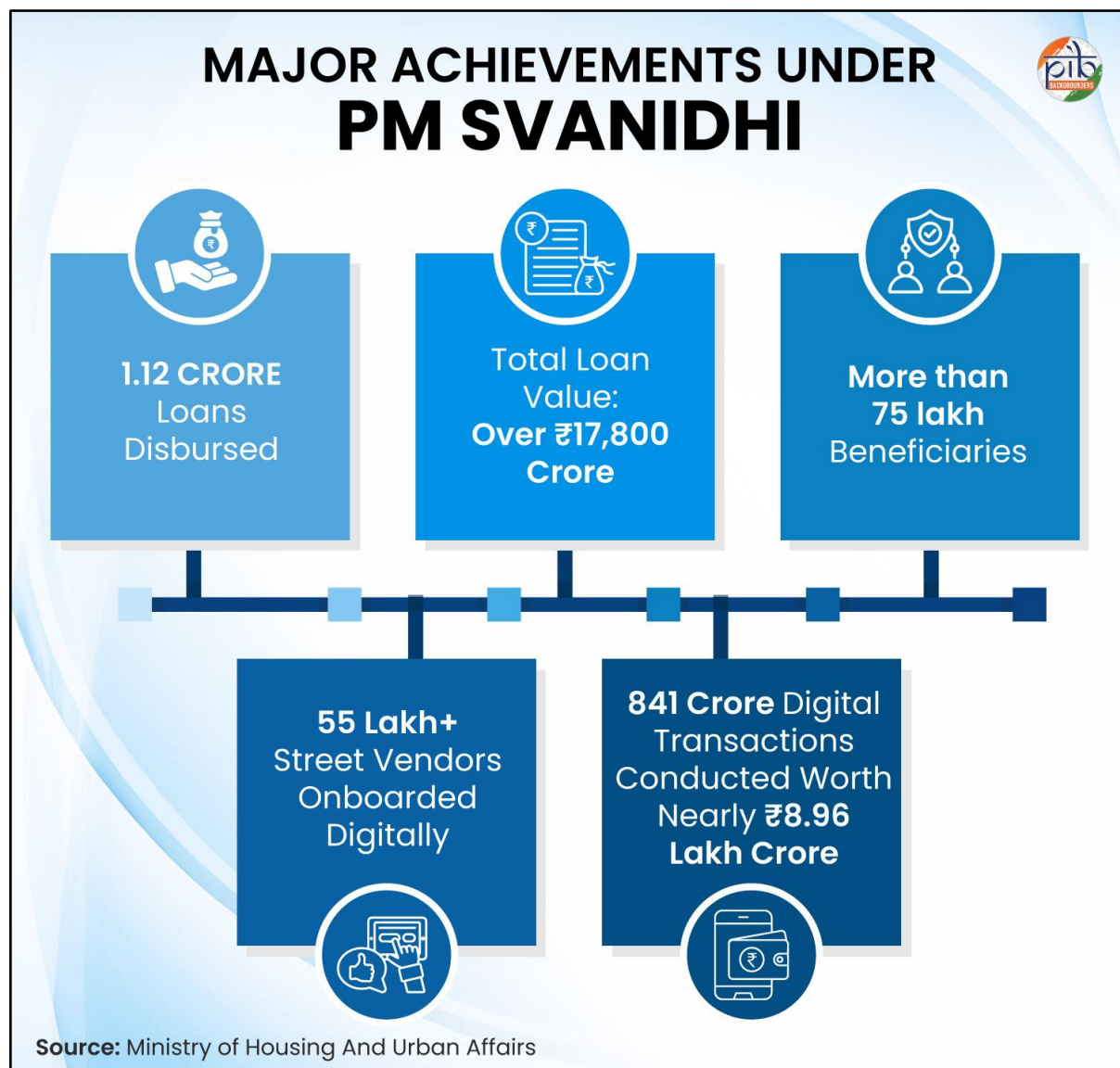
The vegetable seller at a crowded market and the tea vendor outside a busy office are familiar sights in Indian cities. The fruit cart owner navigating lanes and the cobbler repairing shoes on a roadside pavement are equally essential to everyday urban life.

**PM SVANidhi**

Prime Minister Street Vendor's  
AtmaNirbhar Nidhi

Together, these millions of street vendors keep India's urban economy moving every single day. They provide affordable goods and essential services while sustaining local markets and neighbourhood supply chains. However, they had limited access to formal credit, forcing many vendors to depend on informal credit at very high interest rates. Addressing their challenges, the Prime Minister Street Vendor's AtmaNirbhar Nidhi (PM SVANidhi) scheme was launched in June 2020 as a first-of-its-kind micro-credit initiative focused on street vendors with government-backed credit guarantee support. The scheme sought to provide "Swarozgar, Svavlamban and Swabhimaan" to the street vendors. Today, PM SVANidhi has evolved far beyond a simple loan programme to a nationwide movement advancing financial empowerment, digital inclusion and social security for millions working in India's informal economy.

Over the past years, the scheme has witnessed remarkable growth across cities and towns nationwide. More than 75.5 lakh beneficiaries have availed over 1.12 crore loans amounting to more than ₹17,800 crore. Over 55 lakh beneficiaries have been onboarded digitally under the scheme. Together, they have carried out over 841 crore digital transactions worth nearly ₹8.96 lakh crore. Beneficiaries under PM SVANidhi have also received nearly ₹800 crore through digital cashback incentives and interest subsidies. Building on the strong achievements and measurable impact, the scheme has been extended until March 2030.



### Key Features of the PM SVANidhi Scheme

- i. **Working Capital Loan:** Collateral-free loans of ₹15,000, ₹25,000, and ₹50,000 are provided in three progressive tranches with interest subsidy and credit guarantee support.
- ii. **UPI-linked RuPay Credit Cards:** Vendors successfully repaying the second tranche are eligible for UPI-linked RuPay Credit Cards with limits up to ₹30,000.

- iii. **Digital Adoption:** Cashback incentives of up to ₹1,600 are provided to street vendors for retail/wholesale digital transactions to encourage digital adoption and financial literacy.
- iv. **SVANidhi se Samridhhi (SSS):** Socio-economic profiling of beneficiaries and their families is undertaken to link them with eight selected Central welfare schemes and create a holistic social security net.
- v. **Capacity Building & Entrepreneurship Development:** Vendors are provided with training in financial literacy, digital literacy, and food safety & hygiene in collaboration with FSSAI.

## Impact of the PM SVANidhi Scheme

Independent impact assessments of PM SVANidhi were conducted in 2023 and 2025. The studies highlighted the following significant improvements:

### Economic Empowerment

The scheme has strengthened business sustainability and improved earnings for vendors across the country. Nearly **95% of beneficiaries** accessed formal institutional credit for the first time under PM SVANidhi. Around **30%** later accessed additional credit beyond SVANidhi loans, reflecting improved creditworthiness and financial inclusion. Beneficiary incomes also recorded an average annual **increase of nearly 20%**.

### Improvement in Household Welfare

The economic gains under PM SVANidhi contributed significantly to improving beneficiaries' living standards. The scheme supported greater housing stability and improved access to nutritious food, healthcare and education.

PM SVANidhi has also strengthened social inclusion among vulnerable urban communities. Nearly **46%** of beneficiaries under the scheme are women, reflecting strong gender inclusion. Around **70%** belong to marginalised communities, highlighting the scheme's inclusive outreach.

## Voices of Resilience and Empowerment

Behind the numbers and loan disbursements are stories of perseverance, courage and renewed aspiration. For many vendors, PM SVANidhi has opened doors to stability, growth and opportunities once considered out of reach. These experiences from different parts of the country highlight how timely facilitation is helping small businesses recover, adapt and move forward with greater confidence.

## From a small stall to a shop

Babita Sharma from Nandgram, Ghaziabad, runs a small shop selling puja items near a local temple. Every day, devotees visit her stall to buy incense sticks, diyas, flowers, coconuts, and other items needed for puja. While the business helped support her family, limited funds often made it difficult for her to expand and meet customer demand. In July 2020, Babita learned about the PM SVANidhi Scheme through officials of the Urban Local Body (ULB). Seeing it as an opportunity to improve her livelihood, she applied for the loan under the scheme. After receiving the first PM SVANidhi loan, Babita invested the money in purchasing additional stock and introducing more products at her stall. The wider variety attracted more customers and helped increase her daily sales and income. Encouraged by the improvement in her business, she repaid the loan on time and became eligible for the second tranche. She used this loan to purchase a cart and improve her vending setup.



## Expanding Horizons Through Enterprise



For over a decade, Santhi R from Thiruvananthapuram has been the primary breadwinner of her family through her dry fish business. Before PM SVANidhi, she depended on high-interest microfinance loans with difficult weekly repayments. These financial pressures limited her business growth and affected daily operations. PM SVANidhi helped Santhi gradually strengthen her operations through accessible institutional credit. As her business stabilised, she expanded beyond street vending into dry fish packing and local shop supplies. Santhi received the first tranche of ₹10,000 and later progressed to the third loan

tranche of ₹50,000 under the scheme. This improved cash flow and helped her manage inventory more efficiently. She also received a SVANidhi Credit Card in January 2026, which further strengthened her growing business operations. Santhi R's experience highlights how PM SVANidhi is helping women entrepreneurs diversify businesses and create sustainable livelihoods.

## Turning Challenge into Opportunity

In the bustling streets of Noonmati, Guwahati, Sewali Kalita once ran a modest pan stall to make ends meet for her family of four. During difficult times, she even borrowed money from neighbours just to survive. An interaction with officials from the Guwahati Municipal Corporation introduced Sewali to PM SVANidhi. With a loan of ₹10,000, Sewali tapped into her entrepreneurial spirit. She recognised the rising demand for organic vegetables during the pandemic. She began sourcing fresh produce locally and selling it alongside her pan stall. As business improved, Sewali enrolled her children back in school and gradually expanded her enterprise. She further



secured additional loans of ₹20,000 and ₹50,000, respectively. The financial support enabled her to clear debts, increase stock and open a dedicated vegetable stall. Today, Sewali runs a flourishing business alongside her husband in Guwahati. She now earns nearly ₹8,000 in monthly profits from her growing business. Her progress stands as a powerful example of perseverance and opportunity.

## Small Loan, Big Change: The Transformation of a Street Vendor's Life



Yograj Mali, a 30-year-old B. Com. student, ran a street food business selling Cholaphali in Gandhinagar. Unfortunately, the COVID-19 pandemic severely affected his business. However, hope arrived in the form of a loan under the PM SVANidhi scheme. The loan not only reignited his business but also brought immense happiness to him and his family, as they no longer struggled financially. With the loan, Yograj embraced digital payments, benefiting from cashback rewards. Additionally, he leveraged other government schemes such as Pradhan Mantri Suraksha Bima, Pradhan Mantri Jeevan Jyoti Bima, and Shramyogi Man

Dhan Yojana. Grateful for the support, Yograj acknowledges that the government stands as a pillar of support during difficult times, especially for those who might otherwise feel overlooked.

## Beyond Credit: A Changing Urban Landscape

From crowded marketplaces to narrow roadside lanes, PM SVANidhi has quietly transformed countless everyday journeys across the country. The scheme has enabled vendors to return to work and expand small businesses. It has encouraged digital transactions and promoted safer, more

organised business practices. It has also widened access to institutional support for underserved communities.

The scheme's expanding reach reflects a larger shift in development and inclusion. For millions working in the informal economy, PM SVANidhi has created pathways to opportunity that were once difficult to access. In many ways, the initiative reflects a changing vision of urban governance. Small vendors are no longer seen as part of the margins. Instead, they are increasingly recognised as contributors to India's economic growth story.

## References

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