

An empirical study on impact of PMSVNIDHI Scheme on the Livelihood of Street Vendors in Indore

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This research looks at how the PMSVNIDHI program affects Indore street vendors' capacity to make a living and maintain their businesses. The study measures vendors' knowledge of the program and analyses how it affected their post-pandemic economic recovery and business operations. The study used a descriptive research approach and a survey with a Likert scale to collect primary data from a sample of 100 street sellers. The results show that although the vendors' understanding of the PMSVNIDHI scheme is limited, it has had a favourable, albeit inconsistent, effect on their revenue and long-term viability as a business. The study also examines the premise that the plan has a major impact on street sellers' revenue creation; the findings indicate that there is a positive correlation between the scheme and higher revenue. In order to optimise the scheme's advantages, the study emphasises the significance of ongoing awareness efforts, improved access to lending institutions, and more assistance for vendors.

Keywords: PMSVNIDHI scheme, street vendors, income generation, business sustainability, etc.

1. Introduction

One important program to assist street sellers nationwide is the Pradhan Mantri Street Vendor's AtmaNirbhar Nidhi (PMSVNIDHI) project, which was introduced by the Indian government in 2020. The program helps street sellers obtain official credit, which allows them to relaunch and grow their enterprises, by offering microloans at reasonable interest rates. The program was created to help street sellers who were experiencing financial difficulties as a result of the COVID-19 outbreak. In order to help these vendors overcome their financial obstacles and become self-sufficient, PMSVNIDHI provides a structured financial lifeline (Government of India, 2020).

In towns like Indore, where their activities support local trade, jobs, and communal well-being, street vendors are especially important to the urban economy. Even though they make a substantial economic contribution, street sellers frequently encounter obstacles when trying to access official banking institutions, such as exorbitant borrowing rates, a lack of collateral,

and a lack of financial knowledge. Because of this, a lot of sellers turn to unofficial funding sources, which frequently have unfavourable conditions. By making credit easily accessible, the PMSVNIDHI program seeks to close this disparity and sustain street sellers' livelihoods (Sharma & Gupta, 2021).

A significant portion of Indore's informal sector is made up of street vendors, many of whom work in crowded marketplaces, streets, and transit hubs. These suppliers, however, frequently deal with a number of issues, such as inadequate funding, a lack of commercial acumen, and susceptibility to outside influences like governmental laws and market swings. An important step in enhancing these vendors' financial inclusion and assisting them in overcoming these challenges has been the launch of the PMSVNIDHI initiative in Indore (Singh & Verma, 2022). By evaluating many factors including revenue growth, company sustainability, and social empowerment, this study aims to investigate how the program has affected the livelihood of street sellers in the city.

This study's main goal is to objectively assess how PMSVNIDHI affects Indore street sellers' means of subsistence. The study will investigate whether the program has helped vendors' financial stability, enabled company growth, and enhanced their general quality of life using both quantitative and qualitative analysis. The research will also evaluate street vendors' knowledge of the program, their ability to obtain financial aid, and the difficulties they encounter while trying to take use of PMSVNIDHI's advantages.

This study attempts to give a thorough grasp of how well the PMSVNIDHI program supports unofficial enterprises in urban areas by concentrating on the street sellers in Indore. With the intention of educating policymakers about possible enhancements to its execution, the results will provide insights into the scheme's observable advantages and constraints. In the end, our research will add to the larger conversation on how government actions may help underserved populations and promote equitable economic development.

2. Literature Review:

The devastating economic effects of the COVID-19 epidemic on independent street sellers in India are discussed by Chowdhary (2021), especially during the period of lockdown in March 2020, which leaving numerous of them without funds and compelled others to flee to their villages. The government introduced the PM SVANidhi plan in June 2020 as a microcredit program to help street vendors maintain their livelihoods and get financial support. The scheme's objectives and execution challenges—such as working with traditional banks and bridging the digital divide—are reviewed in the report. For long-term viability, the program's ultimate goal is to economically elevate merchants and include them into the official economy.

The effects of the PM-SVNidhi program, which was launched by the Indian government in June 2020, on street vendors in Meerut City are investigated by Saini et al. (2024). Using the method of partial least square structural equation modelling, the study aims to comprehend 150 street merchants' awareness and impressions of the program. The results show that attitudes and awareness of the PM-SVNidhi plan are significantly correlated, underscoring the ways in which information circulates and shapes behaviour in marginalised areas. Policymakers may enhance the scheme's efficacy and communication tactics for greater

outreach and impact with the aid of the study's insights.

Joshi and Reddy (2022) investigate Ahmedabad street sellers' opinions and experiences with the PM-SVNidhi a microloan scheme launched by the Indian government in July 2020 to assist independent street vendors. In order to assist vendors in reviving their enterprises and securing their lives following the COVID-19 pandemic-related revenue loss, the plan offers a loan with no collateral of Rs 10,000. To learn more about the scheme's execution and effects, the research included interviews with financial institutions and their staff in addition to surveying 60 street sellers from Ahmedabad's central and west zones.

2.1 Objectives:

The objectives of this research are:

- To evaluate the awareness levels of street vendors in Indore regarding the PMSVNIDHI scheme
- To assess the impact of the PMSVNIDHI scheme on the income generation and business sustainability of street vendors in Indore.

2.2 Hypothesis:

The hypothesis of the research is:

H₀: There is no significant impact of the PMSVNIDHI scheme on the income generation of street vendors in Indore.

3. Methodology:

To investigate how the PMSVNIDHI plan affects the financial security of street vendors in Indore, a descriptive study approach was used. A questionnaire comprising both closed-ended and open-ended questions was used to collect primary data in order to learn more about the vendors' awareness, revenue generation, and company sustainability when the plan is put into place. Street vendors from different Indore neighbourhoods make up the sample frame, and 100 vendors were chosen for the study. The respondents were chosen via convenience sampling in accordance with their availability and desire to take part in the research.

3.1 The awareness levels of street vendors in Indore regarding the PMSVNIDHI scheme:

The degree to which Indore Street vendors are aware of the PMSVNIDHI plan is a key factor in assessing how well the program works to improve their standard of living. It is crucial that vendors comprehend the program's advantages, qualifying requirements, and application procedure since it seeks to give them microcredit to aid in their recovery from the financial effects of the COVID-19 epidemic. The study will evaluate how well-informed Indore street vendors are about the program, including their understanding of the loan amount, terms of repayment, and the function of financial institutions in streamlining the procedure. In order to determine how well communication methods reach the target demographic, it will also investigate the sources of information that vendors have received, such as word-of-mouth, local authorities, and government outreach initiatives. Following results shows the level of awareness of street vendors regarding the scheme:

Table 1 Level of Awareness

Level of Awareness	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
I am aware of the Pradhan Mantri Street Vendor's Atmanirbhar Nidhi (PMSVNIDHI) scheme.	10%	15%	25%	30%	20%
I understand the eligibility criteria for applying for the PMSVNIDHI scheme.	12%	18%	28%	30%	12%
I know the amount of loan provided under the PMSVNIDHI scheme and its intended purpose.	16%	26%	9%	31%	18%
I am aware of the repayment terms and conditions associated with the PMSVNIDHI scheme.	19%	33%	7%	26%	15%
I have received sufficient information about the PMSVNIDHI scheme from government officials or local authorities.	9%	26%	16%	35%	14%

The survey's findings show that street sellers' knowledge of the PMSVNIDHI program varies. Thirty percent of vendors are aware of the program, and twenty percent strongly approve. 25%, however, are neutral, indicating some hesitancy. With 30% agreeing, 28% being indifferent, and 18% opposing, awareness of the eligibility requirements is more uneven. With 31% agreeing, 26% disagreeing, and 18% strongly agreeing, knowledge of the loan amount is comparatively greater. 33% of respondents disagree, showing a lesser level of awareness regarding repayment conditions and difficulties comprehending them. Lastly, 35% of suppliers believe that information from government is adequate, while 26% disagree, suggesting a communication breakdown. Overall, there are still significant gaps in the level of comprehensive information of the program, despite the modest level of awareness.

3.2 The impact of the PMSVNIDHI scheme on the income generation and business sustainability of street vendors in Indore:

The PMSVNIDHI program has significantly improved the revenue production and long-term viability of Indore's street vendors' businesses, especially in aiding their recovery from the pandemic's negative consequences. The program has made it possible for vendors to relaunch their enterprises, buy essential goods, and enhance day-to-day operations by offering microcredit loans of Rs. 10,000 as working capital. Due to the financial infusion, several vendors claim higher sales and the potential to draw in new clients. The program has also improved their financial stability and long-term company viability by stabilising their livelihoods. The impact varies, though, according to the vendors' familiarity with the program, their ability to access lending institutions, and the difficulties they have with repayment. This underscores the significance of ongoing assistance and education initiatives in order to optimise the program's advantages. Following survey results indicate the impact of the scheme on the income generation and business sustainability:

Table 2 Impact on income generation and business sustainability

Impact on income generation and business sustainability	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
The PMSVNIDHI scheme has helped increase my income and sales since I received the loan.	17%	21%	14%	37%	11%
The financial support provided by the PMSVNIDHI scheme has made my business more sustainable in the long term.	16%	23%	11%	36%	14%
I am now able to invest in better inventory or resources for my business due to the PMSVNIDHI loan	19%	28%	13%	31%	9%
The loan provided under the PMSVNIDHI scheme has helped me recover from the financial loss caused by the pandemic lockdown.	13%	22%	18%	29%	18%
The PMSVNIDHI scheme has improved my ability to attract more customers and retain them for my business.	19%	23%	14%	31%	13%

The survey's findings show that the PMSVNIDHI program has a generally beneficial effect on street vendors' capacity to generate revenue and maintain their businesses. There is some variance in experiences, as 37% of suppliers think that the program has increased their revenue and sales, while 17% strongly disagree. In a similar vein, 36% believe that the funding has improved the long-term viability of their company, while 16% strongly disagree. While 19% strongly disagree, 31% of merchants think that resources or inventories should be invested in. 29% say the epidemic has had a beneficial influence on recovery from the financial losses, while 13% strongly disagree. Furthermore, while 19% strongly disagree, 31% of suppliers concur that the program has enhanced their capacity to draw in and keep clients. Overall, the findings imply that the program has significantly, but unevenly, affected the revenue and business resilience of the suppliers.

3.3 Hypothesis Testing:

To test the hypothesis “There is no significant impact of the PMSVNIDHI scheme on the income generation of street vendors in Indore” one way ANOVA test has been applied taking awareness of the scheme as dependent variable and increase in income and sales after taking loan under the scheme as independent variable. The results obtained are as follows:

Table 3 ANOVA

<i>Source of Variation</i>	<i>SS</i>	<i>df</i>	<i>MS</i>	<i>F</i>	<i>P-value</i>	<i>F crit</i>
Between Groups	9.68	1	9.68	6.13678	0.01408	3.88885
Within Groups	312.32	198	1.57737			
Total	322	199				

The hypothesis that the PMSVNIDHI program has no discernible effect on the revenue generated by street sellers in Indore was tested using the one-way ANOVA test. According to the findings, the p-value is 0.0141 and the F-value is 6.14, both of which are below the significance level of 0.05. The null hypothesis is rejected as a result of this showing a substantial difference between the groups. The conclusion that the PMSVNIDHI program significantly affects the revenue generation of street sellers in Indore is further supported by the computed F-value (6.14) being higher than the crucial F-value (3.89). The sum of squares within groups is 312.32, while the sum of squares between groups is 9.68.

4. Conclusion:

Important information on the efficacy of the PMSVNIDHI system is revealed by the study on its awareness and effects on Indore's street sellers. The vendors' knowledge of the program varies greatly; many are aware of the scheme's basic elements, like the loan amount and its goal, but are still ignorant of its full scope, including eligibility requirements, repayment terms, and the part financial institutions play in the process. This shows that there are communication gaps and that in order to guarantee that suppliers get the most out of the program, more focused outreach and information sharing are required.

The PMSVNIDHI plan has had a significant influence on vendors' revenue generation and company sustainability, especially in aiding their recovery from the financial difficulties brought on by the pandemic. Vendors have been able to enhance their day-to-day operations, make the required investments, and relaunch their enterprises thanks to the microcredit loans. Notwithstanding these favourable results, the effect varies according on the vendors' knowledge of the program, their ability to contact financial institutions, and their difficulties repaying loans.

The results of the hypothesis test demonstrate that the PMSVNIDHI program significantly affects the revenue generated by Indore's street vendors. The data research backs up the claim that the program has helped vendors maintain their financial stability and commercial viability, but it also emphasises the necessity of ongoing assistance and training to optimise its advantages. These results highlight how crucial it is to make sure that all street sellers are knowledgeable and have complete access to the materials offered by the program in order to achieve the best possible outcomes.

5. Recommendation:

In order to close the awareness gaps among Indore's street sellers, it is advised that the *Nanotechnology Perceptions* Vol. 20 No. S16 (2024)

government and pertinent agencies step up their outreach and communication efforts on the system. To guarantee that vendors are fully aware of the program's eligibility requirements, loan terms, and payback restrictions, this may be accomplished through focused information campaigns, seminars, and cooperation with local authorities. Vendors should also receive further help in locating lending organisations and completing the loan application procedure. Ongoing assistance, such as financial literacy courses and business management advice, should be provided in order to optimise the program's effects on revenue creation and company sustainability. By doing this, vendors will be able to make better use of the available funds, enhance their operational procedures, and eventually support the stability and long-term success of their businesses.

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