

# Key Challenges in Accessing Schemes by Street Vendors



## Challenges in Obtaining Street Vendor Identity Cards:

Obtaining identity cards for street vendors poses significant challenges across India. Out of approximately 1 crore street vendors nationwide, only a fraction have received official cards. The absence of comprehensive surveys conducted by Urban Local Bodies (ULBs) further exacerbates this issue, as many street vendors are unable to obtain cards due to the lack of proper documentation.

- In Bangalore, specifically within the 8 wards, 64 street vendor leaders are yet to receive their identification cards. This delay may stem from the resistance new migrants face from existing vendors, creating hurdles in the application process.
- **Several common reasons** contribute to the rejection of card applications.
  - Duplicate cards, particularly when vendors are allocated 40% of seats on Town Vending Committees, can lead to complications.
  - Technical issues arise with GPS-based location surveys, as many vendors do not have fixed spots, making it challenging to determine their precise locations.
  - Additionally, migrants who temporarily return to their villages, for instance, for a wedding, and then come back after a few months may face difficulties in the application process.
  - These challenges in the card application process underscore the need for streamlined procedures and increased inclusivity to ensure that all street vendors can access the necessary identification for their businesses.

## Challenges in Accessing PM Svanidhi Loan

Accessing the PM Svanidhi Loan, designed to support street vendors, comes with several challenges that affect its uptake among the intended beneficiaries.

- **Proof of Work Difficulties:**

Small vendors, particularly those who operate on a buy-on-credit and sell-repay model, find it challenging to provide proof of their type of work. Lack of bills or formal documentation for these transactions poses a significant hurdle in meeting the eligibility criteria for the loan.

- **Non-Mandatory Street Vendors Card in Certain Regions:**

The requirement for a street vendor identity card is not mandatory for obtaining the Svanidhi loan in certain regions, creating ambiguity and potentially excluding those vendors who may not possess formal identification.

- **Limited Interest in Bangalore:**

In Bangalore, there is observed minimal interest among vendors in availing the PM Svanidhi Loan. The relatively low loan amount (Rs 10,000) may contribute to this lack of enthusiasm among street vendors, signaling the need for adjustments in the loan structure to better meet the financial needs of this particular demographic.

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