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# CHANGING PARADOX OF STREET VENDORS AND VENDOR ZONES IN INDIA

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### **ABSTRACT**

The number of hawkers and street sellers in major urban areas is steadily rising every day. Unauthorized commerce is being conducted indirectly by sellers on sidewalks and in marketplaces, posing a threat to malls, superstores, and other legitimate retailers. The opposite side of the coin Globalization and healthy competition in the global market encourage manufacturers to provide high-quality products at competitive prices, and they invest in malls, super markets, big bazaar and other retail locations, as well as purchasing furniture and other amenities like seating arrangements, lighting, lifts, advertising and cleaning. But street vendors have posed a challenge to retail malls for the last forty years. The Street Sellers (Protection of Livelihood and Regulation of Street Vending) Bill, 2014, was enacted in the Rajya Sabha, ensuring the protection of street vendors' rights and social security. Creating a "conducive" climate for street sellers and designating specific locations for them to operate was the goal of the legislation enacted by the House. The purpose of this working paper is to gather information from many perspectives and to provide recommendations to municipal corporations, the government, and sidewalk vendors on how to regulate the footpath market. The findings of this study will be used to form a strategy for bringing ecological, administrative, and economic development marketplaces as an engine for economic growth in India.

Keywords: Hawkers, Street Vendors, Vendor Zones, Conducive.

### **PREAMBLE**

Globalization, privatisation, and liberalism are all made possible by the LPG concept. The notion of a global market is introduced, and the market, marketing, customer service, and production system have all been altered as a result. Marketing research has a new method, and the market's mission has also altered. Product quality, cheap pricing, timely delivery, and suitable location are all priorities for manufacturers when it comes to reaching out to customers. To that end, shopping centres of different shapes and sizes have been established around the country. When it comes to finding a space to put a

vendor on a public sidewalk, there is no shortage of options. Every city has a sidewalk market that springs up in a matter of days, and it's a booming industry. Vendors on the sidewalk use a variety of techniques to draw in customers. Ladies go to footpath for stylish items; men favour footpath because of cheap rates; and youngsters are drawn to footpath because of the trendiest and most appealing toys. As a result, the researcher is also attempting to find answers to the following questions via their study. What's the reason a consumer walks down the street? Footpath salespeople use a variety of techniques and expertise. How did sidewalk vendors arrange their

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wares on the sidewalk? What does it mean to say that the economy has suffered a loss? By creating designated zones for street vendors and hawkers that are far from the city's major market districts or even outside of it, the government aims to decrease street vendors' profits and redirect their economic potential in the name of removing undesirable encroachments from the city. However, the topic of whether street peddling / hawking is legal resurfaces. According to Article 19(1)(g), the citizen of India has the right to engage in any employment or business as a matter of right. This freedom is only restricted by the Indian Government's power to require professional or technical qualifications for particular crafts or professions. state's right and duty in the benefit of the general public to establish monopolies in specific trades, businesses, or industries It is impossible to deny a citizen's right to engage in a trade or profession of his choice. Self-employed persons in India include street sellers, craftsmen, masons, and construction workers. Because they operate in the informal or unorganised sector, they get little if any legal benefits. Organized industry, on the other hand, has a far easier time obtaining financing.

### **OVERVIEW OF LITERATURE**

Freedom of economic choice necessitates the availability of work opportunities, according to Dr. Ashok Purihit (2012). For our young people to be deprived of such a chance is to deny them not just economic freedom but also hope. But can we realistically attain such a lofty aim within the framework of a non-subsidized market economy? As a result, the SSI (small scale industries) sector accounts for almost all industrial units, 40 percent of value addition, and 80 percent of manufacturing jobs. Vendors with modest retail and commercial units rely on these units heavily for their own self-employment. The Indian State's development role is a big one, and therefore there are several government agencies that operate in the local regions to provide a wide range of services and public goods to the common people in order to promote socioeconomic growth. The State's line departments maintain a vast number of field offices, which are considered traditional institutions. Local governments used to be, and still are, the principal suppliers of public services and the ultimate arbiter of policy in matters relating to basic health care, employment (and hence livelihood), and other such issues. India's retail industry, according to Chetan Bajaj and colleagues (2007), is extremely fragmented, with organised retail making up just 2% of overall retail sales in India. Walmart, Sears, and

other huge chains like these have contributed to the fast rise of organised retail in industrialised nations, which has resulted in the consolidation of the retail business in these countries. Indian culture is distinct from that of western nations in a number of respects. Retail forms developed in the West must be adjusted and new formats tailored to Indian circumstances must be developed as organised retail expands.

As defined by the North American Industry Classification System (NAICS), retailers businesses involved in selling goods and providing services that are related to the sale of goods. In an effort to better understand the Indian retail market, Micheal Porter (1998)'s five competing forces were used in the research. The ease with which rivals may join the market and begin competing, as well as any obstacles to entry that may exist in an open market. Substituting a product or service, particularly if it is cheaper, poses a threat of substitution. The position of the buyers, can they work together to increase efficiency in purchasing?? Supply chain bargaining power: a seller's stance. Is there a large number of suppliers, or are there simply a few? Existing players' degree of competition, as well as the size and strength of the industry's current participants. Along with specialised shopping, India has a unique market style known as periodic street markets or area-based pedestrian marketplaces, which are sometimes known as fashion streets or china markets, for example. These marketplaces cater to the poor and middle classes, and the movable setups of the shopkeepers participating in these markets allow them to move from location to location. Markets like this are highly popular in tourist areas because they allow migrant workers from rural areas to get their essentials at reasonable costs and at times that suit their schedules. Selling items or services for personal or non-personal use is considered retailing, according to Philip Kotler. The term "retailer" refers to any firm that mainly relies on retail sales. At the end of the day, it comes down to this: Poorly educated and skillful rural migrants are compelled to work in the informal sector in order to supplement their meagre incomes. Those migrant merchants in Kathmandu now have easy access to street selling operations. Vendors like these regard street selling as a way to find jobs and support their families in metropolitan areas, as well as a way to make money for themselves and their loved ones. People from all walks of life — the poor, the welloff, and even some well-educated individuals — have found work on the streets of Metros. Vendors in the informal sector are also offering things at a lower cost to the urban poor, who would otherwise be unable to purchase them via the city's authorities or governance structure. Consequently, street selling has

become a way for the vast majority of the urban poor in Metropolitan Cities to promote their products. The city's environment has proven challenging to monitor and manage, including the management of sidewalks, control of rising vending operations, and facilitating pedestrian circulation. Vendors on the street or pavement distribute their goods, making it difficult for people and cars to go around. There is a link between the informal sector and the formal sector of the economy via subcontracting networks and commodities chains. Vendors on the street, for example, offer branded things such as cigarette packs, clothing, newspapers, electrical devices, and more. For the first time in the country's history, the informal economy is outpacing the official one in Nepal. The growth and development of the economy rely heavily on the informal sector. Informal sectors like street selling are the primary source of employment, investment and government income in many developing nations. The reason for this is because the unorganised sector provides the impoverished and their children with the greatest possibility for upward mobility (Brown, 2005:5). Street peddling is unlawful, and street sellers are punished as criminals by the metropolitan authorities. According to research, street vendors in almost every Asian country lack a legal basis for their operations, and authorities often target and harass them (Bhowmik, 1999:4). The informal sector, which includes street vendors, has also received a bad rap. Instead, it is seen as an activity that does not contribute to the economy in terms of tax revenue. As a result of its exclusion from the development agenda, macroeconomic policies have had a significant impact on it. The industry has become vulnerable due to a lack of governmental support or bad policy implementation (Bhowmik, 2005:2258). The NDMC developed an allocation plan for the NDMC territory in 1989 in response to a Supreme Court directive. To keep pace with the "National Policy on Urban Street Vendors-2004" and the changing conditions, the Supreme Court of India, in the case "Sudhir Madan v/s M.C.D.& Ors.," ordered on March 8, 2006, that the NDMC's 1989 plan be reviewed. Urban Street Vendors' National Policy, 2006. - A street vendor is described as a person who sells products or services to the public without the use of a permanent building, but rather with a temporary static structure or mobile stand that is movable (or headload). Static vendors set up shop on sidewalks or other public or private spaces, whereas mobile vendors go from one location to another with their items on push carts, bicycles, or baskets balanced on their heads. They may even sell their wares from within a bus, train, or other moving vehicle. They are also known by a variety of other

names that are peculiar to their locale or region: "hawker," "sidewalk dealers," "rehri-patri walla," "footpath dukandars," etc. 'The underlying social processes inside the city relate to the allocation of space, both via the market and bureaucratic methods, and to the consequent battle over the urban space by various groups placed at different positions in the hierarchy of entitlements,' Rex and Moore (1967: 9) remarked. In their view, the conflict for city space may be seen as a class fight over the allocation of city-based opportunities for advancement in life. With the help of YUVA (a Mumbai-based NGO), the Tata Institute of Social Sciences (TISS) and the BMC conducted a census of hawkers (and vendors) on BMC property (Brihanmumbai operating Municipal Corporation). According to BMC, the study was conducted to count the number of hawkers operating on BMC-owned territory and to determine the average number of years they've been operating. There were hopes that this would assist to separate new arrivals from those who had already established themselves in the city's 'hawking zones', which were to be defined and developed around the city.

### RESEARCH METHODOLOGY

Objectives

To learn about the selling techniques and technologies utilised by street sellers.

To study the purchasing habits of customers who are walking by.

To learn more about the financial procedures of street vendors.

### RESEARCH DESIGN

(A) Coverage In order to demonstrate the importance of footpath vendors in various enterprises, foot path merchants spanned the main roadways of metropolitan and significant cities. Researcher wanted to cover the whole state of Maharashtra, however due to time constraints, he decided to focus on the following urban areas. This survey included major cities from all throughout the state. Journal of Management (IJM), ISSN 0976-6502 (Print), ISSN 0976-6510 (Online), December 2014, pp. 90-98. 94 " IAEME's Method of sampling and sample size The researcher chooses a sample size of 100%. 35 districts are separated into six administrative divisions in Maharashtra. Each division's headquarters is located in a major Maharashtra metropolis, as determined by the researchers. Markets, train stations, bus stops, and other public locations have major foot path vendors. The following metropolitan areas were chosen by the researcher for the study. (B) Gathering Data Data that is the foundation of the investigation Researchers obtain primary data by interviewing footpath

vendors, consumers, mall owners and managers, and store owners in an effort to get up-to-date and accurate information for their research.. A questionnaire is also created by the researchers in order to get the most accurate data possible. Researchers obtain data by having the individuals listed below complete surveys.

### **Questioner for following Customers**

101 101	loving Customers
SN	Person
1	Customers from internal Roads of each Metropolitan cities, who
	visit foot path seller
2	Customers from railway station of each Metropolitan cities, who
	visit foot path seller
3	Customers from public place of each Metropolitan cities, who
	visit foot path seller
4	Customers from bus station of each Metropolitan cities, who visit
	foot path seller
5	Customers from each Metropolitan cities, who visit mall or super
	market or any shop

Questioner for owner / Proprietor shop keepers

Sr.No.	person
1	Owners of Malls or super markets of each
	metropolitan cities
2	proprietors of licensed shop keepers of each
	metropolitan cities
3	Foot path seller or his representative

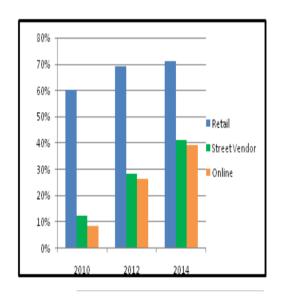
# **Secondary Data**

Secondary data is also gathered by researchers via the publication of books. Government reports, the Internet, books, and any other published material on the issue. Inquiry into the Data The SPESS programme is used for data analysis once the data has been gathered and presented in tables and graphs.Implications They believe that the results and recommendations from this study will be relevant in making long-term policy choices or in making long-term decisions in the future. City planning and security are the responsibility of municipal corporations.

II. Indian Manufacturers for secure business.A thriving economy requires a strong central government, and The state government's role in promoting financial growth In order to raise revenue, the V Revenue Department EXPLAINING THE COLLECTED INFORMATION

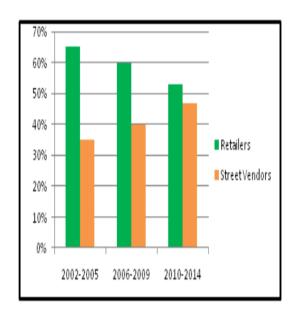
Market Share Gains in Traditional Retail, Street Vendors, and E-Commerce

Year	Retail	Street Vendors	Online
2010	60%	12%	8%
2012	69%	28%	26%
2014	71%	41%	39%



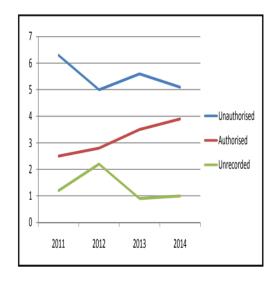
## 2. Customer Preferences for Retailers and Street Vendors

Year	Retailers	Street Vendors
2002-2005	65%	35%
2006-2009	60%	40%
2010-2014	53%	47%



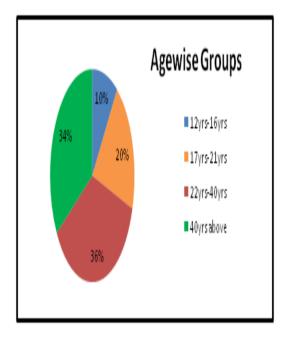
Authorised and Unauthorised Zone of Vendors

Year	Unauthorised	Authorised	Unrecorded
2011	6.3	2.5	1.2
2012	5	2.8	2.2
2013	5.6	3.5	0.9
2014	5.1	3.9	1



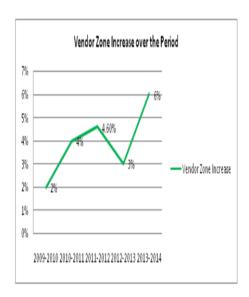
Age-wise Distribution

Year	Agewise Groups
12yrs-16yrs	10%
17yrs-21yrs	20%
22yrs-40yrs	36%
40yrs above	34%



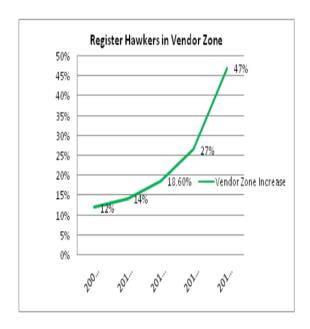
5. Increase in Vendor Zone

Years	Vendor Zone Increase
2009-2010	2%
2010-2011	4%
2011-2012	4.60%
2012-2013	3%
2013-2014	6%



## 6. Increase in numbers of Registered Hawkers in Vendor Zones

Years	Registered hawkers Increase
2009-2010	12%
2010-2011	14%
2011-2012	18.60%
2012-2013	27%
2013-2014	47%



### **FINDINGS**

Vendors on footpaths clearly do not keep any financial records. There isn't even a blip in the ledger. As a result, there is no need to worry about taxes like income tax, VAT, and more. A researcher aims to find out what's going on. Vendors on foot paths have a difficult time keeping track of their financial records. Customers buy unbranded items from the sidewalk market without doing any research or making any previous decisions. They have little concern about the product's long-term use or quality. Problems are investigated by researchers. There is a problem with the product's quality. The unrecorded financial activity of sidewalk trading harms our economy on a daily basis at both the national and international level. Researcher investigates the issue the effect on the economy's balance of payments. Hawkers and footpath vendors outnumber those registered with local authorities by far.

#### **CONCLUSION**

In order to draw in customers, foot path vendors use a variety of strategies and abilities. Customers from all walks of life shop at Foot Path, from the poorest to the most affluent. In the Foot Path market, the economy suffers. Unregistered street hawking and street peddling must be strictly controlled, and designated zones for street sellers must be seen as a vital economic strategy for India.

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