



**BACKGROUNDERS**  
Press Information Bureau  
Government of India

# PM SVANidhi: Advancing Financial Inclusion for Street Vendors

## *Frequently Asked Questions (FAQs)*

May 30, 2026

### **1. What is PM SVANidhi?**

PM SVANidhi is a Central Sector Scheme supporting street vendors through affordable working capital, financial inclusion and social protection measures.

### **2. Why was it introduced?**

PM SVANidhi was launched during the COVID-19 pandemic to provide affordable working capital loans to street vendors whose businesses had been severely affected. As the first dedicated micro-credit scheme for street vendors, who constituted a significant part of the informal workforce and often had limited access to formal credit, it aimed to support the growth of their businesses while promoting financial inclusion.

### **3. When was PM SVANidhi launched and which Ministries implement it?**

The scheme was launched in June 2020. It is a joint responsibility of the Ministry of Housing and Urban Affairs (MoHUA) and the Department of Financial Services (DFS).

### **4. What is the extended lending period under PM SVANidhi?**

Building on the strong achievements and measurable impact, the government has approved restructuring and extension of PM SVANidhi. The lending period has been extended until March 2030.

## **5. Who is a Street Vendor/hawker?**

Any person engaged in the 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, etc., and the services include barber shops, cobblers, laundry services, etc.

## **6. What financial assistance and benefits are provided under PM SVANidhi?**

Street vendors receive collateral-free working capital loans of ₹15,000, ₹25,000 and ₹50,000 through progressive loan tranches. The scheme also provides interest subsidy, credit guarantee support and UPI-linked RuPay Credit Cards up to ₹30,000 for eligible vendors.

## **7. Is there any incentive for timely/ early repayment of the loan?**

Yes. PM SVANidhi encourages timely and early repayment by providing an interest subsidy of 7 percent per annum. In addition, vendors who repay their loans on time become eligible for higher loan tranches in subsequent cycles.

## **8. How long will it take to get the loan approved?**

PM SVANidhi leverages an end-to-end digital platform to streamline the loan application and approval process. On average, it takes about 23 days for a loan to be processed and approved, subject to verification and completion of required formalities.

## **9. How can street vendors holding a Letter of Recommendation (LoR) or Certificate of Vending (CoV) apply for a loan?**

A street vendor holding a valid Letter of Recommendation or Certificate of Vending can apply for a PM SVANidhi loan through the scheme portal or Mobile App or with the assistance of Urban Local Bodies (ULBs).

## **10. How many street vendors have benefited under PM SVANidhi?**

More than 75.5 lakh street vendors have availed over 112 lakh loans under PM SVANidhi so far.

## **11. What is the total financial assistance disbursed under the scheme?**

Loans amounting to more than ₹17,800 crore have been disbursed to street vendors across the country. Beneficiaries have also received nearly ₹800 crore through interest subsidies and digital cashback incentives.

**12. How does PM SVANidhi promote digital and financial inclusion among street vendors?**

The scheme encourages digital transactions through cashback incentives up to ₹1,600 and financial literacy support. More than 55 lakh vendors completed over 841 crore digital transactions worth nearly ₹8.96 lakh crore.

**13. What is SVANidhi se Samridhi and how does it support beneficiaries?**

SVANidhi se Samridhi profiles beneficiary families and links them with eight selected Central Government welfare schemes. More than 50 lakh families have been profiled and over 1.52 crore welfare benefits sanctioned under the initiative.

**14. What training and capacity-building support is provided under PM SVANidhi?**

The scheme provides training in financial literacy, digital literacy and food safety practices through collaboration with FSSAI. Around 6 lakh street food vendors have been trained on food safety and hygiene standards.

**15. What impact has PM SVANidhi created on livelihoods and financial empowerment?**

Independent studies conducted in 2023 and 2025 found improved business sustainability, higher incomes and stronger financial inclusion among beneficiaries. Nearly 95 percent of beneficiaries accessed formal institutional credit for the first time through the scheme. Around 30 percent of beneficiaries accessed additional credit beyond PM SVANidhi loans. Beneficiary incomes recorded an average annual increase of nearly 20 percent.

**16. How has PM SVANidhi strengthened social inclusion and urban livelihoods?**

Nearly 46 percent of beneficiaries are women and around 70 percent belong to marginalized communities. The scheme strengthened micro-enterprises, local supply chains and integration of vendors with Urban Local Bodies.

## Reference

Ministry of Housing and Urban Affairs

**PIB Research**