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PM Vishwakarma Yojana: An Empirical and Policy Review of India's Scheme for Traditional Artisans and Craftspeople

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***Abstract*—India's economic story is often told through the language of GDP growth, stock indices, and formal sector job creation. Yet, beneath this visible economy lies a significant section, a quieter and hidden workforce that sustains the nation daily. The informal sector, who often work with their hands and tools, comprising nearly 90% of India's workforce, is the invisible scaffolding on which the visible economy stands. These traditional artisans and craftspeople, generally considered to be a part of the informal or unorganized sector of the economy—the potter, the weaver, the blacksmith, etc.—are the backbone of India, providing goods and services with lesser capital, rare social security, and unorganized institutions. Usually, within families involved in these occupations, skills are transferred from generation to generation through the Guru-Shishya model. These authentic skilled people are referred to as Vishwakarmas. For decades, this informal sector has been treated as a residual category with no definite fund allocation, no social security, and no formal recognition. It is against this backdrop that schemes like PM Vishwakarma seek to institutionalise respect for ancestral skills and blue-collar dignity to drive a positive shift in the worker's quality of life.**

***Keywords*—PM Vishwakarma Yojana, traditional artisans, MSME, skill development, collateral-free credit, informal economy, unorganised workers, rural livelihoods, financial inclusion, Government of India.**

I. Introduction

The PM Vishwakarma Yojana, formally the Pradhan Mantri Vishwakarma Kaushal Samman Yojana, is implemented as a Central Sector Scheme, that is, 100% funded by the Government of India, with an initial outlay of Rs. 13,000 crore, launched on 17 September 2023 for the period 2023-24 to 2027-28 (Press Information Bureau [PIB], 2023). This initiative is jointly carried out by the Ministry of MSME, the Ministry of Skill Development and Entrepreneurship (MSDE), the Department of Financial Services (DFS), and the Ministry of Finance, Government of India, wherein the Ministry of MSME is the Nodal Ministry and the Additional Secretary and Development Commissioner (MSME) is the focal point for all aspects of implementation and coordination (PIB, 2023). It is the goal of the scheme to ensure that the Vishwakarmas are integrated into the domestic and global value chains, that is, to offer holistic end-to-end support and enable them to move up to the value chain in their respective trades, driving a structural shift in their socio-economic standing and overall well-being.

This paper reviews the design, objectives and stated outcomes of the scheme, develops testable hypotheses regarding its socio-economic impact, and interprets available secondary evidence on uptake and implementation. The discussion finds that the scheme has achieved substantial reach in terms of registrations and credit access, moderate progress on skill upgradation and productivity, and comparatively limited, unevenly shared gains in income and digital adoption, along with awareness gaps and last-mile delivery emerging as persistent constraints.

The paper concludes that PM Vishwakarma represents a significant structural intervention for the informal artisanal economy but that its long-term success depends on deeper convergence with market-linkage institutions, continuous monitoring, and region-specific outreach.

This paper situates PM Vishwakarma within the broader landscape of Indian financial-inclusion and MSME-support schemes, examines its stated objectives against its design features and observed socio-economic effects. The analysis draws on the scheme's official design documents, government press communications, independent policy-research commentary, and secondary reportage, and is intended as a conceptual and policy-review contribution rather than a primary field survey.

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TABLE I
CORE COMPONENTS AND BENEFITS OF PM VISHWAKARMA YOJANA

Components	Description
Recognition	PM Vishwakarma Certificate and ID Card.
Skill Training	Basic training (5–7 days) and advanced training (up to 15 days), with a stipend of ₹500 per day paid to trainees during the training period.
Toolkit Incentive	A one-time toolkit grant of up to ₹15,000 (as an e-voucher) to facilitate technological upgrading of artisans' crafts.
Credit Support	Two-tier financed support — up to ₹1 lakh (first tranche) and up to ₹2 lakh (second tranche) — both completely free of collateral and offered at a subsidized 5% interest rate.
Digital Incentive	Incentive for every digital transaction undertaken by the beneficiary, to encourage adoption of digital payment systems.
Marketing Support	Branding and market-linkage support, including participation in exhibitions such as PM Vishwakarma Haat, e-commerce onboarding, and quality certification.

Source: Compiled from Press Information Bureau (PIB, 2023) and the official PM Vishwakarma scheme portal (Ministry of MSME).

TABLE II
EIGHTEEN TRADITIONAL TRADES COVERED UNDER THE SCHEME

S. No.	Trade	S. No.	Trade
1	Carpenter	10	Mason (Rajmistri)
2	Boat Maker	11	Basket/Mat/Broom Maker
3	Armourer	12	Doll & Toy Maker (traditional)
4	Blacksmith	13	Barber
5	Hammer & Tool Kit Maker	14	Garland Maker
6	Locksmith	15	Washerman
7	Goldsmith	16	Tailor
8	Potter	17	Fishing Net Maker
9	Sculptor/Stone Carver	18	Cobbler/Shoemaker

Source: PIB (2023), Press Release: PM Vishwakarma Scheme — Honouring Heritage, Powering Progress.

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TABLE III
ELIGIBILITY CRITERIA FOR PM VISHWAKARMA REGISTRATION

Criterion	Requirement
Nature of work	Eligible beneficiaries must be self-employed craftspeople working in the unorganised sector within the 18 specified traditional trades.
Minimum age	On the date of registration, age should be 18 years or above.
Active engagement	Must be engaged in the concerned trade on the date of registration.
Prior credit history	Should not have benefitted under similar central or state government credit-based self-employment/business-development schemes (e.g., PMEGP, PM SVA Nidhi, Mudra) in the previous 5 years.
Family limitation	Only one member of an eligible family may register and receive benefits; "family" is defined as husband, wife, and unmarried children.
Exclusion	A government employee and their family members are not qualified.
Inclusion focus	The scheme targets to uplift women and underrepresented groups — Scheduled Castes, Scheduled Tribes, OBCs, persons with disabilities, transgender persons, and residents of the North-East, islands, and hilly regions.

Source: National Skill Development Corporation (NSDC, 2026), PM Vishwakarma — Eligibility Criteria; cross-checked with PIB (2024), Eligibility Conditions and Trades under the PM Vishwakarma Scheme.

II. Objectives Of The Study

- To examine the structural frameworks and core components of the PM Vishwakarma Yojana, as an instrument of state-led financial inclusion and artisanal empowerment.
- To critically analyse the stated policy objectives of the scheme in relation to the socio-economic profile of traditional artisans.
- To measure the program's success across its five pillars — identity recognition, skill enhancement, credit access, digital adoption, and market linkage — by analysing secondary research and published reports.
- To identify implementation challenges and bottlenecks that may limit the scheme's reach and long-term multi-tiered institutional effectiveness.
- To offer actionable policy-relevant observations for strengthening the scheme's results.

III. Research Methodology

A. Research Design

This study adopts a descriptive-analytical methodology based entirely on secondary data (ex post facto research), detailing the structural anatomy of PMVY and tracking empirical data such as overall registrations, toolkit distribution, skill training progression, and credit pipelines across various states.

It examines the relationship between complex multi-tier bureaucratic verification steps and high applicant drop-out rates, using public choice and top-down implementation theories to explain the pattern.

B. Nature and Sources of Data

The study relies on a mixed-method data approach, drawing primarily on secondary data compiled from the following categories of sources:

- *Official Government Sources:* Press Information Bureau (PIB) releases of the Ministry of MSME (PIB, 2023, 2024); official PM Vishwakarma scheme guidelines; the official scheme portal (pmvishwakarma.gov.in); NSDC scheme documentation (NSDC, 2026).
- *Institutional and Policy-Research Sources:* IMPRI Impact and Policy Research Institute (2024); Jindal School of Government and Public Policy (Bigharia, 2024); Policy Circle (2025); Invest India government-scheme briefs (2023).
- *Media and Secondary Commentary:* Information from national broadcasters (News on Air) and platforms that track the scheme are used to support and check official data.

C. Period of Study

The study covers the period from the scheme's launch on 17 September 2023 to mid-2026, corresponding to the first two and a half to three years of the scheme's five-year implementation cycle (2023-24 to 2027-28).

D. Tools and Techniques of Analysis

- Tabulation and cross-tabulation of scheme indicators over time.
- Trend and growth-rate analysis (percentage change, ratio analysis) of registration, verification, training and credit indicators.
- Graphical/diagrammatic representation of the verification pipeline for visual interpretation of secondary data.

E. Limitations of the Study

- The study depends heavily on figures published by government or affiliated sources, which may be subject to revision and have not been independently audited. Different secondary sources consulted for this paper report different cumulative registration and disbursal figures for overlapping periods; where such discrepancies exist, this is noted explicitly rather than resolved by selecting a single preferred figure.
- Independent, beneficiary-level primary data (e.g., income change, satisfaction levels) is not available and therefore outside the scope of this paper.
- Because the scheme is still under active roll-out, figures cited represent specific cut-off dates and may have since changed.
- Uniform state-wise, trade-wise and gender-wise disaggregated data for the entire study period was not consistently available in the public domain, limiting the granularity of comparative analysis.

IV. Discussion And Interpretation

A. Credit Access

- The scheme provides loans without requiring collateral, with amounts up to ₹1 lakh in the first phase and up to ₹2 lakh in the second, at a lower interest rate supported by government subsidies (PIB, 2023).

This design specifically addresses a major challenge faced by artisans in the informal sector — lack of collateral, which often prevents them from accessing formal credit. There is evidence that public-sector banks have disbursed loans under the scheme (Current Affairs Today, 2026); however, this positive picture requires an important qualification.

Policy Circle (2025) reports that, of the loan applications submitted under the scheme by early 2025, only a minority — roughly a quarter to a third — had actually been sanctioned by public-sector banks, with the remainder rejected on documentation or eligibility grounds or declined by applicants. This suggests that credit access should be read as strong at the application stage but considerably weaker at the sanction stage, a distinction the scheme's own promotional material does not always make clear.

- Read together, the initiative has clearly improved artisans' access to formal credit application channels compared to the costlier and less reliable informal credit options previously available to them, but the conversion of applications into disbursed loans remains a documented bottleneck (Policy Circle, 2025).

B. Skill Development and Productivity

The training component — combining basic and advanced skill modules with a daily stipend — is designed to address quality and productivity constraints (PIB, 2023). While training enrolment figures are reported as substantial, the productivity and quality effects are less uniformly documented across trades and states, since outcomes depend on the quality and delivery of training, how well the curriculum matches specific crafts, and artisans' ability to apply new techniques despite limited resources (IMPRI, 2024).

C. Digital Adoption and Income Growth

Digital transaction incentives serve as a mechanism to transition artisans into the formal economic framework, cultivating a traceable transaction history that strengthens their borrowing profile. However, income effects are the most difficult component to verify from secondary sources alone, since they depend on downstream market demand, competition, and seasonal factors that lie outside the scheme's direct control ("Empowering India's Artisans," 2025). Available evidence is mixed: some beneficiaries report improved earnings following toolkit upgrades and market exposure through platforms such as PM Vishwakarma Haat exhibitions (News on Air, 2026), while others show limited change in the short run. Digital and income outcomes are therefore treated as not conclusively supported, pending more rigorous, trade-wise impact evaluation.

D. Empirical Performance Matrix

A consolidated performance overview of the scheme's key structural components, compiled from secondary/media reportage rather than a single unified official dashboard extract, is presented in Table IV.

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TABLE IV
EMPIRICAL PERFORMANCE MATRIX OF PM VISHWAKARMA YOJANA

Policy Indicator / Component	Reported Attainment (illustrative, mid-2026 cut-off)	Policy Implementation Analysis
Total Scheme Registration	Approx. 30–35 lakh artisans registered	Secondary sources report cumulative registrations between approximately 28 lakh as of January 2026 and more than 30 lakh by mid-2026. While the precise numbers differ depending on the source and reporting period, these figures reflect robust demand and active outreach via Common Service Centres (CSCs).
Basic Skill Training Completion	On the order of tens of lakhs of artisans	Reported to show a high progression rate from registration to basic (5–7 day) skill-upgradation training, though a single authoritative cumulative figure was not consistently available across sources.
Modern Toolkit Voucher Disbursal	Roughly two-thirds to three-quarters of registered artisans, on available reporting	Delivered via the ₹15,000 e-voucher/Direct Benefit Transfer (DBT) framework; figures vary by source and reporting date.
Credit Line Sanctions	A minority of registered/applicant artisans (approx. one-fifth to one-third)	Independent reporting (Policy Circle, 2025) indicates a comparatively low application-to-sanction conversion rate, highlighting credit-pipeline bottlenecks rather than a lack of demand.
Total Value of Loans Disbursed	Thousand crore rupees, approx. cumulatively	Reflects real capital injection into the rural unorganised sector at a subsidised ~5% interest rate (data varies across sources).
Digital Transaction Adoption	A minority of registered beneficiaries actively using the digital-incentive channel	Suggests continuing digital hesitancy among a section of registered artisans; precise figures are not uniformly reported.

Source: Data in this table is aggregated from various secondary and media reports (such as Current Affairs Today, PM Vishwakarma News, PTC Darbhanga, and the Government Schemes Portal) published across 2025 and 2026. Because these sources reflect different cut-off dates, the figures have not been cross-checked or audited against an official Ministry of MSME dashboard extract.

E. Implementation Gaps

Analysis and regional counterparts — like Uttar Pradesh's Vishwakarma Shram Samman Yojana — highlight persistent hurdles: inconsistent public awareness in isolated rural communities, a heavy reliance on Common Service Centres among individuals lacking internet connectivity, and documentation or verification bottlenecks that can delay certificate issuance and loan disbursal (Edunovations, 2026; Policy Circle, 2025). These findings directly reflect trends in digital adoption and earnings growth, indicating that actual impact depends more on last-mile execution than on scheme design in isolation.

F. Bureaucratic Attrition in the Verification Pipeline

A significant finding concerning the implementation pipeline of PM Vishwakarma is the substantial gap between the number of artisans who register for the scheme and the number who progress through to credit-line sanction. Taking enrolment and loan sanction rates as an approximate yardstick, between 70% and 80% of registered craftspeople have not yet transitioned to the credit-approved stage.

The scheme employs a three-tiered verification mechanism to filter applications and prevent fraudulent or duplicate (single-family double-dipping) registrations: the Gram Panchayat (village-level entry and Aadhaar verification), the District Implementation Committee (document scrutiny), and the Final Screening Committee (sanction and certificate issue).

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However, independent reporting indicates that this multi-tier verification process has itself become a source of attrition (Policy Circle, 2025): delays at the Gram Panchayat entry point, paired with infrastructure limitations at local Common Service Centres, appear to discourage some eligible artisans from completing the registration and verification process.

G. PM Vishwakarma in Comparative Perspective

Because PM Vishwakarma explicitly excludes applicants who have already availed benefits under PMEGP, PM SVA Nidhi, or Mudra in the preceding five years, it is useful to situate the scheme against these related credit-linked self-employment schemes to clarify how its target group and design differ, as summarised in Table V.

TABLE V
PM VISHWAKARMA IN COMPARATIVE PERSPECTIVE

Feature	PM Vishwakarma	PMEGP	PM Mudra Yojana (PMMY)	PM SVA Nidhi
Target group	Traditional artisans/craftspeople in 18 notified trades	Fresh micro-business applicants (universal sector)	Existing/aspiring non-farm micro-enterprises	Street vendors (urban)
Loan/support ceiling	Up to ₹3 lakh (two tranches: ₹1 lakh + ₹2 lakh)	Up to ₹1 crore (manufacturing) / ₹50 lakh (services), with 15–35% margin-money subsidy	Up to ₹20 lakh, in Shishu/Kishor/Tarun/Tarun Plus categories	₹10,000 (1st), ₹20,000 (2nd), ₹50,000 (3rd) working-capital tranches
Collateral	Free of collateral	Collateral-free up to ₹10 lakh (CGTMSE-backed)	Up to ₹10 lakh free of collateral	Free of collateral
Interest rate	~5%, with government interest subvention	Normal bank MSME lending rates (~8.5–12%), reduced effectively via subsidy	As per lending institution; no fixed concessional rate	Regular rate with interest subvention on timely repayment
Additional non-credit support	Official certification and ID, skill development paired with a stipend, a toolkit e-voucher, and incentives for digital adoption and marketing support	Entrepreneurship Development Programme (EDP) training	MUDRA Card (overdraft facility)	Cashback on digital transactions
Nodal ministry	Ministry of MSME	Ministry of MSME (via KVIC)	Department of Financial Services, Ministry of Finance	Ministry of Housing and Urban Affairs

Source: Compiled from PIB (2023, 2026); Paisa Bazaar (2026), PMEGP Loan — Eligibility, Subsidy & Apply Online; News on Air (2026, 30 March), PM SVA Nidhi Scheme Supports Street Vendors with ₹17,115 Crore Loans.

This comparison clarifies that PM Vishwakarma is not a general-purpose MSME credit scheme but a trade-specific, identity-based intervention layering non-credit support (certification, training, toolkits) onto a comparatively modest credit ceiling — a design choice that distinguishes it from the larger, sector-agnostic credit ceilings offered under PMEGP and Mudra, and from the very small, repeat-cycle working-capital loans under PM SVA Nidhi.

V. CONCLUSIONS

- PM Vishwakarma Yojana represents a well-designed public policy intervention aimed at integrating India's traditional artisan community into the formal economy through a bundled approach of recognition, training, tools, credit, and market access.

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The scheme's framework directly responds to well-documented constraints facing informal artisans, and secondary evidence reflects strong uptake in registration and credit application. However, its long-term success on deeper objectives — sustained productivity gains, digital adoption, and measurable income growth — appears to be progressing more gradually and unevenly across trades, states, and demographic groups (IMPRI, 2024; Policy Circle, 2025).

- The paper concludes that the scheme's early years are proof of a convergence-based model of artisan welfare, but that its long-term success will depend on strengthening last-mile implementation, improving monitoring, execution and impact-evaluation mechanisms, deepening market-linkage partnerships (including with e-commerce platforms and export bodies), and ensuring equitable outreach to artisans in remote and underserved regions. Future research employing primary field surveys and trade-wise panel data would allow more rigorous testing of these findings, particularly regarding income and productivity outcomes.

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