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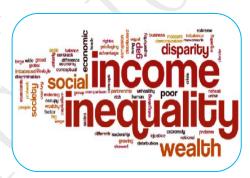


# A STUDY ON SOCIO ECONOMIC STATUS OF THE STREET VENDORS IN THE UNORGANIZED SECTOR AT NALGONDA TOWN

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### **ABSTRACT:**

In current scenario worldwide vending is an important source of employment for a large number of people, especially urban poor. Due to its unique feature i.e. low skill and small inputs most of the poor preferring it as employment. In our country street vending falls in unorganized sector category. Since ages in our society street vending has been considered a good employment for the poor. Now street vendors are inseparable from our market, society and culture. The estimated total number of street vendors in our country is around 10 million. In our society street vendors have poor social protection and their working conditions on the streets



expose them to a variety of safety and health issues. More often, Vendors are regarded as public nuisance. They are accused of depriving pedestrians of their space, causing traffic jams and having links with antisocial activities. Most of the street venders are leading their life in low level of socio economic conditions. More often the street vendors are experiencing harassments from the local goons, police and from the concerned authorities. The current study was conducted in Nalgonda Town of Telangana State, India to examine the socio economic conditions of the local street vendors.

**KEYWORDS**: Socio-Economic Status, Street Vendors, Unorganized Sector.

## INTRODUCTION

Present day, vending is an important source of employment for many urban poor as it requires low skill and small financial inputs. In simple words, a street vendor is a person who offers goods are services for sale to the public without having a permanent built-up structure but with a temporary static structure or mobile stall (or head load). Street vendors could be

stationary and occupy space on pavements or other public/private areas, or could be mobile, and move from place to place carrying their wares on push carts or in cycles or baskets on their heads, or could sell their wares in moving buses. The term unorganized has been discussed much during the last decade for the desire of a commonly satisfactory definition in the Fifteenth International Conference of Labour

Statisticians held in January 1993 is briefly presented. The primary objective of the unorganized sector is creating employment and incomes to the individual pertained. These units typically operate at least point organization, with little or no division between mostly friendly employment, kinship, social personal or relations rather temporary than arrangements with formal guarantees.

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The production units in the alternative sector have household enterprise characteristics. The owners of these production units should raise the required budget at their own risk and are individually liable, without flaw, for any debts or obligations incurred in the production that could not be identified from household expenses. The capital goods can be used for business and household purposes indiscernible. The fixed and other assets used otherwise are not hailing the units of production, but their owners. Events performed by informal sector units produced are not significantly moved with the purpose of avoiding the payment of taxes or contributions to social security or infringing workforce or other legislation or administrative provisions. The thought of informal sector activities should be distinguished from the hidden or underground economy's concept of activities.

#### ABOUT STREET VENDORS

Street vending in India fall into the category in unorganized sector. Street sale has been a profess ion with street vendors as an integral part of our urban culture and history since time immemorial. In the traditional Indian sense, shopping and marketing have been primarily informal. Communication is integral to Indian markets in a contrast to the mechanized and sterile shopping concept favored by modern market and supermarket structures. Vendors show outstanding entrepreneurial skills. Commodity purchasing is not an easy task with constant fluctuations in the market. In addition, intermediaries have a big say in the wholesale markets. The marketing place in invariably far from his residence. Bringing large sacks of vegetables and fruits and loading them in an auto rickshaw cart is a tedious job. The vendors provide a wide array of goods and commodities to the urban populace at reasonable pr ices and convenient locations. The type of goods they sell makes an interesting study from daily needs like vegetables, fruits, fish, meat and snacks to occasional needs like flowers and readymade garments. A survey conducted by the Indian Institute of Health and Hygiene in 1997 counted 300 types of eatables sold by the hawkers of Calcutta. It would be hard to find an urban Indian who doesn't purchase something from a vendor. The middle and lower class consumer specifically prefers to purchase from them, though even well-off citizens purchase many commodities given reasonable prices. There are 10 million street vendors and it covers 2% of India's population. Mumbai and Kolkata has been placed first two positions in street vending. Their business is clothes, hosiery, house hold goods and food items

#### WORKING CONDITIONS

Street vendors have poor social protection and their working conditions on the streets expose them to a variety of safety and health issues. The SNDT - ILO study on Mumbai found that around 85 per cent of the street vendors complained of stress related diseases - migraine, hyper acidity, hyper tension and high blood pressure. In general, there are more men vendors than women vendors in India. Women vendors earn less, on average, than men vendors. The lack of toilets has an adverse effect on women's health and many suffer from urinary tract infections and kidney ailments. "The lack of recognition of the role of the street vendors culminates in a multitude of problems faced by them: obtaining license, insecurity of earnings, insecurity of place of hawking, gratifying officers and musclemen, constant eviction threat, fines and harassment by traffic policemen."

A major problem is that master plans prepared for the cities do not allocate space to vendors/hawkers, as planners blindly imitate the western concept of marketing, ignoring Indian traditions. No wonder, weekly markets struggle to survive and natural markets are ignored.

#### **REVIEW OF LITERATURE**

**Joshi and Joshi (1999)**¹ studied the problem of surplus Labour and employment situation in Bombay city. Income, consumption, employment, wage levels, indebtedness and working Conditions of women workers in the unorganized sector of coir industry in Kerala were studied by Mathew. Subramiam reviewed the human factor in the informal sector and the socio-economic conditions of the informal sector employees in kavali.

**Sethuraman (2002)**<sup>2</sup> stated in his paper that, informal sector enterprises are located in or near slum areas. A vast majority of them either has not premises at all or carry on their business in tents, shacks or other temporary structures. Most have no access to water or electricity. Frequently they are situated far from the market where they must sell their goods and services. In many countries the authorities have applied a variety of restrictive policies to this sector, forcing enterprises to move on account of overcrowding, health considerations, traffic congestion, environmental or aesthetic factors, or because the land they occupy does not belong to them.

#### STATEMENT OF THE PROBLEM

By witnessing the characteristics of the vending workforce in unorganized sector their living conditions are poor and they spend their life in open air here there is a hot sun or rain. The highest Indian Constitutional Document provides equality to all human beings with dignity, but it is not seen in the case of this workforce. This is very painful to those who love the humanity and its values. Apart from their hard working they are harassed by police, local rowdies and politicians and they pay them from their low income. They face a threat from the giant Indian and Multinational Companies in the name of globalization.

## **AREA OF THE STUDY**

The area of the proposed study is Nalgonda in Telangana. Nalgonda is a city and municipality in the Indian state of Telangana. It is the headquarters of the homonymous district, as well as the headquarters of the Nalgonda Mandal in the Nalgonda revenue division

## **OBJECTIVES OF THE STUDY**

- The reliability of the primary data is very much depending on the respondent's attitude to such study and how she/he has taken to answer the questions raised by the researcher.
- The sampling is done based on the available street vendors physically verified by the researcher where there is no availability of proper records. The street vendors don't have a permanent place or shop to sell their products. They are virtually pushed to every nook and corner of the town. Their constant mobility makes the data collection a difficult process.

## **HYPOTHESES**

- 1. There is a significant variation in income and significant relation in expenditure of the street vendors on the basis of their nature of the business.
- 2. The education level and savings are relatively very low among the street vendors.
- 3. The street vendors are harassed by the Officials, Police and Politicians.

#### SAMPLING AND SAMPLING SIZE

The cluster sampling method is used to choose the respondents from the total population of the street vendors. The researcher divides the Nalgonda Town area into four clusters namely Bus stand area and surroundings, Prakasham bazaar and surroundings, Clock tower and surroundings and Devarakonda road and surroundings. Secondly a list of street vendors is prepared after a physical verification by the researcher. This is done due to the non-availability of proper official records from the Government offices. And there are 198 street vendors are identified by the researcher in the four divisions of the study area. It is decided to have a sample size of 40 that is 20 per cent of the street vendors from the study area.

The following table shows the population of street vendors in four divisions and the proportionate sample collection from there.

Table 1: Sample Distribution

Area	20% of the Population (Sample Size)
Bus stand and surroundings	9
Prakasham Bazaar and surroundings	11
Clock Tower and surroundings	8
DVK Road and surroundings	12
Total	40

#### **DATA COLLECTION**

The study is based on both primary and secondary data. The focus of the study is the street vendors. The researcher used interview schedule to collect the primary data from the respondents and researcher collected the secondary data from various sources of internet, journals and reference books. The researcher prepared a list of street vendors after a physical verification by the researcher. This is done due to the non-availability of proper official records from the Government offices. And there are 198 street vendors are identified by the researcher in the four divisions of the study area.

Table 2: Nature of Business

Nature of Business	Frequency	Percentage
Fruit Seller	16	40
Vegetable Seller	14	35
Canteen	3	<b>₹</b> 7.5
Flower seller	7	17.5
Total	40	100

Table-2 shows the varied activities undertaken by the street vendors in the unorganized sector. The Fruit selling is the major business activity of the street vendors in the study area (40%). Vegetable selling is contributing 35% and flower selling is contributing with 17.5%.

Table 3: Gender of the Respondents

Gender	Frequency	Percentage	
Male	23	57.5	
Female	17	42.5	
Total	40	100	

Table-3 depicts that large number of the respondents. 57.5% is male and the rest Female 42.5%.

Table 4: Age of the Respondents

Age	Frequency	Percentage
Below 25 years	2	5
25-30 years	2	5
31-40 years	12	30
41-50 years	13	32.5
50 above	11	27.5
Total	40	100

Table-4 indicates that majority of the respondents. (32.5) are under the age group of 41-50 years, followed by 31-40 years of age group respondents are 32.5% and 25-30 years of age group respondents are 5% only. The remaining 27.5% of the respondents are under the age group of above 50 years. The above analysis reveals that very young energetic age group (below 30 years) are not engaged

in the street vending. Only people more than 40 years of age are engaged in street vending in large numbers.

Table 5: Religion

Religion	No. of Respondents	Percentage
Hindu	18	45
Christian	13	32.5
Muslim	9	22.5
Total	40	100

Table-5 interprets that majority of the respondents (45%) is belonging to Hindus, 32.5% of the respondents are Christians and the remaining 22.5% of the respondents are Muslims. Majority of the respondents is belonging to Hindu religion, and a very small portion is Muslims.

**Table 6: Marital Status** 

Marital Status	No. of Resp	ondents	Percentage
Married	35		87.5
Unmarried	03		7.5
Widow/widowed	02		5
Separated	-		-
Total	40		100

Table-6 shows that majority of the marital status of the respondents. Among the respondents 87.5% of the respondents are married, 7.5% of the respondents are unmarried. 5% of the respondents are widow/widower. Majority of the respondents are married

**Table 7: Educational Qualification** 

Educational Qualification	No. of Respondents	Percentage
Illiterate	33	82.5
SSC completed	5	12.5
Plus Two completed	2	5
Others	- )	-
Total	40	100

Table-7 depicts that educational qualification of the respondents. Majority (82.5%) of the respondents is illiterates, 12.5% of the respondents are SSC passed and 5% of the respondents have completed Plus Two. Majority of the respondents are illiterates.

**Table 8: Family System Adopted** 

Family System	No. of Respondents	Percentage
Nuclear Family	31	77.5
Joint Family	9	22.5
Total	40	100

Table-8 observes the family system adopted by the respondents. Among the total number of respondents 77.5% of the respondents living in a nuclear family system and the remaining 22.5% living in a joint family system. Majority of the respondents (77.5%) living in a nuclear family.

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**Table 9: Seasonal Nature of the Business** 

Seasonal Nature of the Business	No. of Respondents	Percentage
Seasonal	7	17.5
Permanent	33	82.5
Total	40	100

Table-9 explains about the seasonal nature of the business. Major (82.5%) of street vendors are doing it as a permanent business and the remaining 17.5% are doing on seasonal basis. Majority respondents are engaged permanently in street vending. This shows clearly that their only source of livelihood is street vending. This makes them so vulnerable and poor.

**Table 10: Net Income (Per Month)** 

Net Income (in Rs.)	No. of Respondents	Percentage
Below Rs. 3000	11	27.5
Rs. 3001 -5000	19	47.5
Above Rs. 5000	10	25
Total	40	100

Table-10 reveals the net income of the respondents per month. Among the respondents 47.5% of the respondents earn Rs. 3001-5000 as monthly income, 25% are earn more than Rs. 5000 and the remaining 27.5% earn below Rs. 3000. Only 47.5% of the respondents get Rs.3001-5000 as their monthly income. The above table shows that 27.5% of the respondents are earning less than Rs.3000 and it implies that they belong to the category of Below Poverty Line.

**Table 11: Monthly Expenditure** 

Monthly Expenditure	No. of Respondents	Percentage
Below Rs. 3000	12	30
Rs. 3001 -5000	18	45
Above Rs. 5000	10	25
Total	40	100

Table-11 shows that the expenditure of the respondents. Among the total respondents 30 per cent of the respondents spend below Rs.3000 per month, 45 per cent spend at the range of Rs.3001 - 5000 and 25 per cent spend above Rs.5000. The expenditure is the most crucial factor of economic welfare of the people. Lower expenditure on the part of the respondents indicates low consumption, lower welfare and low standard of living.

**Table 12: Savings (per month)** 

Savings	No. of Respondents	Percentage
No Savings	31	77.5
Below Rs.2000	9	22.5
Rs. 2001-4000	-	-
Rs. 4001 and above	-	-
Total	40	100

Table-12 depicts the savings of the respondents. Among the total respondents 22.5% of the respondents have the habit of saving and the remaining 77.5% of the respondents have no savings.

Problem Facing	No. of Respondents	Percentage
Traffic Police	20	50
Government Officials	2	5
Local politicians	5	12.5
Rowdies and Local Dadas	13	32.5
Total	40	100

Table-13 observes the problem of harassment occurred at the time of vending. Among the total number of respondents 50% of the respondents opined that police, 5% opined that government officials, 12.5% of the respondents opined local politicians and the remaining 32.5% felt rowdies and local dadas.

## **MAJOR FINDINGS**

- Large number of the respondents, 57.5% is male and the rest Female 42.5%.
- Majority of the respondents. (32.5) are under the age group of 41-50 years; only people more than 40 years of age are engaged in street vending in large numbers.
- Majority of the respondents (45%) is belonging to Hindus, Majority of the respondents is belonging to Hindu religion, and a very small portion is Muslims.
- Educational qualification of the respondents. Majority (82.5%) of the respondents is illiterates, 12.5% of the respondents are SSC passed and 5% of the respondents have completed Plus Two. Majority of the respondents are illiterates.
- Family system adopted by the respondents. Among the total number of respondents 77.5% of the respondents living in a nuclear family system and the remaining 22.5% living in a joint family system. Majority of the respondents (77.5%) living in a nuclear family.
- Majority respondents are engaged permanently in street vending. This shows clearly that their only source of livelihood is street vending.
- Majority of the respondents have a small family. This is endorsed by the fact that that the majority of the respondents have 2-4 members.
- Majority of the respondents do not own a house. This shows the poor economic status of the respondents and as shelter being one of the essential prerequisites for dignified living and it is not available to the majority of the respondents. This indicates that respondents are not having a decent standard of living.
- The part of expenditure is the most crucial factor of economic welfare of the people. Lower expenditure on the part of the respondents indicates low consumption, lower welfare and low standard of living.
- The people Borrowing is very heavy. All the respondents borrow for running their business and to meet their day to day needs. The indebtedness among the street vendors shows that they are leading their life only with borrowing. They are continuously borrowing money from individual money lenders. They are not able to come out of the clutches of money lenders and indigenous bankers. And there is no savings.

## **CONCLUSION**

All the findings of the study are suggesting the condition of the street vendors is vulnerable especially in metro cities. The problems which they are facing from different forces are not addressing .The earnings of the venders are not sufficient and in that half of the amount goes to other reasons and commodities. One comprehensive policy from government should ensure major problems of the street venders and increase the income.

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