

**GOVERNMENT OF INDIA
MINISTRY OF HOUSING AND URBAN AFFAIRS
RAJYA SABHA
UNSTARRED QUESTION NO. 4041
ANSWERED ON 30/03/2026**

LOANS TO STREET VENDORS UNDER PM SVANIDHI

4041. SHRI SANJAY SETH:

Will the Minister of *Housing and Urban Affairs* be pleased to state:

- (a) the progress made in disbursing the third tranche of collateral-free loans to street vendors under PM SVANidhi;
- (b) whether the scheme has successfully integrated vulnerable micro-entrepreneurs into the formal credit system;
- (c) the total interest subsidy transferred directly to vendor's accounts during the last four months;
- (d) the growth in digital transactions recorded by these beneficiaries; and
- (e) the future steps planned to expand credit limits and offer micro-insurance products to vendors?

ANSWER

**THE MINISTER OF STATE IN THE MINISTRY OF HOUSING AND URBAN AFFAIRS
(SHRI TOKHAN SAHU)**

(a): Since the inception of PM SVANidhi scheme till 1st March 2026, a total of 7,24,084 street vendor beneficiaries have availed 3rd tranche loan amounting to ₹3,590.59 Cr.

(b): PM SVANidhi scheme was launched in June 2020 to provide collateral-free working capital term loans to urban street vendors. Since the inception of PM SVANidhi scheme till 1st March 2026, a total of 1.09 Cr. loans amounting to ₹17,115 Cr. had been disbursed to 73.81 lakh street vendor beneficiaries under the scheme across the country.

Impact assessment studies of the PM SVANidhi scheme had been undertaken by Indian School of Business (ISB), Hyderabad in 2023 & 2025. The 2023 study found that PM SVANidhi was the first loan from a bank for 95% of the beneficiaries and the loan was utilized for expanding their business.

The 2025 study found that the around 30 percent of borrowers across all cycles reported holding loans other than PM SVANidhi loans which underscores the scheme's role in building credit histories for vendors who previously had little or no access to formal credit.

(c): The total interest subsidy amount disbursed in last 4 months is ₹24.85 Cr. under the scheme.

(d): The PM SVANidhi Scheme provides cashback of upto ₹1200 per tranche for digital transactions and upto ₹400 for wholesale purchases. Since the inception of scheme till 28th February 2026, street vendor beneficiaries have conducted 775.68 Cr digital transactions. Further, the Impact assessment studies of the PM SVANidhi scheme undertaken by Indian School of Business (ISB), Hyderabad found that there is growth in digital transactions among street vendors.

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(e): The Government has approved the restructured PM SVANidhi Scheme, extending the lending period under the scheme up to 31st March 2030. In the restructured scheme the loan amounts for first tranche and second tranche have been enhanced to, up to ₹15,000 and up to ₹25,000, respectively. The restructured scheme now provides for cashback on wholesale purchases in addition to cashback on retail digital transactions. Coverage of the scheme has been expanded beyond statutory towns to include census towns, peri-urban areas, etc. in a graded manner. Additionally, UPI-linked RuPay Credit Card has been introduced for beneficiaries who have repaid the second loan tranche.

The 'SVANidhi se Samriddhi' (SSS) component of PM SVANidhi scheme facilitates linkage of beneficiaries and their families via socio-economic profiling to existing eight welfare schemes of the Government of India, promoting their holistic development and socio-economic upliftment. This also includes convergence with schemes such as PM Jeevan Jyoti Bima Yojana (PMJJBY) and PM Suraksha Bima Yojana (PMSBY) which provide life insurance and accidental insurance respectively to the eligible beneficiaries and their families.
