Covid-19 Crisis: Special Micro Credit Scheme for Street Vendors started

We wrote about National Urban Livelihood Mission (NULM), the largest livelihood programme of the Ministry of Housing and Urban Affairs, Government of India is being implemented in Kerala through Kudumbashree Mission in 'Making an Impact' Article - 56. We had also explained about activities being implemented for the rehabilitation of urban street vendors associating with 93 Urban Local Bodies (ULBs) as part of this programme in 'Making an Impact' Article - 57. Many of these street vendors lost their source of livelihood during the crisis situation of Covid-19. Though some of them restarted their business after the lockdown was relaxed, they received very less income. Some of them are yet to resume their business. Under the umbrella of National Urban Livelihood Mission (NULM), as a part of PM SVANidhi (Prime Ministers Street Vendors Atmanirbhar Nidhi) program, Kudumbashree started implementing the loan scheme from today, where Rs 10,000 would be given as loan to street vendors so as to support them in crisis.

These loans would be issued to the street vendors who apply for the same, through banks. This is the financial assistance for resuming their livelihoods activities. However many of them have little connection with the banking system and do not even have a bank account. Even though they have bank accounts there are difficulties in getting the bank loan. It is on its grounds, this special programme (PM SVA Nidhi) is being implemented. If the loan would be repaid on time, 7% interest subsidy would be provided and street vendors will be eligible for top up loans. This subsidy scheme would be
available upto 31 March 2022. In addition to the interest subventions, if more digital transactions are done by street vendors, cash back upto Rs 1200 would be received per year. Kudumbashree is also making special interventions to encourage digital transactions. This financial assistance is being given as part of the Prime Minister’s Street Vendors’ Atma Nirbhar Nidhi.

City Mission Management Units of Kudumbashree are functioning in all 93 ULBs for implementing NULM Programme in Kerala. 11,034 street vendors out of the 22,000 street vendors were identified through surveys from these urban areas and were issued ID cards. Town Vending Committee is set up in each ULB for the welfare of the street vendors. District Level Advisory Committee chaired by District Collector and State Level Advisory Committee chaired by Minister for Local Self Government Department is also set up for supervising these activities.

The street vendors who got the ID cards, the street vendors who have been identified in the survey but have not been issued certificate of vending/ identity cards, those who started vending in the streets after the completion of the survey and has the approval of Kudumbashree CDS or Town Vending Committee, the vendors of surrounding development/ Peri-urban/ rural areas vending in the geographical limits of a ULB - All would get this financial assistance.

Loan applications of 9 street vendors were sanctioned by the banks on the first day of the launch of the programme. We have received more than 1200 application forms and they are in the process of submission to banks. 860 street vendors have opened new bank accounts. Hope this loan scheme would be able to provide support to the street vendors all across Kerala during this crisis situation of covid-19.