

Progress of the PM SVANidhi Credit Scheme



A survey analysis of the implementation
and progress of the PM SVANidhi credit scheme
for street vendors in India



Indo-Global
Social Service Society
Celebrating the Spirit of Humanity



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Abbreviations

ABD	- Area Based Development
TVC	- Town Vending Committee
ULB	- Urban Local Body
LOR	- Letter of Recommendation
PM SVANidhi	- Pradhan Mantri Street Vendor Atma Nirbhar Nidhi Yojana
PMJAY	- Pradhan Mantri Jan Aarogya Yojana
SV	- Street Vendor
UT	- Union Territory
COVID-19	- Coronavirus Disease
YUVA	- Youth for Unity and Voluntary Action
IGSSS	- Indo Global Social Service Society
NHF	- National Hawker Federation
INR	- Indian Rupee



Acknowledgement

This report was possible due to the collective effort of street vendor worker groups and IGSSS staff. The seeds for this report were sown jointly by the National Hawker Federation and IGSSS and then executed with the support of IGSSS's hardworking city teams and street vendor volunteers spanning 15 cities and 10 states. The report acknowledges a special contribution from all the community mobilisers who helped gather data from the ground in all cities. We are indebted to all the street vendors who gave their valuable time to make this study happen. Shaktiman Ghosh, Mecanzy Dabre from the NHF helped immensely in the data analysis of this report. We are also extremely grateful to our city teams who braved the pandemic to reach out to vulnerable street vendors in their respective cities. We extend our gratitude to Zuber Shaikh from SAATH (Ahmedabad) Yogesh Gaud (Azad Hawker worker group, Mumbai) and Mohd Yakub (State President NHF, Udaipur) for their individual contributions. This report of course would not have been possible without the supervision and support from the internal staff of IGSSS who helped in more than one way in this report.

Acknowledging the contributions made by all involved, we hope this survey report will help provide an accurate picture of the progress of the unique Svanidhi scheme and will lead to concrete action at all levels of government in order to assist the millions of street vendors who have silently endured an economic crisis of previously unknown proportions.

Adrian Dcruz and Aravind Unni

Urban Poverty Reduction Team
Indo Global Social Service Society



Foreword

The collective effect of two lockdowns has spelt catastrophe for street vendors. After receiving constant updates from 27 states, it is safe to say that more than 80% street vendors faced immense financial distress throughout this past year. Chances of rebuilding anew gained momentum early in 2021, but the second lockdown has made begging a reality for countless street vendors. Although vegetable and fruit sellers found some stability, food, garments and plastic goods vendors found it impossible to rebuild their business after the first lockdown. Speaking to vendors nowadays result in them asking for rations more than the vaccine.

Our hawker worker groups used to be very active. Every year at least 6-7 meetings would be organised in different parts of the country to engage with the local leaders, local ULB duty bearers and civil society organisations to advocate for the cause of the street vendor. The advent of the pandemic has curtailed the outreach and activity of the worker groups. Zoom meetings, no matter how regular, are ineffective at the grassroots, and in successful advocacy to the state.

Despite these setbacks, the National Hawker Federation and its associated worker groups all over India successfully provided 20,000 families with over 1 lakh containers of cooked food and dry rations. In the government designated red or containment zones, community kitchens provided food to thousands of senior citizens and children. Migrant workers were lent a hand with food and clothes.

Second time around, the NHF and its allies have successfully set up Covid care centres where beds and oxygen supply has been provided. Isolation wards, doctor consultations and low cost medicines have been arranged in these centres. There is now a need for the administration to understand the need for widespread welfare measures coupled with the implementation of the Street Vendors Act

In this context, the PM SVANidhi scheme is crucial for the well-being of street vendors. As of now, the short term nature of the scheme inhibits the political will behind it. The banking sector seemed reluctant to engage with vendors en masse as fear of NPAs loomed large. There seems to be a negative correlation between the document requirements and the successfully sanctioned loans. Uncooperative local governments have

in the course of a year, hindered the progress of a unique credit scheme. Therefore, this scheme needs to be extended for the foreseeable future. Recognition and involvement in the formal financial fold should be the aim of such a welfare credit scheme. This study aims to bring out the ground reality that most vendors are facing while engaging with this scheme. Data has been painstakingly collected with the aim of creating a structured feedback loop to enhance coordination between local administrations and hawker worker groups in implementing this scheme.

The low circuit or unorganised economy represents 77% of the economy. It is the Janata's economy. The buoy provided by this sector to the rest of the economy is immeasurable. For the benefit of millions of workers, producers (farmers) and customers, there must be an immediate injection of capital to street vendors who are its lifeblood. Options of cash transfers should be considered till the lockdowns end or there are high chances of production coming to a halt in the low circuit economy. At the state level, I believe that vaccines should be reserved for street vendors if they are to restart their economic activity safely. Street vendors also represent front line workers as their activities depend on human interaction. Vaccination drives involving hawker worker groups should be immediately undertaken to provide maximum coverage.

To my fellow street vendors, I pray that you keep safe. Your own health should be first priority in these unimaginable times. I would also urge those vendors who are able to operate and work, to show solidarity with the street vendors masses who are unable to. Street vendors must show collective organisation and cooperation so we all can endure this crisis.

Shaktiman Ghosh

All India General Secretary

National Hawker Federation



Introduction

Street vendors in India constitute the bulk of the informal sector workforce in urban areas. It is estimated that there are more than 2 crore street vendors in the entire country. Apart from agriculture, street vending offers the largest share of informal economy employment. Street vendors constitute an integral part of the urban retail trade and distribution system for daily necessities of the general public. They represent 4% of the urban workforce across India and play a variety of roles in city life. The vending economy approximately has a parallel turnover of Rs 80 crore ¹ a day and every street entrepreneur or trader supports an average of three others as employees or partners or workers on commission ²

The Street Vendors Act (Protection of Livelihood and Regulation of Street Vending) 2014 Act governs the regulation and livelihoods of street vendors. It awards legal status to vendors and grants civic facilities such as vending zones and markets. It lays down clear definitions of vendors and delineates clear procedures to survey, map, form town vending committees and provide planned vending zones all with the aim of protecting the livelihoods of street vendors. The implementation of this landmark legislation has been varied but underwhelming overall. Though all states have notified the rules and state specific schemes, implementation remains sluggish ³. Most states are afflicted with non existence of TVCs, and states which do have them are unable to complete street vendor surveys. Notwithstanding the law, street vendors suffer due to regular extortion, harassment and a lack of documentation which stems from their livelihoods being insecure.

Street Vendors During the Lockdown

This sector has been adversely affected due to COVID-19. All street vendors are daily wage earners and the Coronavirus pandemic is acutely affecting their livelihood and access to resources. Their daily transactions involve busy markets and hand to hand transactions which have been completely decimated due to the lockdown. Restricted mobility in cities meant that the city's vendors immediately lost their source of income and were faced with enormous financial stress.

1 <https://thewire.in/labour/street-hawkers-lockdown>

2 <https://thewire.in/urban/street-vendors-lockdown-poverty>

3 <https://ccs.in/sites/default/files/research/svac-report-2019.pdf>

In 2020, only 10 out of 30 states and UTs specifically announced cash transfers for street vendors along with other vulnerable groups to facilitate survival during the 1st lockdown. These cash transfers ranged from INR 3,000 (Odisha and Bihar) to 1,000 (Uttar Pradesh, Haryana, Tamil Nadu, Rajasthan) for a period of one month and varied in the dispersal times. They were mostly to be done through direct bank transfers (DBT). One common thread between all of the cash transfer announcements was that these were restricted to 'registered' street vendors, which was where the serious lacunae lay. Registration depended on 2-5 year old surveys conducted by local authorities which have gross underestimations, incomplete procedures, unverified bank account numbers, no linkages between IDs and bank details etc, all of which excluded most vulnerable vendors.⁴

In 2021, only 3 state governments (Karnataka, Maharashtra and Madhya Pradesh) have announced cash relief measure for street vendors specifically. Maharashtra government has decided to provide financial assistance of INR 1500 to more than 4 lakh street vendors of Maharashtra who had filed applications under PM SVANidhi Yojana until the 15th of April 2021 due to the second lockdown.⁵ The Madhya Pradesh government in May decided to give INR 1000 as relief to street vendors, as per the Chief Minister's press conference. Roadside vendors, those registered under the Aatma Nirbhar package will be given Rs 2,000 each by the Karnataka government.⁶ Tamil Nadu government has promised one time cash relief of INR 2000 to all ration card holders. This measure does not single out street vendors but is likely to benefit them or their dependants.

Situation on ground

The lockdowns in the second wave of the pandemic are more localised in nature and states have not put a complete halt to inter state bus and train travel which caused informal sector workers horrible problems earlier. Most states are under differing degrees of lockdown in the current situation. However, the responses of state and local administrations have still been harsh with vendors. There have been reports of undue restrictions and heavy fines imposed on street vendors. After the brief return to pre lockdown levels of customers⁷ the lockdowns and the pandemic situation has spelt disaster for street vendors all over the country. After a year of the initial lockdown, most food, garment and plastic goods vendors could not restart their businesses at all, causing financial distress to rise. The current situation and the impending danger of a 3rd wave of the pandemic makes the future look bleak for vendors.

Previous Studies

Previous similar surveys have recounted significant loss of employment in the informal sector workforce. There are some studies who have followed the informal sector workers throughout the nationwide lockdown, through their migration and return to the cities early in 2021. These surveys have revealed unbearable financial stress and very slow recovery to the employment numbers. As employment has still not reached pre-lockdown levels, monthly wages received by workers remained extremely low. In a continuous study by Action Aid, almost 24% of respondents reported having zero wages in the unlock phase, and close to 50% said their monthly wages were

4 Indo Global Social Service Society (IGSSS) Publications. 2020; Seeking Justice for the Informal Sector During the Covid 19 Lockdown

5 <https://nasvnet.org/wp-content/uploads/2021/05/150.pdf>

6 <https://www.financialexpress.com/india-news/karnataka-government-announces-rs-1250-crore-covid-financial-relief-package-know-who-gets-what/2254866/>

7 <https://timesofindia.indiatimes.com/city/kolkata/office-para-street-food-vendors-cheer-up-as-pre-lockdown-regulars-return/articleshow/80432083.cms>

less than Rs 5,000. Additionally, over 64% of the respondents said that they had not received the wages due to them at the time of the lockdown.⁸

According to an earlier version of the Action Aid study⁹ 80 percent of workers from the informal sector lost their jobs as the lockdown progressed. Among these, daily wage workers, street vendors, small enterprises were the worst hit. These small businesses also do not have the capacity to quickly adapt to changing work environments. Most of their livelihood depend on face to face interactions between customers, leaving them in a dire situation now and in the future. As a result of increasing prices, essential goods and services became even more unaffordable for informal workers who were already surviving on inadequate income levels.

A second round of surveys was conducted in January 2021 under a study tracking 2,800 unemployed migrants since April 2020, called “How Robust is the Recovery?” by Azim Premji University in collaboration with other civil society organisations. This survey revealed that 20% of those migrant workers were still unemployed, indicating that the levels of employment has not reached pre-covid levels yet.

A rapid survey assessment conducted by YUVA¹⁰ across the metropolitan region of Mumbai in April 2021 revealed that only 25% of the street vendors were eligible for the state government relief package of INR 1500. An overwhelming 60% of respondents (informal sector workers) reported that they had no access to employment from the 15th April onwards, a dire situation which will have worsened now.

COVID 2nd Wave

The survey is only meant to present the existing situation of the street vendors during the COVID pandemic and was trying to map the progress seen in the SVANidhi scheme after most of the lockdown restrictions in Indian cities were eased. This survey was conducted between 26th February to the 25th of March 2021, at a time when the COVID situation in the country was fairly non-threatening. The sudden rise of the COVID cases in the month of April and May have certainly altered the situation on the ground for street vendors and lowered the priority given to the PM SVANidhi loan scheme by local government officials. The inordinate rise in cases have also led to different degrees of localised lockdowns which were not present at the time of conducting this survey, therefore it can be reasonably assumed that street vendors in the time since the end of this survey have faced an acute loss of livelihood, possible infections and further hardship.

⁸ <https://www.actionaidindia.org/press-release/employment-up-but-informal-workers-face-low-wage-and-low-consumption-results-of-round-ii-of-the-national-survey-on-informal-workers/>

⁹ https://www.actionaidindia.org/wp-content/uploads/2020/08/Workers-in-the-time-of-Covid-19_ebook1.pdf

¹⁰ <https://medium.com/@yuvaonline/rapid-situation-analysis-of-the-urban-poor-across-the-mumbai-metropolitan-region-during-the-second-b062046b2130>



Picture credits: Lola Salès; Journal of Urban Research

Methodology

The target population for this survey is urban street vendors. This included all types of street vendors as defined in the Street Vendors Act (Protection of Livelihood and Regulation of Street Vending) 2014. This survey extends to 15 cities spread over 10 states of India, in the Northern, Eastern, Western and Northeastern region of India. The 15 cities have been listed in the map below. The location of the survey was based on convenience sampling as IGSSS has existing networks, personnel and resources in these cities. Additionally, the National Hawker Federation's existing networks in three cities Surat, Udaipur and Mumbai were used for data collection. The data was collected through in-person and telephonic interviews.

The methodology for conducting this study was as follows. This study aims to map the progress of the PM SVANidhi credit scheme in the 11 months since it was announced. Therefore, a simple questionnaire¹¹ was drafted after holding consultations with urban experts, researchers and representatives of the National Hawker Federation. The questionnaire consisted of 4 sections-

- **General Awareness Section:** Includes questions about awareness of street vendors rights, identity documents
- **PMSVANidhi Section:** Includes questions specific to the SVANidhi scheme, knowledge about the application processes, eligibility requirements and so on
- **Specifics about the Loan:** Includes questions about the progress of their applications, reasons for delays, specifics about the loan procedure and so on
- **Hawker Worker Group Section:** Included questions about assistance provided by hawker worker groups/ organisations

This questionnaire was then circulated to the city teams of IGSSS. The questionnaire was also circulated to the representatives of the National Hawker Federation from the 3 cities namely Surat, Mumbai and Udaipur. Each ground team was instructed to conduct in person and telephonic interviews of 100 street vendors in their

¹¹ The entire questionnaire is available in the annexure

respective cities. The online questionnaire form was to be filled and submitted to the central hub of IGSSS. The respondents of the survey are street vendors. Focussing mostly on mobile street vendors with temporary carts and moving/multiple places of work, the surveyors also included vendors who sell their wares at weekly markets in these various cities. The surveyors considered vendors who sell both in the daytime and the evening for this survey. Street vendors with pucca shops were not considered in this survey as the aim was to consider the marginalised street vendors, who suffered majorly due the lockdowns. There are 100 respondents from each city with a total sample size of 1,642.



Sample Size and Description

The sample size of respondents represents street vendors from a large and diverse group. Random sampling method was used to interview individual street vendors in the target cities. There are 1,642 responses making up the sample size. The geographical reach of the sample spans 15 cities and 10 states of India. Each city had a target of 100 respondents each, although some went beyond the 100 mark. The regions covered in this survey are the North, West, Eastern and Northeastern regions of India.

According to the draft National Policy for Urban Street Vendors, studies estimate that street vendors constitute approximately 2% of the population of a metropolis.¹² Since this study includes 15 cities, with varying populations and only 2 cities (Mumbai and Ahmedabad) that can be considered as metropolises, the total population target of vendors that could be considered would be approximately 7.5 lakh street vendors. With that total, the sample size of 1,642 provides a confidence level of 99% with a margin of error below 4%.

The Street Vendors Act 2014 defines street vendors as “Any person who works in vending of articles, goods, wares, food items or merchandise of daily use or offering services to the general public during a street, footpath, pavement etc from either a temporary built-up structure or by moving from one place to another. The goods that are supplied by them are vegetables, fruits, ready-to-eat street food, tea, pakodas, breads, eggs, textile, artisan products, books/stationery etc and the services include barbershops, cobblers, pan shops, laundry services etc”

For this survey the surveyors targeted street vendors of a certain kind such as temporary, mobile, weekly market vendors, night market vendors, railway vendors. The street vendors who were targeted in this survey were not fixed shop owners with established concrete shops in recognised markets. The more vulnerable vendors who are most subject to a higher degree of insecurity of livelihood, who regularly bear the brunt of police and local government harassment and who majorly occupy footpaths, roads and street ways.

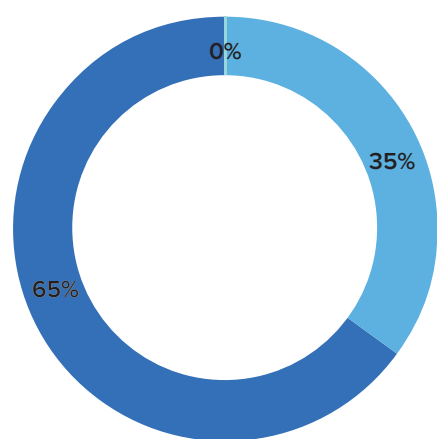
According to the PM SVANidhi scheme, there are different categories of vendors (A,B,C and D). The C and

¹² https://www.prsindia.org/uploads/media/1167478283/bill82_2006123082_National_Policy_for_Urban_Street_Vendors.pdf#:~:text=Some%20studies%20estimate%20that%20street%20vendors%20constitute%20approximately,%E2%80%98affordable%E2%80%99%20services%20to%20the%20majority%20of%20urban%20population.

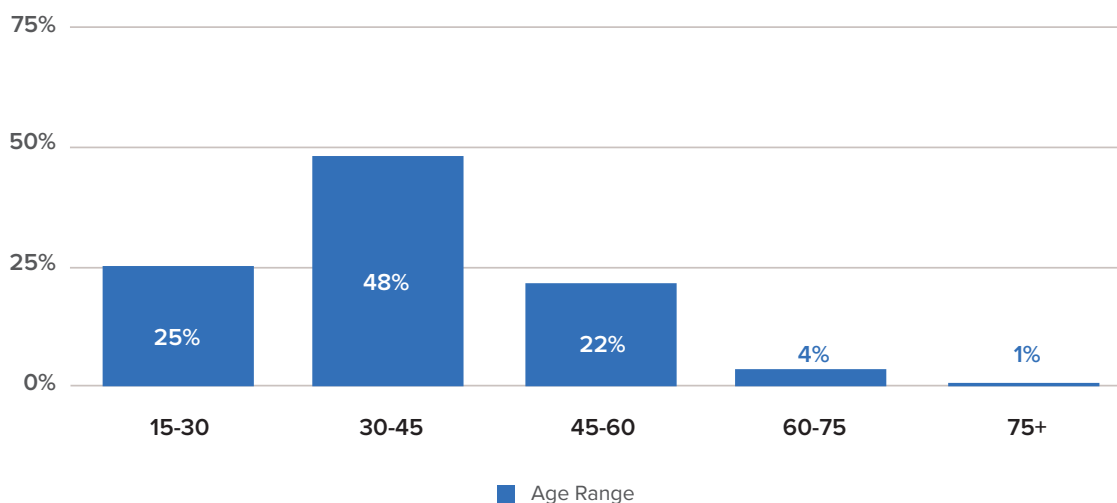
D categories of vendors include those vendors who do not have certificates of vending and/or may not have been surveyed in the past. This category of vendors can also apply for the loans with the help of ID documents proving they are vendors, and with a ULB granted Letter of Recommendation (LOR). It is to be noted that the C and D categories of vendors are the most vulnerable and susceptible to financial distress, due to them being excluded from most welfare and relief schemes.

The enumerators were all trained and capacitated in identifying the relevant street vendors before conducting the surveys. Since these vendors are extremely widespread in urban spaces in India, it was not a cumbersome task.

The gender profile of the sample size was heavily tilted towards males. Out of a sample size of 1,642 there were 1,071 males and 571 females and 1 transgender respondent. This gender aspect of street vendors should not be taken to assume that this is the actual gender breakup of all street vendors in the country or these particular states. This was an outcome of the random sampling method used in the cities by the surveyors.



■ Male ■ Female ■ Transgender



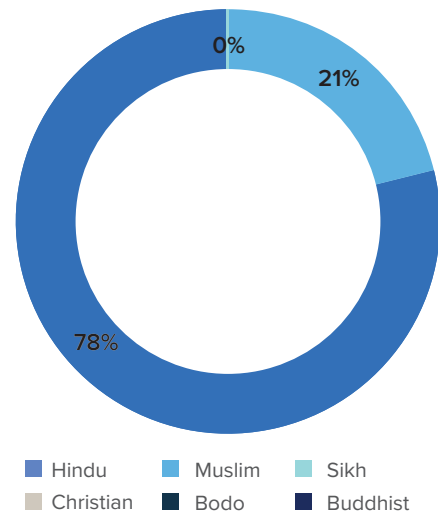
■ Age Range

The age profiles of the respondents is displayed in the chart below¹³. 76% of all respondents were below the age of 45 and only 2 respondents were above the age of 75 in the sample.

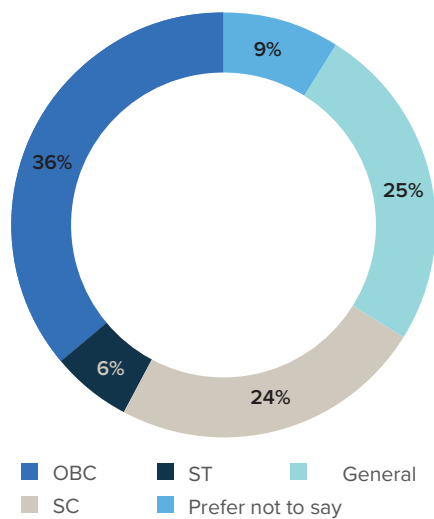
Since the survey covered 10 states, the religious affiliations of the respondents were quite varied. There were 3

¹³ The n (total number) for all responses in this section is 1,645.

responses from Bodos from Assam and one response from a Buddhist street vendor from the city of Patna. There were also Christians and Sikh vendors at 0.4% of the sample each. The rest were divided between Hindus and Muslims.



The caste category of the respondents were as follows. A majority of the respondents were from the OBC section. There is a substantial SC and ST community that have been represented in the survey while 9% of respondents preferred to keep their caste identities hidden.





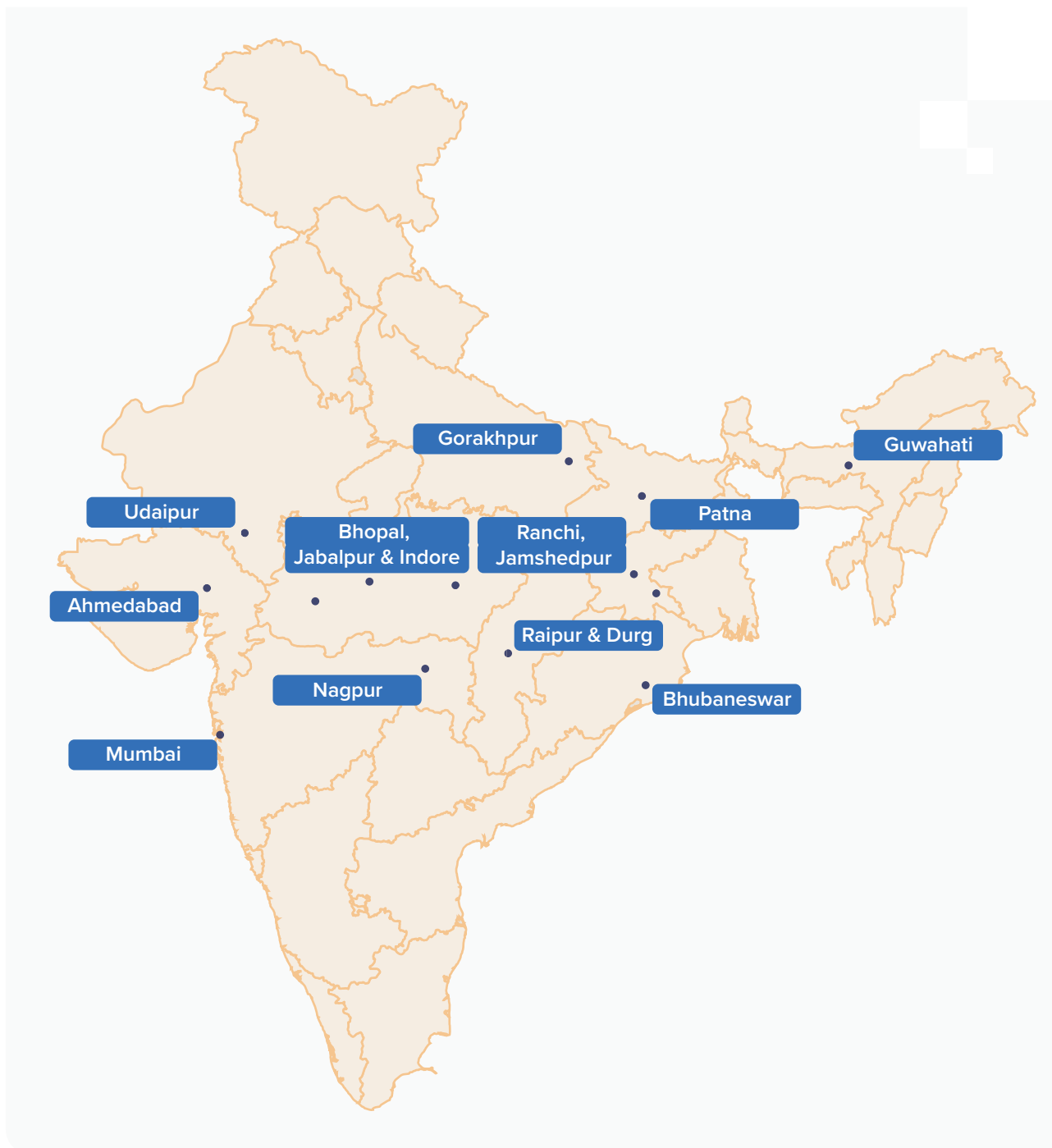
Limitations

- **Lack of qualitative data:** The survey was conducted by gathering quantitative data in a rapid assessment, which has resulted in a lack of qualitative data being collected. Unique testimonies and case studies were not prioritised by the surveyors therefore there is a generalisation based on the quantitative data. Though, there has been an attempt to capture unique city wise situations in the descriptions below, based on the vendors responses.
- **Cities chosen through convenience sampling:** This survey study is not representative of the PM SVANidhi situation in the entire country. The cities chosen to conduct this survey were based on convenience sampling. Existing strength of the organisations were taken into consideration when choosing cities. Within the cities though, the sampling of street vendors was random. Therefore, this report should not be interpreted as representative of other states or other cities within the chosen states.
- **Situational assessment:** This survey study is a situational assessment of the street vendors and the coverage and implementation of the PM SVANidhi loan scheme in these chosen 15 cities. This report does not present the perspective of the government at any level. The local and central governments have their own monitoring mechanisms which may have been referenced in the study but have not been considered for comparative analysis. This study merely presents the situation on the ground for the most vulnerable street vendors.
- **Rise of COVID 2nd wave:** The sudden rise of the COVID cases in the month of April and May have certainly altered the situation on the ground for street vendors and the priority given to the PM SVANidhi loan scheme by different local government officials. The inordinate rise in cases have also led to different degrees of localised lockdowns which were not present at the time of conducting this survey, therefore it can be reasonably assumed that the local government officials would have prioritised public health concerns over the loan scheme, which may have altered the new situation.

- **Large cities may be inadequately represented:** The survey includes a sample size of 100 respondents from each of the 15 cities. However in large metropolitan cities like Mumbai and Ahmedabad, the number of vendors are clearly much larger than in other smaller cities. Only considering 100 vendors from Mumbai (where it is estimated that there are 2.5 lakh vendors) may not be an accurate representation of the entire vendor population. Having said that, the surveyors from large cities have taken special care to include

Cities Covered in Survey

The cities covered in this survey are listed below



street vendors from different markets spread out over different regions to be as representative as possible. These cities were chosen based on convenience sampling. The existence of city mobilisers and volunteers along with networks of civil society collaborators in these cities made the data collection faster and simplified. Trained volunteers who are well versed with the issues of street vendors conducted these surveys. These cities are also large urban agglomerations and have seen a steady rise in the stream of urban street vendors whether as migrant workers or informal sector workers adopting street vending.

S.NO	CITY	STATE
1	Bhopal	MADHYA PRADESH
2	Jabalpur	MADHYA PRADESH
3	Indore	MADHYA PRADESH
4	Guwahati	ASSAM
5	Gorakhpur	UTTAR PRADESH
6	Mumbai	MAHARASHTRA
7	Nagpur	MAHARASHTRA
8	Ranchi	JHARKHAND
9	Jamshedpur	JHARKHAND
10	Durg	CHHATTISGARH
11	Raipur	CHHATTISGARH
12	Ahmedabad	GUJARAT
13	Udaipur	RAJASTHAN
14	Patna	BIHAR
15	Bhubaneshwar	ODISHA



Key Highlights of the Survey Report

- 62% of all respondents have never been surveyed in the mandated street vendor survey
- Only 25% of all respondents have some form of identification i.e. Vendor Certificates/Vendor ID Card/ Survey Slip. In most cases, the respondents who answered had temporary survey slips or local vendor ID cards to operate but not the certificates of vending granted by the municipal corporation and TVC after a survey.
- 65% of all respondents have faced some form of harassment or direct eviction from their place of work since June 2020, after the PM SVANidhi scheme was released and 2 months after the Ministry of Housing and Urban Affairs declared street vendors 'essential service provider'¹⁴
- 40% of all respondents are not aware of the PM SVANidhi loan scheme.
- 51% of all respondents have not applied for a loan under the PM SVANidhi scheme. Reasons for not applying were as follows - 25% of the respondents said they would not be able to repay the loan. 43% said they had no help in the application process. 19% believed they were not eligible for the scheme even though they were. 17% did not know how to apply. 5% did not have bank accounts and 16% said they did not need a loan.
- 85% of those who have applied for the loan scheme, do not have an LOR (Letter of Recommendation) from their local municipal corporation, which is an important document that facilitates availing the loan. The bulk of the respondents were vendors from the most vulnerable C and D categories under the scheme (not possessing certificates of vending).
- Only 11% of the respondents have received loans under the PM SVANidhi loan scheme.

**City specific observations have been described in the descriptions under Observations from Ground section*

¹⁴ As per the official government guidelines, only fruit and vegetable vendors were declared as essential however, after the lock down scenario, the number of fruit and vegetable vendors have increased exponentially



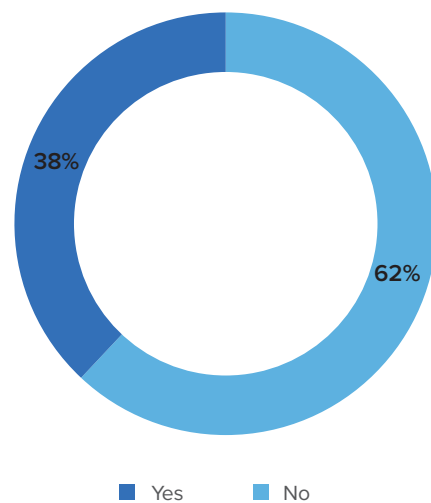
General Findings

Street Vendor Awareness Section

1. Have you been surveyed in the street vendor survey?

n = 1645

The Street Vendors Act (Protection of Livelihood and Regulation of Street Vending) mandates a survey of all street vendors before any rules regarding their livelihoods and vending zones are made. According to the act, nominated members of the TVC coordinate with the local government officials to conduct a comprehensive vendors survey where all vendors are surveyed. This survey should include geographic tagging and the vendors who have been surveyed should be given a receipt or an identity slip confirming their inclusion in the survey. Many states have ratified and released their individual rules under the Street Vendors Act and have set rules for the surveys. However the data shows that more than 60% of street vendors have never been included in a government mandated survey.

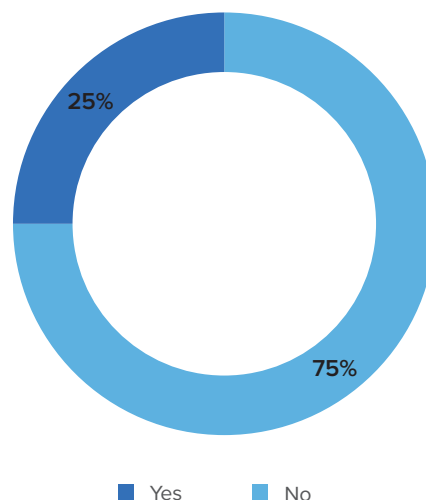


Observation from Ground: Udaipur, Ranchi, Patna, Mumbai and Bhubaneswar reported much better coverage under the survey. Strong hawker worker groups and timely coordination with local duty bearers in these cities bore better results.

2. Do you have a Vending Certificate?

n = 1645

Chapter 2, part 4 of the Street Vendors Act clearly states that any vendor who has been surveyed must be granted a vending certificate. This certificate must be provided by the relevant ULB and the TVC. The certificate acts as a primary mode of identification and recognition. Through it, vendors are granted security of livelihood, access to loan schemes, protection from harassment. Only 25% of all vendors interviewed had vending certificates, vendor ID cards, or survey slips which are of a temporary nature.

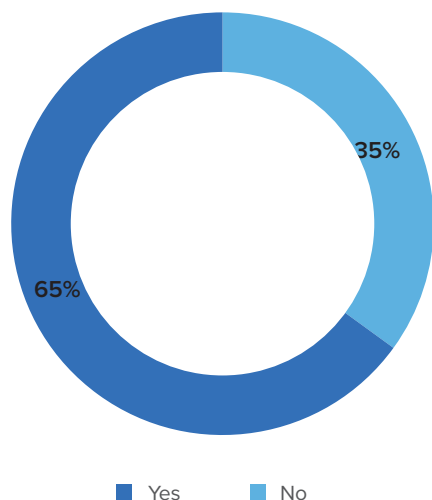


Observation from Ground: Most municipal corporations grant vendors in regular markets a certificate of vending in return for a daily or weekly charge in the range of INR 10-30. It is not uncommon that temporary ID cards or slips (signifying the vendors being counted in the survey) be given instead of certificates of vending. In most cases, the respondents who answered yes had these temporary slips or local permissions to operate but not the certificates of vending granted by the TVC after a survey. Therefore percentage of vendors who actually have a certificate of vending is lower even than 25%.

3. Have you faced eviction and harassment since June 2020

n = 1645

Street Vendors went through devastating times during the nationwide lockdown declared in March 2020. Financial hardships due to a complete halt on operations were compounded with strict lockdown rules which resulted in the harassment of vendors and often the destruction of their goods. After constant advocacy by hawker worker groups, the Minister of Housing and Urban Affairs declared fruit and vegetable vendors as essential services. In June 2020, the PM SVANidhi loan scheme was announced which recognised the importance of vendors and sought to provide financial assistance. However, our data shows that since then, 65% of all vendors were repeatedly harassed, evicted, stopped from conducting their business in all cities. The recognition provided through the central scheme did not afford much protection at the local levels for police and municipal officials.



essential services. In June 2020, the PM SVANidhi loan scheme was announced which recognised the importance of vendors and sought to provide financial assistance. However, our data shows that since then, 65% of all vendors were repeatedly harassed, evicted, stopped from conducting their business in all cities. The recognition provided through the central scheme did not afford much protection at the local levels for police and municipal officials.

Observation from Ground: Bhubaneswar (71%), Indore (85%), Jabalpur (77%), Mumbai (94%) and Nagpur (96%) reported harassment at much higher rates than other

cities. According to the vendors, the reasons for this continued harassment (mainly from police officials) was due to the pandemic, newer infrastructure projects and the general treatment of street vendors as encroachers.

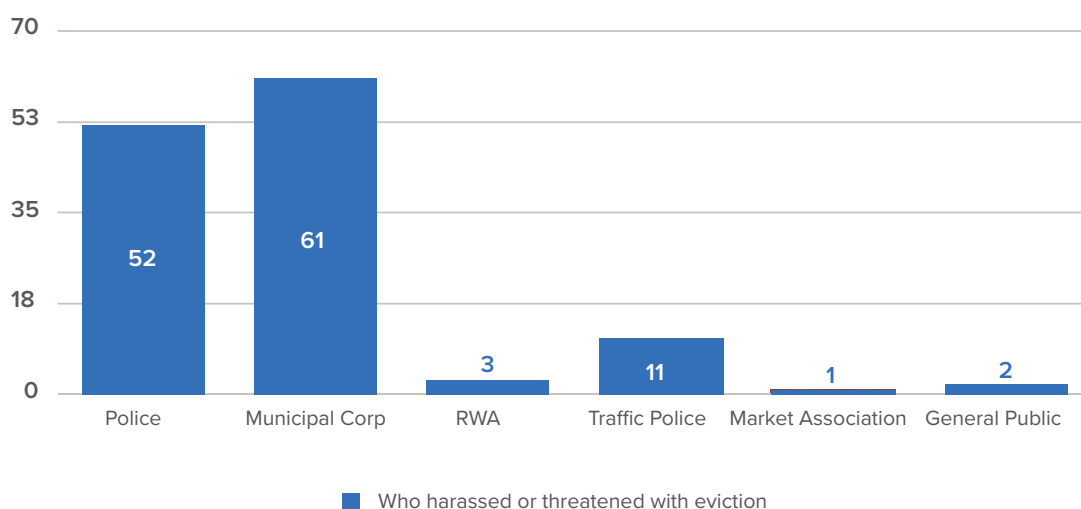
TESTIMONIES FROM THE GROUND

“A group of 60 vendors were evicted in August 2020 in the civil hospital area in Udaipur. These vendors were worker group members, and they would fall into the A category while applying for the loan scheme. Moreover, most of them are local TVC members. The Nagar Nigam evicted them saying that this area has been designated as non vending zone, a decision that the TVC members are supposed to be involved in. Their names have been struck of the applications list and they are unable to get loans, even though they have vending certificates.”

- Yakub from Udaipur

4 If yes, who has harassed you or threatened you with eviction?

n = 1645



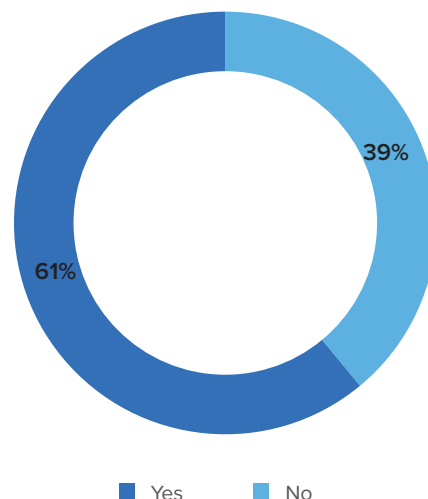
PM SVANidhi Section

5. Do you know about the PM SVANidhi scheme?

n = 1645

More than 60% of all street vendors knew about the PM SVANidhi Scheme. The campaigns publicising the credit scheme have been fairly successful. However, the respondents were only asked whether they had heard of this scheme and not whether they were familiar with procedures to apply and the PM SVANidhi website. They responded saying that they have heard there is a loan scheme specifically for vendors where INR 10,000 can be provided.

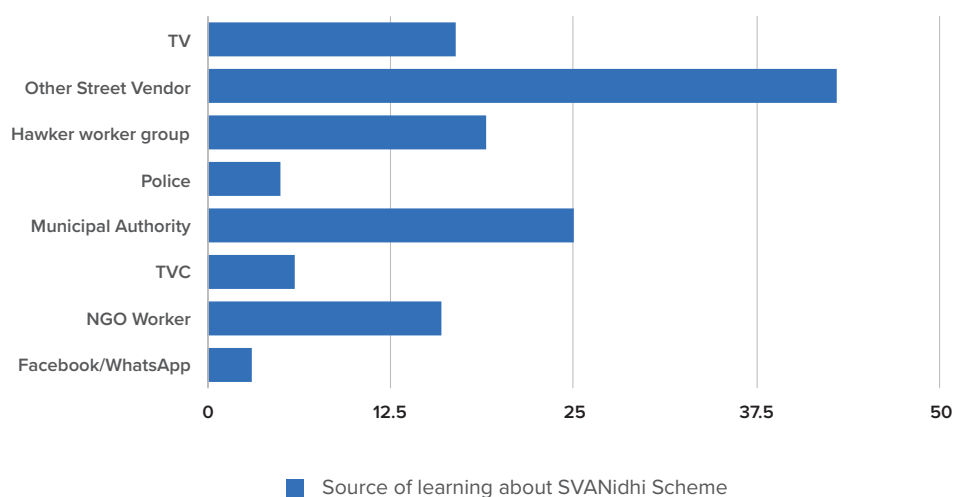
Observation from Ground: Cities of Indore and Patna (87% and 94% respectively not aware) reported very poor awareness about the SVANidhi scheme. The data from Indore was particularly striking because official government data ranks Madhya Pradesh second after Uttar Pradesh in disbursing loans under PM SVANidhi.¹⁵ ¹⁶ The data from the ground indicates that smaller vendors who have not been surveyed before are not being included in the credit scheme.



6. If yes, how did you hear about the scheme?

n = 1004

In this question, the survey respondent could choose multiple options to answer. The most common source of finding out about the credit scheme was through other street vendors, which was 44%. TV news, municipal authorities, Hawker worker groups and NGO workers were other common sources of finding out about the PM SVANidhi scheme. The involvement of NGO workers and Hawker worker groups is notable here. Other sources of information included local politicians, newspaper ads, local community leaders and through the internet.



¹⁵ <https://www.thehindubusinessline.com/news/pm-svanidhi-scheme-up-mp-and-telangana-tops-in-extending-loans-to-street-vendors/article33791725.ece>

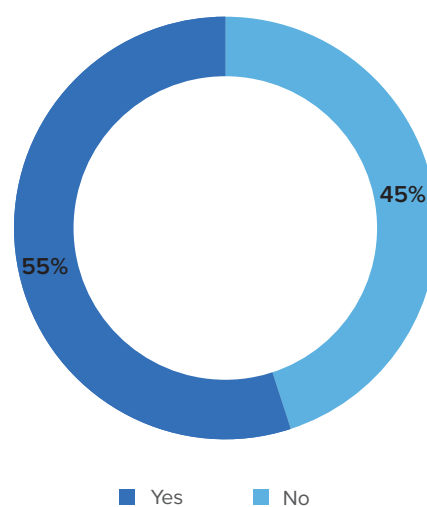
¹⁶ <https://zeenews.india.com/hindi/india/madhya-pradesh-chhattisgarh/trending-news/indore-on-top-providing-pm-svanidhi-scheme-benefits-to-maximum-people-in-country-mpas/844283>



7. Do you know that you are eligible for the PM SVANidhi scheme if you were a vendor before 24th March 2020?

n = 1004

45% of all respondents who knew about the PM SVANidhi scheme were not aware of the eligibility criteria. This question was asked only to all those respondents who had heard of the scheme. The eligibility criteria for the scheme as mentioned in the scheme guidelines is 'anyone who has been a street vendor before 24th March 2020'. The proof of being a vendor involves documents such as vending certificate, membership of any hawker worker groups such as National Hawker Federation or NASVI, proof of being surveyed in the street vendors survey or any other documents buttressing their claim about being a vendor, approved by a worker groups or the ULB.

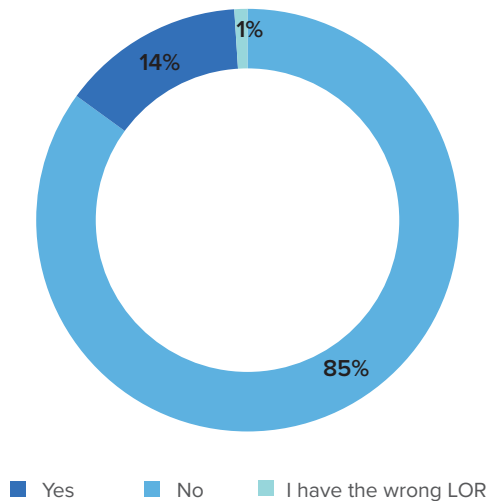


Observation from Ground: Over 80% of the respondents in the cities of Udaipur, Bhubaneswar, Mumbai and Jabalpur were aware of the basic eligibility criteria for the scheme. Networks of NGOs, strong advocacy and publicising of the scheme by hawkers worker groups and organisations can be credited for spreading awareness.

8. Do you have a Letter of Recommendation from the municipal corporation?

n = 1004

A letter of recommendation is a form issued by the relevant urban local body to the street vendor. The letter acts as proof of the street vendors' livelihood. Applications for such LORs are made personally to the municipal corporation, sometimes with the assistance of hawkers worker groups. Without the LOR from the municipal corporation, it is impossible to avail loans under the PM SVANidhi loan scheme. 85% of all vendors reported



that they have not received their LORs and 1% of them reported being given wrongful LORs. A wrongful letter would misrepresent facts about the vendors, their location, their category of vending and more such information which is crucial for their livelihood.

Observation from Ground: The letter of recommendation is provided by the local municipal corporation to vendors to assist them in their SVANidhi applications. They are not mandatory requirements for all applicants. Vendors who have certificates, worker groups registration and other proofs do not need LORs to be approved for the loan. However, in a situation where most vendors

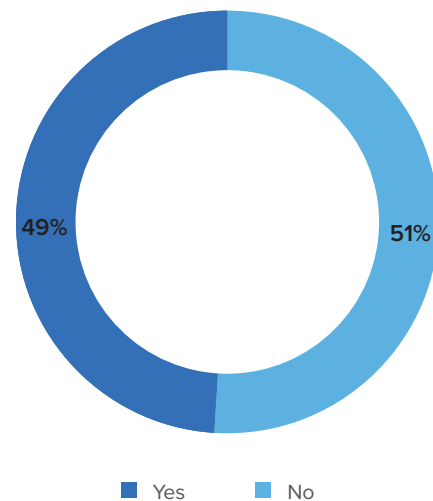
(falling into the C and D category) do not possess identity proofs due to not being surveyed, these LORs were vital. However, the ULBs have been very reluctant to issue LORs because once issued, the LORs can act as tools of livelihood security, which will lower dependence on the municipal corporations. Therefore, although applications being submitted without LORs are very common across most cities, LORs have not been issued to the majority. In some cases, wrongful LORs are being distributed such as in Ahmedabad, where the address of the vendors have been changed denying them their own geographical and livelihood security.

9. Have you applied for the loan through the PM SVANidhi Scheme?

n = 1004

Only half of all vendor respondents have applied for a loan under the PM SVANidhi loan scheme. These applications are in different stages, some at the initial stages and a significant number have been waiting for the Letters of Recommendation.

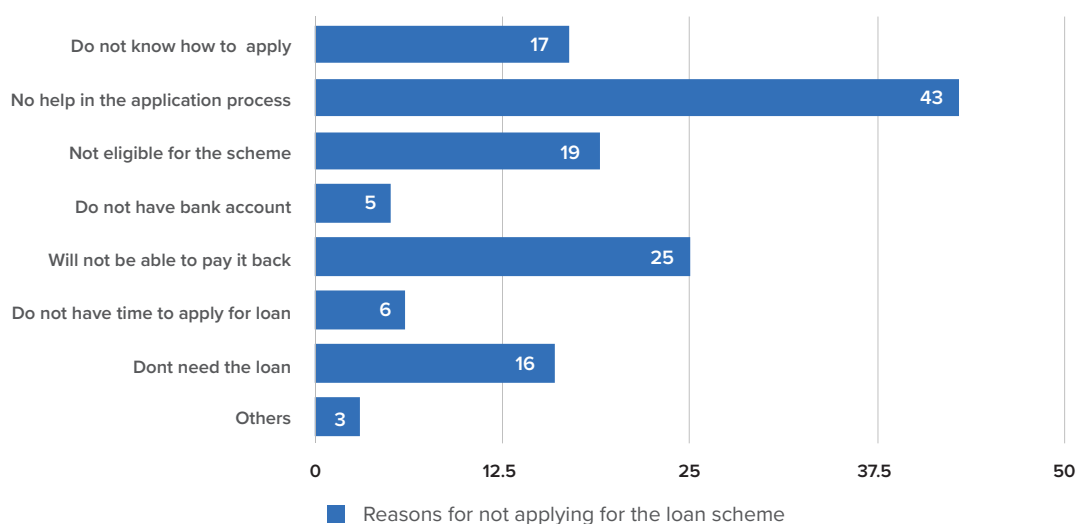
Observation from Ground: The highest rates of loan applications were seen in the cities of Jabalpur, Mumbai, Udaipur, Bhopal and Bhubaneswar, with 100% of all respondents in Mumbai applying. The presence of strong hawker worker groups has augmented the number of applications being submitted to banks and to the municipal corporations in these cities. Patna and Indore saw very low rates of loan applications. Indore is still ranked highest in amount of loans disbursed however this does not correspond to the data from the ground. Hawker Worker Groups, NGOs and local duty bearers have boosted the number of applications by holding awareness meetings with different vendor groups, setting up stalls in popular market places where one can get registered for the loan, building regional connections with bank officials in charge of disbursing these loans and building clear repayment plans for hawkers with the help of worker group members.



10. If you have not applied yet, what is the reason?

n = 501

43% of respondents said they did not apply or have to applied for the loan scheme yet because they did not receive any help in the application process. The long and complex application process requires a degree of digital literacy and a large number of documents proofs some of which are to be verified and submitted online. Significantly, 25% of respondents have not applied for the scheme because they said they would not be able to pay the sum back. The pandemic is seeing a second more deadly surge which has hindered the rebuilding process for vendors. During the 1st wave of the pandemic, the street vendors had exhausted all their savings in their struggle to survive and now that there are a series of localised lockdowns which have disrupted street vendors' livelihoods. Customers are extremely scarce even if they do get permission to put up their stalls, which they are not. Almost 20% of all vendors believe they are not eligible for the scheme, purely based on their lack of supporting documents. Not being included in the survey, not having a permanent or a temporary vending certificate and no LOR has turned them away from the scheme. A large majority of street vendors have similar



issues with furnishing documentation. Other reasons for not applying include; not having Aadhaar card, wrong address in Aadhaar, being evicted from their place of work and no address proof of working there.

TESTIMONIES FROM THE GROUND

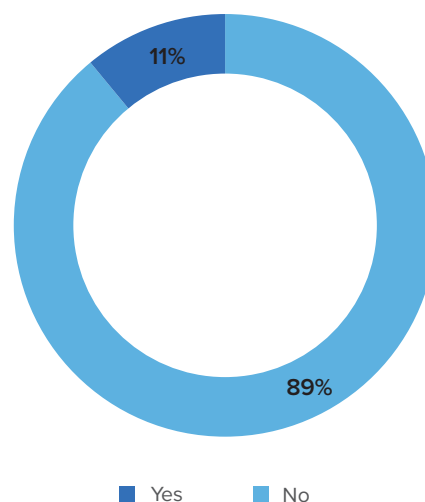
"I had applied for an LOR to the NDMC in Delhi. In my application I had clearly written the address of my stall and, in the category of vendor, I had written stationary or fixed vendor. After a few weeks I went and collected my LOR and the information had been changed. The address section said a vague 'NDMC area' and the category of vendor said 'mobile' instead of fixed. This will make it easier for me to get evicted to any vacant area in the jurisdiction of the NDMC. My protests were to no avail. I know at least 6-7 more people who have had their LORs changed like this. I am afraid to apply for a loan using this wrong LOR because this tag of mobile vendor from the whole of NDMC area is a grave threat to my existing livelihood."

- Naresh from Delhi

11. Have you received a loan under PM SVANidhi loan scheme?

n = 1004

Only 11% of all vendor respondents have received a loan under the PM SVANidhi scheme. In the time period of 1 year the success rate of the PM SVANidhi does not seem to have reached the most marginal street vendors. There have been many reports of successful disbursement of loans under the scheme according to the government data¹⁷ however the kind of vendors these loans are being awarded to remains to be seen.



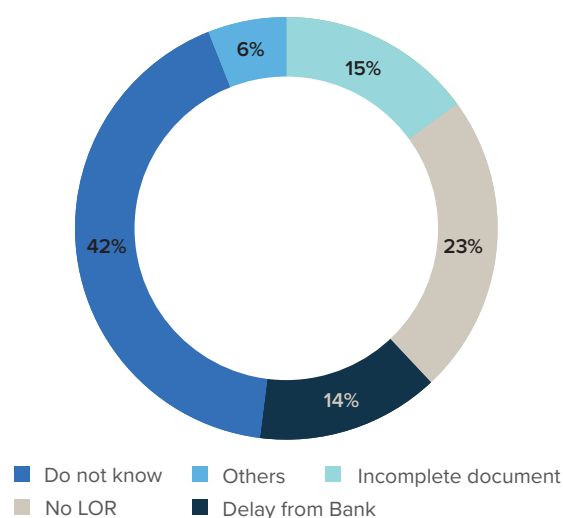
Observations from Ground: The cities of Bhopal, Bhubaneswar, Udaipur and Jamshedpur saw relatively higher successes as compared with other cities. In the case of Bhopal, many vendors were assisted by an agent or an NGO worker who helped them with information about the scheme, application forms and accompanied them to the banks to see the procedure through. Bhubaneswar and Udaipur is seeing more involvement of civil society organisations and hawker worker groups in the loan registrations. The procedure in Jamshedpur is a little more arbitrary as the city administration is not run by a municipal corporation but a notified area committee. In Mumbai, almost all the respondents had applied for the scheme but only 2 out of 100 had received the loan amount. This was largely due to the BMC not granting LORs. Most vendors had applied for the loan without the LORs but those have been delayed due to the inadequacy of documents. The applications for the requisite number of LORs have been made to the corporation for months but there has been no new updates.

12. If you have applied for loan under SVANidhi and it has still not been released, what is the reason?

n = 893

42% of all respondents reportedly did not know why the payments have not been released to them after they completed their application, by themselves, through the help of hawker worker groups. 23% reported that they are still waiting for their LORs for which they have applied to their respective municipal corporations. 15% blamed incomplete document submissions as the reason while 14% blamed unnecessary delays from the bank.

Others reasons include; unaware how to check application status, delays/no follow up calls from the person who helped them apply and banks demanding additional documents and proofs.



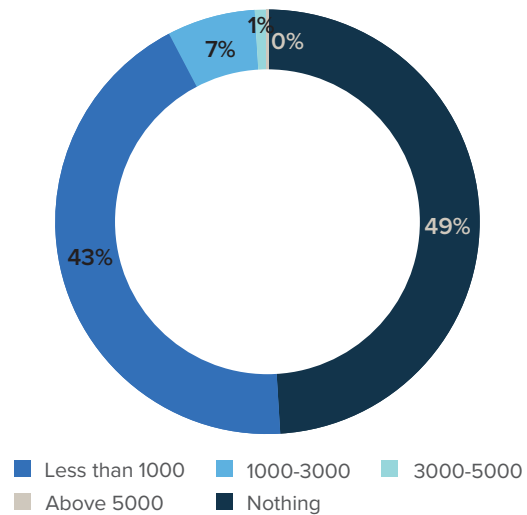
¹⁷ <https://www.financialexpress.com/industry/sme/msme-fin-pm-svanidhi-84-sanctioned-loans-disbursed-to-street-vendors-since-launch-of-scheme-sbi-top-lender/2235585/>

Questions about the Loan

13. How much money did you have to spend in the application process?

n = 154

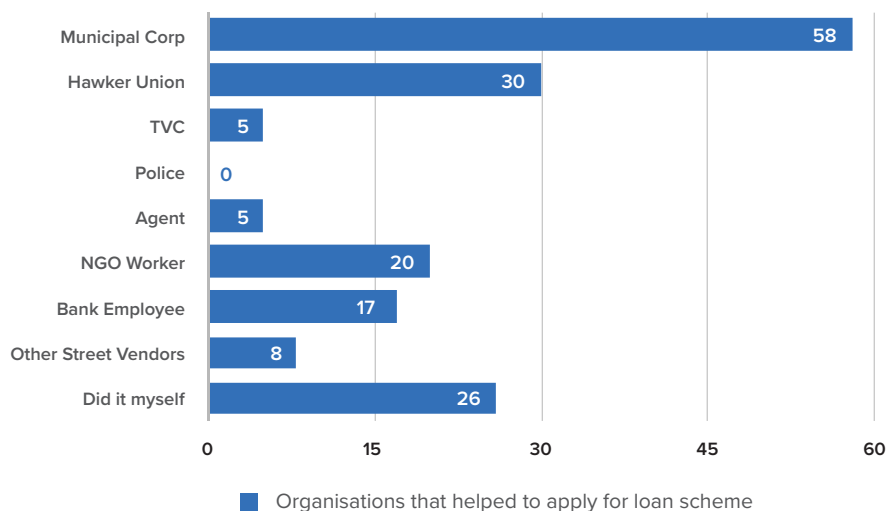
Money spent while applying for the PM SVANidhi loan included any charges for registration, travel expenses, stationery items and document submissions, hawker worker groups membership, payment to agents helping with the process and so on. It is good to see that 45% of all vendors reportedly did not spend any extra money during their application procedures. 43% respondents did spend money in the loan application procedure but it was below INR 1,000.



Who helped you in the process of getting the loan?

n = 154

58% of all vendor respondents said the municipal corporations helped to some extent in the application process. This includes awareness campaigns and IEC material about the scheme, directing the vendors to the applications forms and website, helping to provide relevant list of documents to be submitted. 15% were helped directly by hawker worker groups members and 20% vendors were assisted by NGO workers. 17% reported that bank employees from nationalised and private banks have provided help in the process. Many bank officials

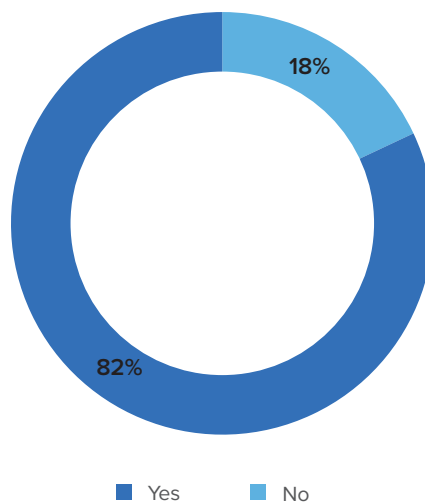


coordinated with hawker worker groups in multiple states to ease the procedure and set up clear mechanisms designed to assist in the documentation for the loan. It should be noted that hawker worker groups helped a majority of the C and D category vendors apply for the loan. But there was a very low loan disbursement rate for this most vulnerable of categories. That will explain the low percentage of vendors who got the loan, being helped by hawker worker groups.

14. Was the loan scheme useful for you?

n = 154

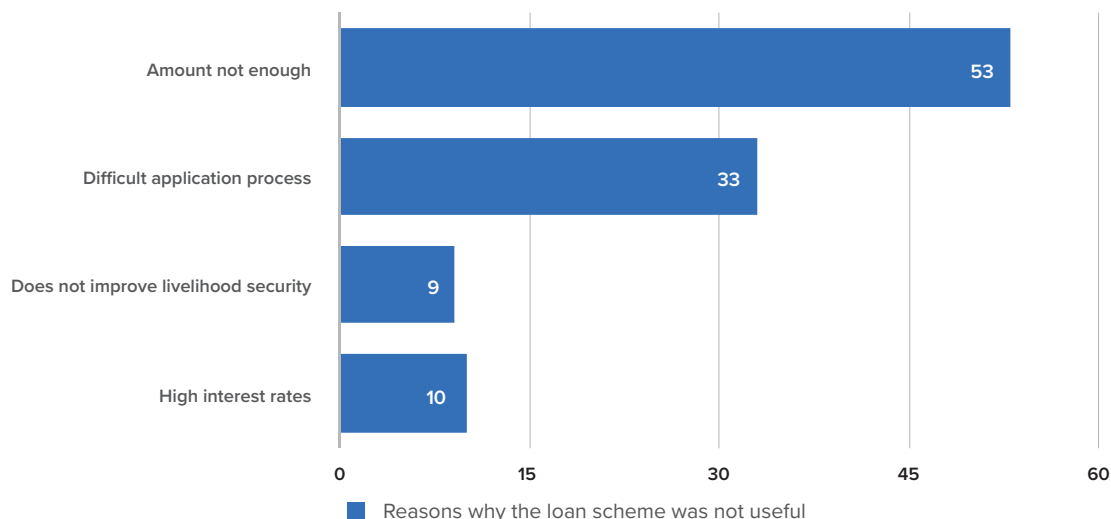
82% of all respondents found the loan scheme useful. The harsh lockdown and their meagre, dwindling savings were replenished temporarily and this helped sail over immediate difficulties for a short while. This response points to the usefulness of the scheme in times of crisis, where even loans saddled with commercial bank interest rates are seen as relief for informal street vendors. 18% of respondents said the loan was not useful.



15. If not, why?

n = 27

53% of the respondents who said the loan was not useful cited the amount as being the primary concern. INR 10,000 was a small amount according to their needs at the time. 1/3rd of the respondents cited a cumbersome application procedure as the main reason behind the scheme not being useful. Around 10% of the vendors said the interests rates on this loan were very high and that the loan by itself did not improve the security of their livelihood. In the absence of customers, the possibilities of paying back the loans on time were scarce.



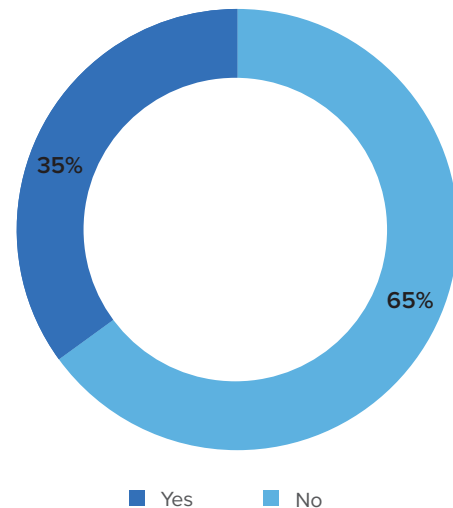
Hawker Worker Group Help

16. Did any Hawker Worker Group/Union help you in the PM SVANidhi Loan Process?

n = 154

35% of the respondents stated they received support from local hawker worker groups and organisations in availing the loan. The PM SVANidhi guidelines named All India hawker organisations such as National Hawker Federation, National Association of Street Vendors India (NASVI) and SEWA as official implementation partners. Membership documents from these worker groups were added to the list of documents that proved eligibility.

Observations from Ground: In the cities of Udaipur, Mumbai, Bhubaneswar and Bhopal, hawker worker groups played a big part in assisting vendors to avail the loan. Strong network connections and tireless work of the grassroots level worker groups are essential in the success of scheme like these. What also helped is that most hawker worker groups agreed with the fundamental ideas behind the scheme. Recognition, inclusion in the formal credit system for street vendors who had suffered immensely during the lockdown were essential issues worker groups were advocating for throughout the lockdown and previously.



TESTIMONIES FROM THE GROUND

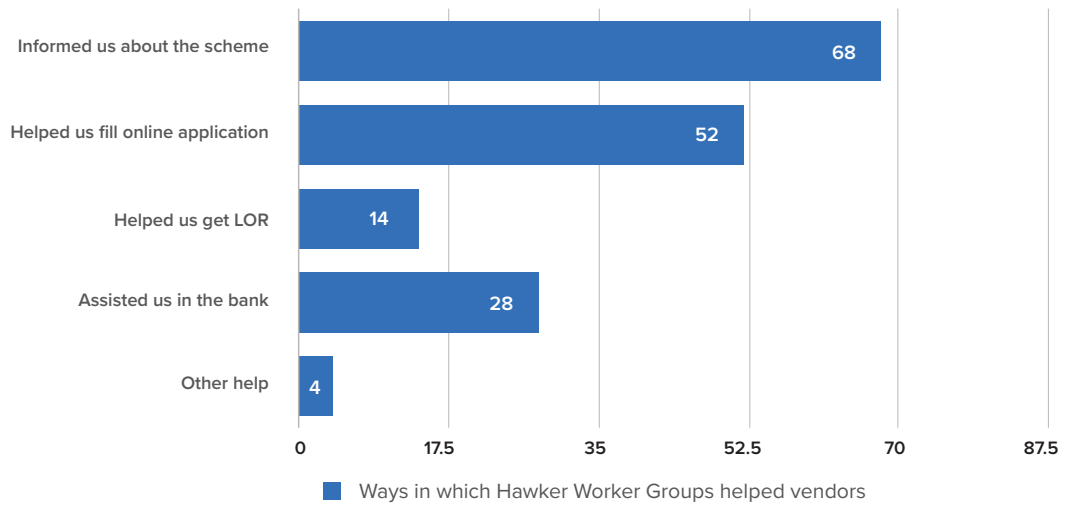
“We helped more than 1000 street vendors to fill their application forms, organising them and collecting their relevant documents. In the initial period before September 2020, banks provided loans to a few vendors from the A category (who possess certificate of vending) without the need for LORs from the BMC. In August 2020 forms, the BMC suddenly released an order, that the BMC has not provided a single LOR to any vendor yet. This order left 95% of all vendors without any help, as they required an LOR to avail the loan. The local administration has halted the relief to street vendors here”

- Akhilesh from Mumbai

17. If yes, what kind of help did the Hawker Worker Group/Union provide?

n = 50

Providing information about the scheme, filling online applications, help desks to further registration, coordinating with local duty bearers and furnishing lists of vendors needing LORs were some of the activities conducted by hawker organisations to facilitate the implementation of the scheme.





Recommendations

- **PM SVANidhi loan scheme should be permanent:** The SVANidhi loan scheme was introduced for street vendors to provide short term financial assistance to ease the losses incurred during the pandemic. However the COVID 2nd wave lockdowns have delayed the vendors' opportunity to regain their livelihoods again. In this context, and keeping in mind the threat of a future 3rd wave, the PM SVANidhi scheme should be made a permanent loan scheme of the government available to street vendors. This scheme will also help vendors escape the permanent debt cycle of private moneylenders.
- **Discontinue the ABCD categorisation of vendors under scheme:** The data reveals that ULBs do not taking initiative to include hawkers from the C and D category of vendors (who do not possess certificates of vending). The political will required to survey and register these vulnerable vendors is missing. The fact that the C and D categories of vendors have not been surveyed yet is not their fault. Declaration of vendors and hawker worker group membership should be enough for getting certificate vending and LOR for the scheme. Therefore this ABCD categorisation should be discontinued so that municipal corporations do not differentiate between vendors.
- **Central Monitoring Committee for PM SVANidhi should include All-India Street Vendor Representatives:** The specialised Central Monitoring Committees at the State level to monitor the progress of the PM SVANidhi credit scheme should include representatives from the All India Hawker Organisations along with banking and government representatives. Section 19 of the SVANidhi guidelines should be modified to include representatives from the All India Hawker/Vendor Organisations in these monitoring committees.
- **Scheme guidelines to ensure halt of harassment should be according to the Street Vendors Act:** The guidelines for the scheme should be according to the Street Vendors Act 2014. Complete end to evictions and harassment as mentioned in the Act should be incorporated within the scheme guidelines. Therefore, guidelines should be altered to mention that vendors before 24 March 2020 (eligible for the scheme) cannot be removed.

- **PM SVANidhi scheme should contain basic medical insurance coverage:** The pandemic has made informal sector workers realise the importance of health insurance. The loan scheme should contain in-built medical health insurance scheme for applicants. The hawkers and government can contribute a low monthly premium of INR 30-50 with the government doing the same. In this way, minimum health insurance coverage can be achieved for all street vendors. Not only has the existing AYUSHMANN Bharat scheme not been introduced in all states, less than 5% of hawkers have heard of or enrolled in it.
- **Loan repayment timelines should be extended or relaxed:** The advent of the second wave of the pandemic has restricted the livelihood and earning opportunities for street vendors. Those who have availed of the loans will be unable to repay the amounts in the face of more lockdowns. The payment timelines should be extended/relaxed for street vendors keeping in mind the 2nd and possible 3rd wave. The repayment timelines should be extended at least by 1 more year or more.
- **Legal action to be taken against banks who have refused loans after having LOR:** Reports of banks denying loans under the SVANidhi scheme are widespread, especially in bigger cities. After submitting the relevant documents and the LOR from the ULB, there is no legal reason for banks to deny vendors the loan. There have been reports of banks denying loans by harassing, demanding unnecessary documents, asking women for their husband's IDs to access the loan and so on. These demands frustrate vendors who lose hope. Strict legal action should be taken against such banking institutions.
- **Declare street vending as an essential service:** Street vendors have provided last mile connectivity, low priced goods to large portions of urban dwellers. In the midst of the pandemic last year, street vendors provided essential goods and services during the lockdown, sometimes at great danger to themselves. Food vendors form the bulk of street vendors and they provide the same services as restaurants or grocery stores. Therefore, we request you to declare street vendors as essential services.

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Annexure

Questionnaire

1. City
2. Gender
3. Age
4. Religion
5. Caste category
6. Have you been surveyed in the street vendor survey?
7. Do you have a Vending Certificate/Vendor ID card/Survey Slip?
8. Have you faced eviction and harassment since June 2020?
9. If yes, by whom?
10. Do you know about the PM SVANidhi scheme?
11. If yes, how did you find out about the scheme?
12. Do you know that you are eligible for the PM SVANidhi scheme if you were a vendor before 24th March 2020?
13. Do you have a Letter of Recommendation from the urban local body?
14. Have you applied for a loan under PM SVANidhi scheme?
15. If not, why?
16. Have you received a loan under PM SVANidhi loan scheme?
17. If you have applied for loan under SVANidhi and it was rejected, what was the reason?
18. How much money did you have to spend in the application process?
19. Who helped you in the application process for the loan?
20. Was the loan scheme useful for you?
21. If no, why not?
22. Did you get any help from Hawker Worker Group/Union while applying for Loan?
23. If yes, what kind of help did the Hawker Worker Group/Union provide?

About IGSSS

Indo-Global Social Service Society is a non-profit organisation working with the mandate for humane social order used on truth, freedom, justice and equity. Established in 1960, IGSSS works for development, capacity building and enlightenment of vulnerable communities across the country for the effective participation in development.

With its presence all over India, IGSSS has set its thematic focus on promoting sustainable livelihoods, energising the youth as change makers, protecting lives, livelihood and assets from the impact of hazards, advocating for the rights of CityMakers (Urban Poor Residents) and developing a cadre of leaders from the community and civil society organisations. Gender and Youth are underlying themes across all its interventions.



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