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## IMPORTANCE OF STREET VENDORS IN INDIA

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### Abstract

Street vendors are an integral part of urban economies around the world, offering easy access to a wide range of affordable goods and services in public spaces. They sell everything from fresh vegetables to prepared foods, from building materials to garments and crafts, and from consumer electronics to auto repairs to haircuts. (Reference:-Street Vendors and Market Traders | WIEGO) Role of the informal economy “An informal economy is the part of any economy that is neither taxed nor monitored by any form of government. Although the informal sector makes up a significant portion of the economies in developing countries, it is sometimes stigmatized as troublesome and unmanageable”. (Reference:-informal economy). Through this platform and the experience to work for street vendors in the Indian capital city of Delhi and the state of Haryana. First purpose to understanding of street vendor livelihoods in the city with particular focus on challenges to livelihood security, where vendors face persistent challenges including forced removals, exploitation and extortion. The second purpose to understand the ways in which vendors are able to organize in order to face these challenges collectively. It is proposed that more attention should be given to street vendor in the informal sector and that those in such occupations should be recognized and protected by national level and state laws as workers rights.

**Key words: - Street Vendors, Hawkers, Vending Zone, Economic Development, Informal Sector**

### Introduction:

Street vendors are individuals from the most marginalized, poor and vulnerable sectors of the urban informal sector. Whereas street vending is seen as a thriving business, given its ability to adapt to the changing demands of urban society. There is a category of self-employed persons which is yet to get legal legitimacy. Several reasons are responsible for this condition of street vendors. However it can be argued that financial inclusion and inclusive growth together are self-employed. Street vendors provide an important link between the producer and the consumer.

Most of the LIG & MIG category People fulfill their basic needs through street vendors, because here goods are available to them at cheap prices. Research conducted on seven cities by the National Street Vendor Organization, India (NASVI) shows that low-income people spend a major part of their income on buying goods from street vendors because the prices of their goods are affordable. If there are no street

vendors in the cities, the plight of the urban poor will get worse. In this way a section of the urban poor who is working as street vendor indirectly helps the other poor section in their livelihood. As per the National Street Vendor Policy, 2.5% of the urban population is involved in street vending and hawking, which means it provides a means of livelihood to nearly crores of urban poor. The National Street Vendor Policy, 2004 defines street vendors as “a street vendor is broadly defined as a person who provides goods to people without a permanently built structure” There are mainly three types of street vendors in India. First are stationary vendors, which we define as permanent street vendors, who have proper location and space to work. Secondly, are the mobile vendors, who have sold their goods and delivering food from one place to another place in city? We all have must see that vegetables or fruits vendors are providing their goods directly to our road & street.

Providing vending zone in the city is the only solution to create facility and safety to the users and street vendors. Therefore, main aim of this research is that we want to provide guidance and awareness to street vendors about their rights. Through the street vending act of Vending Zones in the city with integration of hygiene, safety and adequate facilities for better livelihoods opportunities to the Street vendors as well as ensure about absence of congestion, disturbance and maintenance in public spaces facilities.

Street vendors in Indian environment: The number of street vendors in Indian cities has grown rapidly over the years. According to the Ministry of Housing and Urban Poverty Alleviation, there are about 10 million street vendors in India; including Mainly Mumbai has 250,000, Delhi 450,000, Kolkata over 150,000 and Ahmedabad 100,000. Most of them are migrants or poor laborers, who work an average of 10-12 hours a day, and still live below the poverty line. According to the Ministry of Housing and Urban Poverty Alleviation Street vendors in India contribute more than 50% of the country's savings and 63% of GDP comes from street vendors. The first 'Street Vendor Policy' was introduced in 2004, which was later revised as the 'National Policy for Urban Street Vendors, 2009'. Ministry of Housing and Urban Poverty Alleviation in 2009 The Model Street Vendor (Protection of Livelihood and Regulation of Street Vending) Bill, 2009 was circulated among all the states and union territories to make laws in this regard, although there was no legal binding, due to which some state governments have adopted this bill.

No effective steps were taken in this regard. Finally in 2010, the Supreme Court recognized street vending as a source of livelihood and directed the ministry to work on making a central law for street vending. After which a draft bill was prepared on 11 November 2011. Presented to the public. The main point of the bill is to protect street vendors from police and administrative authorities, as well as demarcate "vending zones" on the basis of "traditional natural markets" and fair representation of vendors and women in decision-making bodies, and effective Grievance Redressal and Dispute Resolution Mechanism was to be established. This Street Vending Bill was prepared with the help of the National Advisory Council and approved by the Union Cabinet on August 17, 2012. It was introduced by the Minister of Housing and Urban Poverty Alleviation in the Lok Sabha on September 6, 2012 after the approval of the Cabinet. The bill was passed by the Lok Sabha on 6 September 2013 and by the Rajya Sabha on 19 February 2014. Whereas this act came into force in the whole country from 1 May 2014.

There is a substantial increase in the number of street vendors in the major cities around the world, especially in the developing countries of Asia, Latin America and Africa. o Around 49.48 lakh street vendors have been identified in India. Uttar Pradesh has the maximum at 8.49 lakh, followed by Madhya Pradesh

## Street Vendors

A street vendor is broadly defined as a person who offers goods for sale to the public at large without having a permanent built up structure from which to sell” Street vendors may be stationary in the sense that they occupy space on the pavements or other public/private spaces or, they may be mobile in the sense that move from place to place by carrying their wares on push carts or in baskets on their heads. In this research, the term street vendor includes stationary as well as mobile vendors. The terms ‘street vendor’ and ‘hawker’ have the same meaning and they are often interchanged. There is substantial increase in the number of street vendors in the major cities around the world, especially in the developing countries. There are two main causes for the growth of street vending in these countries. Firstly, lack of gainful employment coupled with poverty in rural areas has pushed people out of their villages in search of a better existence in the cities. These migrants do not possess the skills or the education to enable them to find better paid, secure employment in the formal sector and they have to settle for work in the informal sector. Secondly, there is another section of the population in these countries who are forced to join the informal sector. These are workers who were employed in the formal sector. Both causes are directly related to globalization.

### **Background and Research justification:**

While looking at the sex ratio of street vendors in Dehradun, we find that majority are males. Females constitute around only 3 percent in Dehradun. SVANidhi Scheme was launched to benefit over 50 lakh street vendors who had been vending in urban areas including those from surrounding peri-urban/rural areas. It also aims to promote digital transactions through cash-back incentives up to an amount of Rs. 1,200 per annum. National Association of Street Vendors of India (NASVI) is an organization working for the protection of the livelihood rights of thousands of street vendors across the country. The main objective was to bring together the street vendor organizations in India so as to collectively struggle for macro-level changes.

Problem Justification: Dehradun is the capital of the Indian state of Uttarakhand, near the Himalayan foot hills. Dehradun city is located in north side of India, and it is around 230 km distance from the national capital, Delhi. As per the survey from NASVI, & that survey was done under by the leading of author of this research. There are total 2758 street vendor found in Dehradun, in which 1472 vendors have local residence and 1286 have vendors have outsiders. There is more vendors are the mobile vendors which is approx. 80 percent. PREPARATION OF VENDING PLAN The first and foremost task is to identify the street vendors in Dehradun. As stated in the RFP document, the vendor has to be divided into three categories: 1. Stationary 2. Peripatetic 3. Mobile. Based on the vending scenario in Dehradun, roads have been classified into No vending, restricted vending and free vending. In No vending roads, street vending is not allowed at any time and may be relaxed a day or two on the occasion of religious festivals. In Restricted vending roads, vending activity is permitted in the non-peak traffic hours and vending is not allowed in the peak traffic hours of morning and evening which are generally from 8.00 -11 AM and 5 -8 PM.

There are total 60 wards under the Dehradun Municipal Corporation and from that only 14 wards covered with the vending zone which is selected by municipal Corporation on 2014 survey and from that vending zones only some zones are fully settled up with work but lacking with some facilities like (water, electricity, drainage etc), and other zones are not working. And these vending zones have separate timing and shifting. Firstly, lack of gainful employment coupled with poverty in rural areas has pushed people

out of their villages in search of a better existence in the cities. Secondly, there is another section of the population in these countries who are forced to join the informal sector.

## Methodology

Preparation of street vending plan is fixed up to the municipal limits area. The information of all the street vendors under the municipality area will be collected through survey. On the basis of the information the street vending plan will be prepared. In order to make the street vending plan successful, meeting will be organized at each stage to discuss with all the representatives on a participatory basis. The research was based on a qualitative approach. This is because the research was exploratory in nature and aimed to provide new sources on the lives and businesses in DEHRADUN with a view to creating more appropriate policy to improve the social and economic development of the community. Survey of Street Vendors with photographs Mark the location of the vendor Classification of Roads (Major road, Minor Road Presentation before TVC and taking inputs from them Physical verification of areas with Police officials, Municipal Staff and MDDA representatives like Transport Planner. Analysis of survey with SWOT (Strength, Weakness, Opportunities, Threat) Spatial Distribution of Vendors activity Road mark as a no vending, vending and restricted vending area City Level Mapping Proposals to the Municipal Corporation Preparation of city street vending plan.

### *street vendors, PM Svanidhi, Covid, policy support*

*As per government estimates, street-vending accounts for 14 percent of the total urban informal employment, and there are around 10 million street vendors in India<sup>1</sup> Most of them are informally skilled with low incomes. These necessity-entrepreneurs travel from rural to urban areas searching for economic opportunities. Thus, street vendors are an integral part of India's retail market.*

*The Covid-induced lockdown hit the vending business severely, leaving the vendors with little social and financial security. Consequently, the Ministry of Urban Affairs, Government of India, launched PM SVANIDHI (Prime minister's street vendors atmanirbharNidhi) to support street vendors and rekindle their businesses.*

## Street vendors – Background

*A street vendor is a person who offers goods or services for sale to the public with a temporary static structure or mobile stall (or headload<sup>2</sup>. They provide a wide array of goods and services at affordable prices and are accessible conveniently at the doorstep, reducing everyday transaction costs and time. This mutual dependence of street vendors and the lower-middle-income strata has created an autonomous demand-and-supply fit.*

Despite this demand, the uncertainty in vending business is high due to poor infrastructure facilities at vending zones, confiscation of vendor's merchandise by authorities, non-availability of formal lines of credit, inadequate social protection, illegal hafta collection rackets, long working hours and lower income, low dignity of work and many more. Hence, street vendors started organizing themselves to fight for their rights and livelihoods to deal with these challenges.

## Organization and fighting for livelihood

<sup>1</sup><https://indianexpress.com/article/explained/street-vendor-act-pm-svanidhi-scheme-explained-6911120/>

<sup>2</sup><https://nasvinet.org/>

Street vendors have organized themselves into trade unions, worker associations, and federations to fight for their rights and voice their issues. In Karnataka, the Self-Employed Vendors Association of Karnataka (SEVAK) often represents the problems of street vendors. In 1998, the National Alliance of Street Vendors in India (NASVI) formed a trade union and vendors' association. NASVI played a significant role in enacting the Street Vendors (Protection of Livelihood and Regulation of Street Vending) Act 2013<sup>3</sup>

### **Covid-19 and aftermath**

Covid-19 induced lockdowns severely affected the livelihoods of street vendors. Lack of economies of scale in micro-business of these vendors leaves no buffer to sustain uncertainties. Consequently, the Ministry of Urban affairs Government of India launched PM SVANIDHI (Prime minister's street vendors atmanirbharNidhi) to help street vendors sail through this pandemic.

Support to Urban Street Vendors (SUSV), a component under DAY-NUL<sup>4</sup> being implemented by MoHUA, addresses the livelihood issues of urban street vendors. It aims to facilitate access to street vending zones with facilities like waste management, hygienic condition, cleanliness, and systematic pedestrian pavement

### **PM SVANIDHI - Prime minister's street vendorsatmanirbharNidhi<sup>5</sup>**

This central scheme is fully funded by the Ministry of Housing and Urban Affairs. Its objectives include facilitating working capital loans up to Rs 10,000 with a 7% interest subsidy; Rewarding digital transactions through cashback amounts of Rs 50-100. The Svanidhi se samrudhi component of the scheme aims to provide social security cushion to street vendors and their families. Through Svanidhi se samrudhi, eligible beneficiaries of the vendor's family members are linked to other central sector schemes for pension, insurance, PDS, etc.

The scheme helps identify and record street vendors at the block level. Marketing assistance is also provided by connecting them to platform food aggregators Zomato and swiggy.

### **Dharwad district- PM Svanidhi implementation<sup>6</sup>**

Dharwad district in Karnataka is one of the top districts to implement the scheme effectively. A working committee was set up under the chairmanship of the Deputy Commissioner for an effective implementation scheme. On average, loan sanction rates are at 70% and disbursement rates at 90%. As discussed below, the district's implementation rates and challenges vary from one block to another.

### **Implementation challenges**

Mobilizing the street vendors is challenging since they work throughout the week and cannot bear a loss of revenue: In Hubballi, Durgad bail vending area, many vendors shared that visiting Banks and Corporation offices to avail scheme benefits might cost them more than their day's income of Rs 10,000, the same as the loan amount.

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<sup>3</sup>[https://en.wikipedia.org/wiki/Street\\_Vendors\\_Act,\\_2014](https://en.wikipedia.org/wiki/Street_Vendors_Act,_2014)

<sup>4</sup>DeenDayalUdadyayaAntyodayaYojana – National Urban Livelihood mission

<sup>5</sup><https://pmsvanidhi.mohua.gov.in/Home/Schemes>

<sup>6</sup>District Skill development office, Dharwad

Unavailability of basic infrastructure such as Common Service Centers internet is a challenge in interior taluks. Similarly, many vendors could not maintain documents crucial for loan applications. Documentation errors and false records led to the rejection of 3000-plus applications.

Banks were apprehensive about timely repayment and misuse of the credit for other purposes. Often, non-vendors availed benefits with false documents. This delayed the sanctioning of loans.

Consequently, setting up marketplace registration kiosks, Loan melas, Svanidhi se samrudhi camps, awareness sessions on digital payments, FSSAI<sup>7</sup> norms, socio-economic profiling of vendors, etc., helped overcome implementation challenges.

### **Convergence**

The social security net is a vital buffer for the urban poor. HDMC<sup>8</sup> through Svanidhi se samrudhi camps, mapped the socio-economic profile of the PM Svanidhi beneficiaries and their families, assessed their eligibility for various central welfare schemes, and facilitated linkages to relevant schemes. Later, monthly convergence camps were organized. Eligible street vendor families under six central sector schemes like public distribution system, Pradhan MantriVayaVandanaYojana, Pradhan MantrimatritvaVandanaYojana, Labour cards were registered, resulting in holistic support to street vendors and their families.

### **Capacity building**

Realizing the need for increased trust-building and training, HDMC coordinated with the District skill mission, Dharwad, and organized workshops on Capacity building, Food safety training and Digital literacy camps that instilled relevant skills and confidence in street vendors.

Street vendors are an integral part of urban culture, and PM Svanidhi's data-driven approach will aid better policy-making and implementation. Empowering them through such support and public patronage can generate significant employment, formalize street vending and add value to the urban economy.

### **Conclusion:**

The activities of street vendors in India characterize the flow of its urban life. Their contribution to economic cannot be taken lightly in the informal sector. So after creating vending zone in Dehradun, we can improve quality of life of street vendors and users. Vending zone has always built and shaped of city environment. As the quality of built environment, so the public's appreciation for good design and function of vending zone. Types of market and the space requirements, is depends on its function within the city retailing hierarchy. Each market or street vending area has its own characteristics, but three broad types of market we can identified in DEHRADUN. City market - selling specialist Vegetable and Fruit, Neighborhood market - selling specialist cloth, Street market - serving passing trade, example: with cooked food, vegetables

<sup>7</sup>Food safety and security authority of India

<sup>8</sup>HubballiDharwadMunicipal corporation