



eCircular
\${Department}
\${Sl.No.}
\${Circular No.}
\${Date}

The Chief General Manager,
State Bank of India,
Local Head Office,
All Circles

Madam/ Dear Sir,

SME Advances

New Scheme of Ministry of Housing and Urban Affairs (MOHUA) PM SVANidhi

Product – PM SVANidhi, Product code: 6400-4086 (EB-DL-PM SVANidhi)

To be Rolled out on 01.07.2020

Ministry of Housing and Urban Affairs, Government of India has come out with Scheme “PM Street Vendor’s AtmaNirbhar Nidhi (PM SVANidhi)” aimed at making street vendors self-reliant. In order to implement the Scheme in the Bank , we propose to introduce a new product named “Street Vendor Loan”.

Scheme will be available to street vendors engaged in vending in urban/ surrounding development/peri-urban/rural areas , on or before March 24, 2020, and in possession of certificate of vending /Identity card issued by Urban Local Bodies (ULBs), or identified in the survey but yet to be issued Identity Card/ or issued letter of recommendation by the ULB/as notified in the website of Ministry /state govt/ULB and portal created for this purpose by Government. Joint Liability Groups (JLG) of eligible vendors covered under ULB-led identification will also be eligible.

2. Key features of the scheme:-

- i) Urban street vendors will be eligible to avail a Working Capital (WC) loan up to Rs 10,000 with tenure of 1 year and repaid in monthly instalments.
- ii) No collateral will be taken .
- iii) On timely or early repayment, the vendors will be eligible for the next cycle of working capital loan with an enhanced limit. No prepayment penalty to be charged.
- iv) Rate of interest – EBLR+3.25% (prevailing rate for Mudra loans)
- v) Interest subsidy @7% will be provided by the Government through their portal

- vi) The scheme will incentivize digital transactions (digital pay-out/receipt of minimum Rs 25/-) by vendors through cash back . Rs 50/- for 50 digital transactions in a month, Rs 25/- for next 50 transactions, Rs 25/- for next 100 transactions.
- vii) BCs may be used to ensure maximum coverage.
- viii) The Scheme has a provision of Graded Guarantee Cover by CGTMSE on portfolio basis for the loans sanctioned. Bank can avail the guarantee coverage without any charges. First loss default (up to 5%) will be 100%. Second loss (beyond 5% to 15%) will be 75% of default portfolio. Maximum guarantee coverage will be 15% of the year portfolio.
- ix) The subsidy under the Scheme is valid up to 31.03.2022.
- x) Loan proposals under the scheme shall be processed by either e-Mudra (Web link) / LOS under LOS-PMMY till LOS gets sunset. Thereafter, the scheme shall be processed in LLMS. Details of the product guidelines and features are as per **Annexure-I.**

04. In this context, the role and responsibilities of Circle in implementation of above-mentioned process flow has been given below:

Dept/Vertical	Role/Responsibilities and Activities
Circles	<ul style="list-style-type: none"> ✓ To identify a Nodal Officer at AOs in R&DB Network and at RBOs in FIMM Network for downloading business leads from Udyami-mitra portal and from website of the Ministry/ State Government/ ULBs, bulk upload the same in CRM, checking Vendor ID/Survey Reference Number (SRN) and uploading the details of loan sanctioned through online (e-Mudra)/ offline sourcing in Udyami-mitra portal on daily basis. ✓ Follow-up with the CSP-linked branches for conversion of leads into business. ✓ Branches to display banner on touch-points/identified branches/nearby Customer service points (CSPs) for prospective customers/applicants ✓ Branches to accept applications and enter in LoS-PMMY until emudra-Svanidhi is operational and activated in emudra portal (https://emudra.sbi.co.in:8044 ✓ Branches to trouble-shoot for failed applications in emudra portal and take care of complaints /grievances of customers

Please arrange accordingly.

Yours faithfully,

Chief General Manager (SME &SCF)