

Street Vendors in Ahmedabad, India

by Darshini Mahadevia, Suchita Vyas and Aseem Mishra

March 2014

● Ahmedabad



Informal Economy Monitoring Study: Street Vendors in Ahmedabad, India

Field research for this report was conducted in Ahmedabad between July - November 2012. The Ahmedabad Research Team consisted of: Darshini Mahadevia, Aseem Mishra, Suchita Vyas, Mansi Shah, Kaushal Jajoo, Abhijeet Datey, Tejas Patel and Vishal Darji.

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About the Informal Economy Monitoring Study

The Informal Economy Monitoring Study (IEMS) is a major, longitudinal study of the urban informal economy being undertaken initially at two points in time, 2012 and 2015, in 10 cities around the world: Accra, Ghana; Ahmedabad, India; Bangkok, Thailand; Belo Horizonte, Brazil; Bogota, Colombia; Durban, South Africa; Lahore, Pakistan; Lima, Peru; Nakuru, Kenya; and Pune, India. The study combines qualitative and quantitative research methods to provide an in-depth understanding of how three groups of urban informal workers – home-based workers, street vendors, and waste pickers – are affected by and respond to economic trends, urban policies and practices, value chain dynamics, and other economic and social forces. The IEMS will generate panel data on the urban informal economy.

In each city, a team of five researchers worked in collaboration with a local membership-based organization of informal workers from April 2012 to April 2013 to collect and analyze the first round of the data.

All city research reports, as well as sector reports (one each for home-based work, street vending and waste work), a global report, and other information on the study can be found at www.inclusivecities.org and www.wiego.org.

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Executive Summary

Recent statistics show the majority of workers in developing countries earn their livelihoods in the informal economy. The Informal Economy Monitoring Study (IEMS) is a qualitative and quantitative study designed to evaluate the reality of informal livelihoods. With research conducted over multiple years in 10 cities, the IEMS aims to provide credible, grounded evidence of the range of driving forces, both positive and negative, that affect conditions of work in the informal economy over time. Informal workers and their membership-based organizations (MBOs) are at the centre of the analysis.

The Research in Ahmedabad

In Ahmedabad, WIEGO partnered with the Self-Employed Women's Association, the world-renowned trade union of women informal workers. SEWA's members, all women, are drawn from a wide range of occupations. SEWA has been instrumental in organizing women street vendors in the city, and now has over 75,000 of them among its Ahmedabad membership.

Fieldwork consisted of 15 focus groups, held in 2012, involving 75 vendors. Focus groups had about five participants each and utilized nine tools, organized around the themes of sector characteristics, driving forces and responses, the institutional environment, and sector contributions to the city. A subsequent survey was administered to 152 vendors, which included the 75 focus group participants and an additional 77 vendors.

With Ahmedabad's street vendors, two sampling variables were used. For the first, vendors were divided into the product categories of food and non-food vendors. Location of the workplace – whether the vendor worked in the city centre (demarcated by the 132 Feet Ring Road) or on the periphery – was used as the second variable.

Nearly two thirds of the street vendors in the study were between 40-59 years of age, with the remainder spread fairly evenly across younger and older age brackets. Over 90 per cent of all vendors in the sample – and 96 per cent of the food vendors – belong to Scheduled Castes, who have traditionally engaged in this work for generations. Others entered this occupation following the closure of textile mills in the 1970s, 80s and 90s. More than 75 per cent of food vendors, and about 60 per cent of non-food vendors, have been vending for 20 years or longer. Education levels for all the vendors are very low: 60 per cent have no formal education, only 12 per cent have completed primary school, and none have completed secondary school.

Street vendors in the study, 87 per cent of whom were own account workers, have larger households than the Gujarat average, and almost all depend on other working members of the household to help support the family. The great majority of those other household members also work in the informal economy; under 7 per cent of the sample were from households which had a formal source of income. As well, about 80 per cent reported no other sources of household income such as pensions, remittances or government grants. And in busy times or when unable to work, most had no helpers, or relied only on unpaid family members to help out.

Key Findings

Economic Driving Forces

Two major economic driving forces have impacted the sample vendors' businesses: inflation and increased competition. Over 80 per cent of those surveyed said the goods they buy to sell have become more expensive; higher transportation costs have added to the burden. However, while 74 per cent had raised prices over the past year, most said higher prices drive away customers. Compared to the previous year, 58 per cent said sales had declined and almost half said there were fewer customers. When goods, especially perishable goods, don't sell, they can become damaged or otherwise depreciate in value, resulting in a loss for the vendor. All of this has led to declining revenue. Also, more than three quarters noted an increase in vendors selling the same goods/services – many, they said, are migrants from other Indian states. In a declining economic space, conflict among vendors can foster regional chauvinism, which can escalate into violence.

The lack of space extends to storage space, which limits the stock vendors can acquire and thus hampers their ability to grow their enterprises. Fear of eviction and confiscation of their goods – which are often not returned, or are not sellable when returned – also hampers growth.

The most common way to cope with falling revenue, cited by 72 per cent of vendors surveyed, was to borrow from the moneylenders, which can trap these workers in a cycle of taking and repaying loans. Two thirds of the vendors also said they had cut down on personal expenses.

Policies and Practices of Government, Especially Local

The study indicates that vendors are subjected to constant harassment from police and municipal authorities due to a lack of identity as workers and the lack of an appropriate regulatory environment. Therefore, government policies and practices were overwhelmingly viewed as negative. Survey and focus group participants said the lack of allotted space for vending is at the core of their problems, leading to evictions, harassment, and confiscation of goods by local authorities. According to some, it also leads to frequent conflicts between vendors for market space, occasionally sparking physical violence. In response to these pressures, some have shifted to mobile vending.

In the survey, over 46 per cent of the sample said police harassment has increased over the past year. Harassment by local authorities is authorized under various national and local laws. While the Bombay Provincial Municipal Corporation (BPMC) Act, 1949, provides for licensing of vendors, only a very small percentage of vendors in the city have licenses due to official unwillingness and the complexity of procedures. When they don't have licenses, vendors are often treated as criminals under the Indian Penal Code.

Because of their illegal status, vendors often pay bribes. In fact, paying bribes was identified as a common way to resolve issues with municipal authorities and police, and often helps avoid greater hardship through fines, eviction or arrest. The survey found that 16 food and non-food vendors had paid, on average, monthly bribes of Rs 574 to secure vending space, with non-food vendors paying more than twice as much as food vendors. Higher bribes were demanded, they said, during the festival seasons when business is brisk. Among focus group participants who had paid bribes, three out of four had to take loans from moneylenders to do so.

New taxes levied by the state of Gujarat also reduce the vendors' incomes. Most vegetable vendors buy from a wholesale market run by the state-governed Agricultural Produce Market Committee, which charges a 10-12 per cent *mandi* tax on produce. This has driven up prices of goods, resulting in lower sales and lower profits. Within our study sample, 23 food vendors paid a monthly average of Rs 5,734 in *mandi* tax.

Large numbers of street vendors in Ahmedabad City are being displaced by urban infrastructure and development projects such as the Bus Rapid Transit System (BRTS), model roads, Bhadra Fort beautification, riverfront development, and road widening. In the design of these projects, neither natural markets¹ nor the vendors themselves have been considered. Many natural markets have been destroyed or dispersed through evictions carried out by the Ahmedabad Municipal Corporation (AMC). For example, over 5,000 vendors have been displaced by just the first phase of model road development. Redevelopment of the Bhadra Fort Market as a heritage plaza has displaced over 4,000 vendors, many of whom have lost their livelihoods or had to scale down business. The vendors voiced great uncertainty about their future.

Value Chain Dynamics

Study participants identified the problems they face in the value chains within which they operate. Chief among these, cited by 57 per cent of those surveyed, was competition from large retailers or supermarkets, which have started selling fruit and vegetables at low prices. Vendors have responded by trying harder to attract customers, asking SEWA to help regulate prices, and urging the AMC to provide a legal space to vend. However, no well-developed response has emerged for this problem, which may intensify now that multinational retail companies have been allowed into India.

Vendors also cited difficulties in negotiating both purchase and sale prices with suppliers and customers, respectively, and noted that a lack of capital often forces them to borrow from local moneylenders at high interest rates.

Positive Driving Forces and Relationships

The most important positive factor identified through focus group discussions was street vending

¹ A "natural market" is one that develops because of commercial opportunity in a given location on account of its good accessibility and a significant pedestrian flow.

itself, which generates daily income to support families. Many vendors said they enjoyed good relations with customers and the flexibility of work hours; such flexibility is particularly important for women with domestic responsibilities. The support of SEWA emerged as the second most important positive factor, especially SEWA's efforts to fight evictions.

To a lesser degree, the Gujarat Unorganized Labour Welfare Board was also recognized as an institution that had a positive impact, as were, in some instances, councilors, fellow vendors, and moneylenders.

Vendors' Relationship with SEWA

The IEMS research findings highlight the crucial role of SEWA in advocating for its street vendor members. Participants said they most often turn to SEWA for support when faced with conflict, legal problems, evictions or harassment, or to protest competition from large retail shopping malls through collective action.

SEWA has a long history of advocating on behalf of street vendors in Ahmedabad, and recently won a court order in their favour when it petitioned for implementation of the National Street Vendors' Policy, which recommends some public lands be used to create markets and, also, that natural markets be recognized and preserved. The AMC has shown a clear preference for allocating lands for formal commercial ventures – rather than for informal livelihoods – since development of formal commercial ventures brings in revenue. In response to the court order, the AMC formulated the Ahmedabad Street Vendors' Scheme, 2010, which defines vending zones. These zones, however, restrict vending activities according to road widths and timings. Also, the scheme overlooks the concept of natural markets. According to SEWA, implementation of the scheme will adversely affect 129 natural markets, depriving 38,908 vendors of their livelihoods (Mahadevia and Vyas 2012).

Vendors' Linkages and Contributions

Street vendors in the survey were very much part of the local economy, including through the taxes and fees paid. Almost 83 per cent acquire the goods they sell from formal businesses. The vast majority of their customers are individuals, but a small percentage also sell to both formal and informal businesses.

Through their transport needs, vendors create employment for head loaders, porters, and auto rickshaw drivers. In focus groups, the participants emphasized that formal shopkeepers, middlemen and customers all benefit from street trade activities. Also, the vendors provide business to farmers whose products they sell, to wholesalers from whom they purchase goods, and teasellers in the market who they buy tea from each day. Customers, who are attracted to natural markets, can buy affordable goods and fresh produce in convenient locations, sometimes even on their doorstep. And those who sell secondhand items even reduce municipal waste through recycling goods.

Despite these services, street vendors in the city continue to work in a hostile environment where they lack identity as workers. Laws defending their rights are weak, verging on non-existent. In the absence of legal protections, they are often treated as criminals.

Policy and Advocacy Recommendations

The study findings and the extensive knowledge of SEWA informed the development of policy messages and recommended legislative, urban planning and institutional reforms.

Key Policy Messages

1: Recognize the right to vend as a fundamental right – The Constitution of India, the National Policy on Urban Street Vendors and the Street Vendors (Protection of livelihood and regulation of street vending) Act, 2014 offer protections and guarantees relating to the rights and needs of urban street vendors.

2: Protect Natural Markets where street vendors and their customers have congregated, to their mutual convenience, for decades or more. This is particularly urgent, given that the majority of natural markets in Ahmedabad are threatened under the Ahmedabad Street Vendors' Scheme, 2010.

3: Provide spaces for vending in a way that supports the concept of natural markets using the available provisions in the planning legislation.

4: Stop unnecessary forced evictions in the interests of urban development and “beautification,” which has already displaced about 10,000 vendors. If eviction is absolutely necessary, alternative space in a good location should be made available *before* the eviction takes place.

5: Stop harassment by police and municipal officers, merchandise confiscation and bribes, all of which greatly hinder vendors’ abilities to earn a livelihood.

6: Prevent construction of malls, supermarkets and large retail shops within close proximity to natural markets.

Key Legislative Reforms

1: National Law on Street Trade – This law has been approved by Parliament as well as the Cabinet of India. It builds on the 2009 National Urban Street Vendors Policy, upholds the right to vend as a right, and includes provisions for the formation of Town Vending Committees (TVCs) to demarcate vending zones and negotiate licenses or permits. This law now needs to be adapted at the local levels.

2: Amendments to Existing National and State Laws – Key articles under the Indian Penal Code (section 328), the Motor Vehicle Act (section 2010), and the Bombay Police Act (section 102) that authorize police to treat unlicensed street vendors as criminals should be amended to ensure street vendors are not harassed and their right to vend/earn a livelihood is protected.

3: Amendments to Municipal Acts – Key articles under existing municipal acts that criminalize street trade need to be amended to ensure street vendors are not harassed and their right to vend/earn a livelihood is protected.

Key Municipal/Urban Planning Reforms

1: Town Planning Schemes – 2 per cent of public land, including in areas newly under the purview of the municipality, should be earmarked for natural markets and for street vendors operating outside markets (e.g. on streets, sidewalks, and around housing societies, schools, or hospitals).

2: Schematic Plans for Managing Natural Markets – The schematic plan developed for the natural market around the Jamalpur Wholesale Market in Ahmedabad should be documented and replicated to preserve and manage other natural markets. Local street vendors should be involved in participatory planning processes. Also, planning and designing streets to include the vendors should become institutionalized in city planning processes.

3: Historic Preservation Sites – Long-standing natural markets near historic monuments should be considered historic and preserved alongside the monuments themselves: e.g. the Bhadra Fort natural market, which is being converted into a heritage plaza.

4: Infrastructure Services and Management for Markets – Water supply, toilets, and waste management services should be provided at natural markets by involving local waste collectors, street vendors, and municipal personnel in the design and management of these services.

5: Licensing and Permitting System – Registration and licensing procedures should be simplified; local authorities should issue more licenses to vendors, initially to those who have been surveyed and listed by Planning and Resources for Urban Development Affairs. This list should be regularly updated through bio-metric surveys.

6: Special Markets for Women Vendors – These should be created.

7: Necessary Planned Evictions – Procedures for planning necessary evictions, including identification of alternative vending sites within close proximity of the original vending site, should be made more precise and comprehensive.

8: Confiscation of Merchandise – When goods are confiscated, the police should prepare a statement (*panchanama*) listing the goods confiscated and describing the location and details of the confiscation to be verified by an eyewitness.

9: Municipal Budgets – Municipal corporations should make budgetary allocations for regulating and promoting the livelihoods of street vendors. Operating and licensing fees and taxes paid to wholesale markets should be earmarked for the preservation and management of natural markets. Further, the 20-25 per cent reservation of the municipal budget for the urban poor, mandated under the Rajiv Awas Yojana programme, should be used for providing services in existing natural markets.

Key Institutional Reforms

1: A Central Committee should be constituted by the national government to oversee the implementation of the National Law and Policy on urban street vending.

2: At all levels, separate Appellate Authorities headed by a judge should be established by the national government to resolve all issues relating to street trade.

3: At the city level, a single authority should be established to oversee the prosecution of street vendors – whether by local police, traffic police, or the AMC – after giving sufficient notice.

Introduction

Study Objectives

It is now widely recognized that the majority of workers in the developing world earn their livelihoods in the informal economy. Advancements in official statistics show that informal employment accounts for more than half of total non-agricultural employment in most regions, and as much as 82 per cent in South Asia and 80 per cent in most of sub-Saharan Africa (WIEGO 2013). In India in 2009-2010, just under 80 per cent of all urban workers (79 per cent of men and 81 per cent of women) were informally employed (Chen and Raveendran 2011). Though many studies offer theories to explain the persistence, characteristics and growth of informal employment, few have evaluated the grounded realities of work in the informal economy – and none have done so over time and across a sufficiently large number of sectors and cities. The IEMS seeks to fill this gap.

More specifically, the study attempts to prove or disprove the hypothesis that the informal sector is not linked to the formal economy, that it is not part of the modern economy and it does not contribute to the city's economy. The objective of the study is to provide credible, grounded evidence of the range of driving forces, both positive and negative, that affect conditions of work in the informal economy over time. The study places informal workers and their organizations at the centre of the analysis, examining not only the impact of these forces but also informal workers' strategic responses to them. It is based on a collaborative approach between researchers and membership-based organizations (MBOs) of informal workers to monitor, on an ongoing basis, the state of the working poor in three sectors – home-based work, street vending, and waste picking – and also to build the capacity of MBOs to assess and mediate the driving forces that affect their work.

The study is based in 10 cities, as follows:

Table 1 - Local Partners		
	Sector(s)	Local Partner
Africa		
Accra, Ghana	Street Vending	Institute of Statistical, Social and Economic Research (ISSER) and StreetNet Ghana Alliance
Durban, South Africa	Street Vending, Waste Picking	Asiye eTafuleni (AeT)
Nakuru, Kenya	Street Vending, Waste Picking	Kenya National Alliance of Street Vendors and Informal Traders (KENASVIT)
Asia		
Ahmedabad, India	Home-Based Work, Street Vending	Self-Employed Women's Association (SEWA)
Bangkok, Thailand	Home-Based Work	HomeNet Thailand
Lahore, Pakistan	Home-Based Work	HomeNet Pakistan
Pune, India	Waste Picking	Kagad Kach Patra Kashtakari Panchayat (KKPKP)
Latin America		
Belo Horizonte, Brazil	Waste Picking	Instituto Nenuca de Desenvolvimento Sustentável de Belo Horizonte
Bogota, Colombia	Waste Picking	Asociación de Recicladores de Bogotá (ARB)
Lima, Peru	Street Vending	Federación Departamental de Vendedores Ambulantes de Lima y Callao (FEDEVAL)

Conceptual Framework

In the IEMS, the term “driving forces” is used to refer to **systemic factors** that may impact, in either positive or negative ways, the occupations or livelihoods of urban informal workers. Three categories of “driving forces” anchor the study. First, the IEMS explores **the economy** as a driving force: that is, the macroeconomic conditions such as inflation, recession, and patterns of growth that may influence working conditions in the informal economy. Second, the IEMS examines **government policies and practice, specifically, but not exclusively, at the city level**, including urban planning and policies, zoning regulations, sector-specific policies, regulatory norms, and urban infrastructure and service delivery. Third, the IEMS considers sector-specific **value chain dynamics**, including the power relations between informal workers and their suppliers and buyers, and the role of intermediaries in the value chain. The framework also allows for the identification of other driving forces, such as migration, that may have a significant impact on working conditions in a particular sector or city.

The IEMS assumes that the impact of these driving forces is mediated by institutions and actors related to the particular sector under study in each city. The study examines a range of institutions including government institutions, civil society organizations, and, fundamentally, MBOs of informal workers. It explores the responses of informal workers to key driving forces in each city, and on the economic, political, and spatial linkages within each sector. Finally, through its sampling design, the study allows for comparisons at the individual level by sex (in cities in which both men and women belong to the partner MBO), employment status, and location of the workplace.

Methodology and Sampling

The IEMS is based on both qualitative and quantitative methods. The qualitative component consists of a participatory informal economy appraisal (PIEA), an innovative method designed to capture systematically the perceptions and understandings of informal workers in their own words, in a focus group setting.² Each city team conducted 15 focus groups of five participants each (per sector), in which nine tools – organized around the themes of sector characteristics, driving forces and responses, the institutional environment, and contributions of the sector to the city – were used to generate data related to the conceptual framework. The results of the focus groups were recorded in reports of about 12 pages, on average, immediately after each focus group was conducted, and those reports were then analyzed.

The quantitative component consists of a survey questionnaire administered to the 75 focus group participants per sector, plus another 75 workers for a total of 150 in each city-sector (with minor variation in the sample size in some cities/sectors). The questionnaire is designed to supplement the data collected through the focus groups by collecting information on the household profile and income sources of the workers; the assets profile of the workers’ households; detailed information on the enterprise or occupation of the workers; and linkages between the informal economy and the formal economy. The questionnaires were administered using a data-capture tool. It took approximately 90 minutes for each respondent to complete the questionnaire.

Collectively, the focus groups and questionnaires provide data on the context within which informal workers earn their livelihoods and the forces that impact, both positively and negatively, on workers’ incomes and working conditions. We are also able to understand how workers adapt their work strategies in the face of these economic, social and institutional forces.

² The methodology was developed collaboratively with Caroline Moser, Angélica Acosta, and Irene Vance, who also trained the city teams in the data collection methods and later in data analysis. PIEA is an adaptation of earlier participatory methodologies developed by Chambers (1994), Moser and Holland (1997), Moser and McIlwaine (1999, 2004), and Moser, Acosta and Vásquez (2006).

The sampling approach was designed to maintain comparability in the results across the 13 city-sectors, on the one hand, and to allow some flexibility as demanded by local circumstances, on the other hand. To the maximum extent possible, the following principles were followed in every city-sector:

- Only MBO members were included in the sample.³
- Each sector sample was based on two variables, as follows, where possible:

Sector	Sampling Variable 1		Sampling Variable 2	
Home-Based Work	Employment Status		Product Category	
	Self-Employed	Sub-Contracted	Category 1	Category 2
Street Vending	Sex		Location of Workplace	
	Women	Men	Central city	Periphery
Waste Picking	Sex		Source of Materials	
	Women	Men	Fixed	Variable

- Each city team developed the “best sample possible,” based on the sampling variables outlined above. “Best” was defined as (a) the most representative sample possible of the study population of MBO members, and (b) the most sensible, feasible, and locally appropriate sample possible. In cities where the partner MBO maintains an updated registry of members with data on the sampling variables, for example, it was possible to develop a stratified random sample that was statistically representative of the MBO population on the sampling variables; in cities where there was no accurate registry, the city team used a quota sampling approach. In each city, the local researchers worked with the MBO to identify what the best possible sample would be, based on local circumstances.
- The second sampling variable – product category for home-based workers, location of workplace for street vendors, and source of materials for waste pickers – was designed to correlate with a degree of vulnerability that stems from sector-specific circumstances. In the street vending sector, for example, vendors who work in the central city are typically more vulnerable to evictions than those who work in the periphery. Each city team identified the best way to operationalize this variable according to local circumstances.

The sampling design was implemented as follows in the city of Ahmedabad:

- As SEWA is a self-employed women’s organization, which only organizes women workers, it was not possible to use sex as a sampling variable. Instead, the product categories food and non-food vendors were used as the first variable. Location of the workplace, central or periphery was used as the second variable

Population and Employment in Ahmedabad City

Ahmedabad, Gujarat is the seventh largest metropolitan city of India, with a city population of 5.5 million in the Ahmedabad Municipal Corporation (AMC) area and 6.4 million in the Ahmedabad Urban Agglomeration (AUA)⁴ area in 2011. At one time, the largest share of employment was in the cotton textile industry; however, the city’s economic base has changed to less labour intensive industries that demand different skills. The changing nature of the formal economy has had a dramatic effect on the growth of the informal economy.

In 1950 nearly 125,000 workers were employed in Ahmedabad’s textile mills; in the 1960s nearly two thirds of industrial production was in textiles. However, while there were 85 textile mills in the city

³ Substantively, being a “member” of an MBO means different things in different cities; in some cities it means being formally registered, for example, while in other cities it implies a looser affiliation.

⁴ The Urban Agglomeration area encompasses all the contiguous areas of the city, including small towns, villages and their contiguous outgrowths.

prior to 1985, this number had fallen to 23 mills by 1994 and by 1997, nearly 67,000 textile workers had lost their jobs. Retrenchment from the formal sector resulted in a large share of the labour force being accommodated in the informal sector in the city (Bhatt 2003). For example, there was a consistent increase in self-employment among men in Ahmedabad city, from 34.7 per cent in 1987–88 to 53.6 per cent in 2009–10 (Mahadevia 2012).

Concurrently, the proportion of women working, whether as self-employed or regular wage earners increased. After the closure of the textile mills in Ahmedabad, even female *un*employment increased because more women were seeking paid work to fill the income shortage in the household. Between 1987–88 and 2009–10, self-employment among women workers increased from 38.2 per cent to 49.2 per cent. While the proportion of regular wage employment among women workers has held fairly steady in recent years at around 30 per cent, casual labour among women workers has drastically decreased. The result is that a considerable number of women are engaged in street vending and home-based work in Ahmedabad.

Street Vendor Profile

A number of studies have been conducted by different organizations to estimate the number of vendors in the city of Ahmedabad. A 2003 study by Sharit K. Bhowmik suggests that there were around 80,000 street vendors in Ahmedabad at that time, 40 per cent of whom were women. A 2011 census of street vendors in Ahmedabad conducted by the All-India Institute of Local Self Government (AIILSG) on behalf of the Ahmedabad Municipal Corporation (AMC) enumerated 66,559 vendors in the city across six different zones of the city (PRUDA 2011) (table 3). This census found that the largest concentration of the vendors (around 27 per cent) were in the central zone, which is the walled city and the area around it. However, the 2011 census estimate appears to be low as SEWA has about 75,000 street vendors, all women, among its Ahmedabad members. A study by Jajoo (2011) estimated 4,000 vendors in one place in the central zone, the Bhadra Fort area, from where the vendors have recently been evicted to make a place for a current Bhadra Fort redevelopment scheme.

Sr. no	Zone	Number of vendors
1	Central zone	18,273
2	East zone	8,975
3	New west zone	7,377
4	North zone	8,348
5	South zone	7,367
6	West zone	16,219
Total		66,559

Source: Survey conducted by PRUDA (R&D wing of AIILSG), April 2011

A significant aspect of street vending in Ahmedabad is that a large proportion of them are women who have been unionized by SEWA and are able to articulate their interests as a collective. Since its inception, SEWA has been organizing street vendors in the city. These vendors have fought several bitter struggles and have been successful in some of them. The most important landmark was SEWA's fight to provide rights to street vendors at Manek Chowk, the central business district of the old walled city located within the central zone. These vendors, most of them women, faced a great deal of harassment from the police and the municipality. They were frequently evicted by the municipality and the local police took bribes as protection money. To help ensure that these women can exercise their rights to trade, SEWA filed a case in 1982 in the Supreme Court of India. In 1984, the Supreme Court ruled in favour of SEWA's petition and called on the AMC to issue licenses for 327 vendors at Manek Chowk and provide each vendor a space measuring 4 feet x 4 feet. The AMC was made responsible for providing water and lighting facilities and a roof to protect the vendors from sun and rain. While the AMC did provide these vending spaces, the spaces were on the roof of the existing market, which is not very convenient to the vendors. Hence, the spaces provided by the AMC under the 1984 Supreme Court order remain unoccupied. The Supreme Court order also put a stay on

eviction from the area and hence the women continue to vend on the streets in the Manek Chowk area (for details see Mahadevia et al. 2012).

The street vendors in Ahmedabad City now face the challenge of displacement by current urban infrastructure and other urban development projects in the city. The Bhadra Fort area, for instance, is being redeveloped as a heritage site under a project financed by the Central Government under its Jawaharlal Nehru National Urban Renewal Mission (JNNURM). An estimated 4,000 vendors have been displaced from the area: the entire economy of the vendors, which has been estimated to be worth Rs 1046.2 million (or around 18.83 million US dollars ⁵) annually will be affected (Jajoo 2011). Vendors in other parts of the city have also been displaced by four other major urban development projects: (i) the Kankaria Lake redevelopment project; (ii) the construction of flyovers at important junctions, which has caused dispersal of the vendors from the natural markets; (iii) road widening for reducing motor vehicular congestion or for putting in Bus Rapid Transit (BRT) lanes; and (iv) declaration of certain roads as “model roads”. ⁶ SEWA estimates that 2,000 vendors were evicted during Phase I of the BRT ⁷ and 5,142 vendors have been evicted due to a declaration of certain roads as model roads.

SEWA has made significant efforts to negotiate with the AMC, notably its planning department, and the police to find spaces for the street vendors in the city. They have also filed legal cases, as and when needed. In 2008, SEWA went to the High Court of Gujarat to ask for implementation of the National Street Vendors’ Policy in Ahmedabad City. SEWA won the case. Consequently, the High Court forced the AMC to prepare a scheme for the street vendors. Ironically, the scheme prepared is likely to displace the street vendors (see Mahadevia et al. 2012 for details). SEWA has also embarked on working in partnership with the AMC to find spaces for the vendors to work in the city. A good example is planning for street vendor spaces below one of the newly constructed flyovers in the city. Street vendors who are members of SEWA tend to be more aware of their rights than other vendors and are thus less prone to extortion by the police and municipal authorities. They also participate in SEWA’s city-level advocacy efforts such as the Public Hearing on Displacements held in December 2009 in Ahmedabad. The women also are legally represented by SEWA in case they are evicted, as the above mentioned case illustrates.

SEWA members gain other benefits. As members of SEWA, for example, they can take loans from the SEWA Bank.

As of end 2012, SEWA had 75,233 street vendors among its membership in Ahmedabad City: of which, 49,511 (66 per cent) are selling in the central city and 25,722 (34 per cent) in non-central areas. For the purposes of this study, the 132 Feet Ring Road ⁸ has been considered as a divide between central and peripheral vending markets. The distinction is as shown in the map (figure 1).

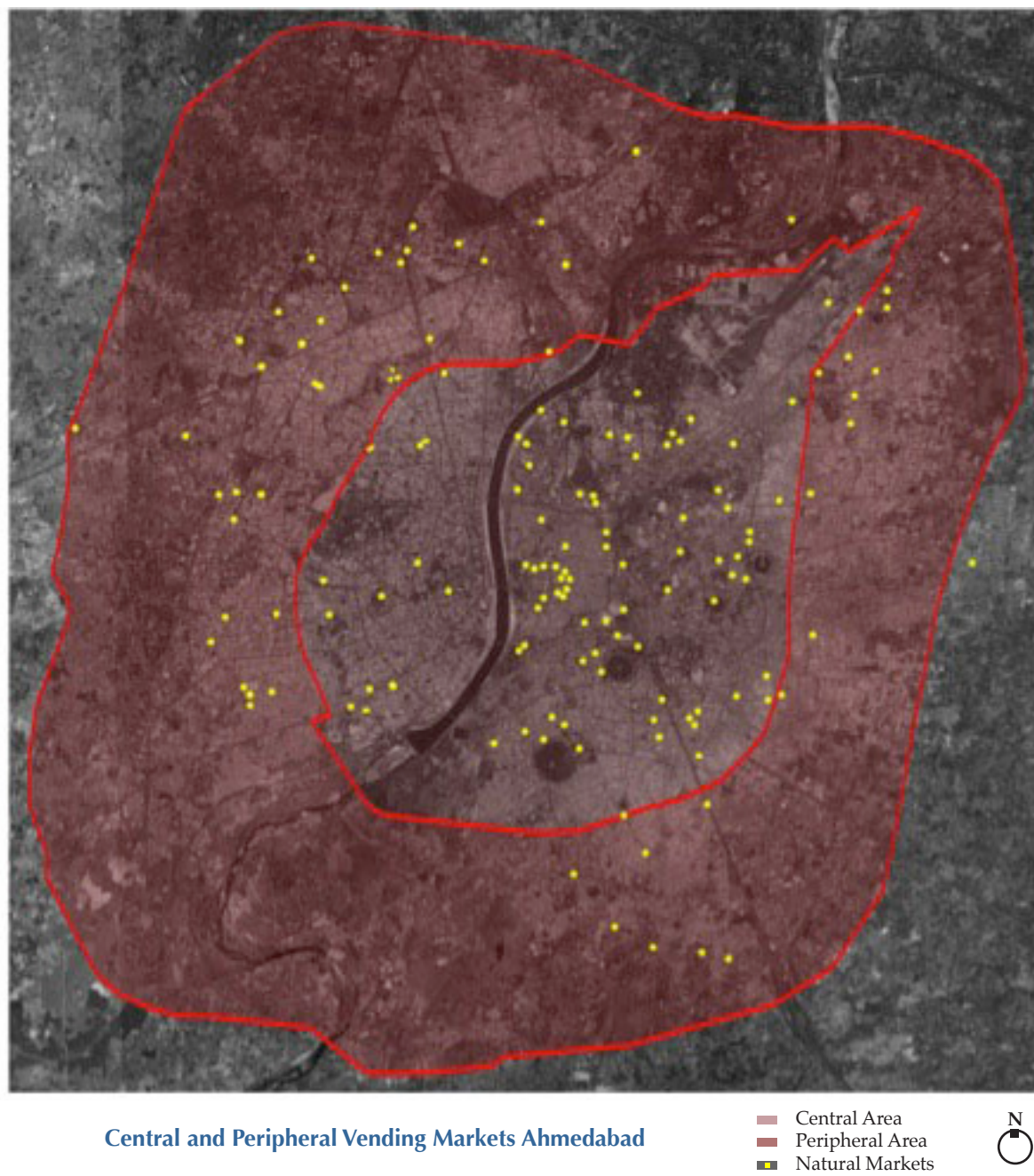
⁵ 1 Indian rupee was equal to US \$.018 on August 1, 2012 per the mid-market rate reported by www.xe.com. This rate applies for all conversions throughout this paper.

⁶ A model road is defined by the AMC as one with unrestricted flow of vehicular traffic. Hence, the model roads tend to have narrow footpaths, and wide carriageways for motorized vehicles: with no “encroachments” allowed. Vendors are considered to be encroaching by the AMC and are removed from time to time by the encroachment removal squad of the AMC.

⁷ Phase I of the Ahmedabad BRT corridor is 58.3 km long (Mahadevia, Joshi and Datey 2012).

⁸ The road does not have any name; it is known as the “132 Feet Ring Road” for its breadth.

Figure 1 - Map Showing Central and Peripheral Vending Markets in Ahmedabad



Source: Mapping of natural markets in Ahmedabad, SEWA

SEWA

SEWA is a trade union, registered in 1972, of self-employed women workers from low income households who earn a living through their own labour or small business. SEWA members do not have regular salaried employment with welfare benefits like workers in the formal sector do. Although around 94 per cent of the workforce in India is informally employed – the percentage is slightly higher for women than for men – this enormous workforce, and especially informal women workers, remains largely invisible, under-counted and under-valued.

SEWA's main goals are to organize women workers for full employment and self-reliance. Full employment means workers obtain work security, income security, food security and social security (at least health care, child care and shelter). SEWA organizes women to ensure that every family

obtains full employment. By self-reliance, SEWA means that women should be autonomous and self-reliant, individually and collectively, both economically and in terms of their decision-making ability.

SEWA's History

SEWA grew out of the Textile Labour Association (TLA), India's oldest and largest union of textile workers, which was founded in 1920 by a woman, Anasuya Sarabhai. The inspiration for the union came from Mahatma Gandhi, who led a successful strike of textile workers in 1917.

Against the background of activities in industrial relations, social work and local, state and national politics, the ideological base provided by Mahatma Gandhi and the feminist seeds planted by Anasuya Sarabhai led to the creation by the TLA of their Women's Wing in 1954. The mandate of the Women's Wing was to provide training and welfare services to the wives of textile millworkers. In 1968, a woman lawyer named Ela Bhatt was asked to head the Women's Wing. By that time, classes in sewing, knitting, embroidery, spinning, press composition typing and stenography were established throughout the city for the wives and daughters of millworkers.

The scope of activities expanded in the early 1970s, when a survey was conducted to probe complaints by women tailors of exploitation by contractors. The survey revealed that large numbers of women workers were not unionized or covered by government legislation and policies.

In 1971, a small group of migrant women cart pullers in the wholesale cloth market of Ahmedabad approached the Women's Wing to ask whether the TLA might help them find housing. Ela Bhatt accompanied the women to the wholesale cloth market, where she met another group of women carrying loads of cloth on their heads to and from the wholesale market. The head loaders described their work, including low and erratic wages. The head loaders were paid on a per trip basis by the merchants, but because no records were maintained, they were often not paid the full amount owed (Chen 2008).

Bhatt convened a public meeting for the head loaders to discuss their problems. She told the women that they should organize to address their problems: the women agreed to form a group and each paid 25 paise (quarter of a rupee) as a membership fee. Following the meeting, Ela Bhatt wrote an article for the local newspaper detailing the complaints of the head loaders. The cloth merchants countered a news article of their own, denying the allegations and claiming that they treated the head loaders fairly. The TLA Women's Wing responded by reprinting the merchants' claims of fair treatment on cards, which they distributed to the head loaders to use to hold the merchants accountable (Sebstad 1982). Soon word of this effective ploy spread and a group of used garment dealers approached the Women's Wing with their own grievances. Again, Ela Bhatt called a public meeting, at which a woman from the crowd suggested they form an association of their own. Thus, the Self-Employed Women's Association was born on December 3, 1971 (Chen 2008).

The workers felt that as a workers' association, SEWA should establish itself as a trade union. This was a fairly novel idea, because the self-employed have no real history of organizing. The first struggle SEWA undertook was obtaining official recognition as trade union. The Labour Department refused to register SEWA because they felt that since there was no recognized employer, the workers would have no one to struggle against. SEWA argued that a union was not necessarily against an employer, but was for the unity of the workers. Finally, SEWA was registered as a Trade Union in April 1972.

SEWA grew continuously from 1972, increasing in its membership and including more and more different occupations within its fold. In 1981, SEWA separated from TLA.

In 1982, SEWA filed a petition against the Ahmedabad Municipal Corporation (AMC), in the Supreme Court for acquiring space for the 327 vegetable vendors in the Manek Chowk area of Ahmedabad city. In 1984, the vendors won the case against the AMC and 327 of them were licensed to vend in Manek Chowk.

In 1995, SEWA took the campaign for the legal rights for street vendors to the international arena by organizing a meeting of vendors from 11 large cities around the world in Bellagio, Italy. The participants in that meeting, including vendors and their supporters, passed an International Declaration demanding policy and space for vendors. In September 1998, SEWA organized a national workshop on the legal status of street vendors in India. Street workers and their organizations from 14 cities across the country participated in the workshop. The aim of the workshop was to develop an

Action Plan for the street vendors in the context of the Bellagio Declaration. The workshop led to the formation of the National Association of Street Vendors of India (NASVI) with representatives from unions and NGOs that pressure the government to establish a “National Policy for Street Vendors.”

SEWA's Structure

SEWA is registered as a trade union under the India Trade Unions Act of 1926. Membership is open to self-employed women workers all over India. The membership fee is Rs 5 per year. The union is governed by a two-tier level of elected representation. Trade Committees (*Dhandha Samitis*) are formed at the local level and vary in size from 15 to 50 members. Trade Committees meet every month to discuss problems and possible solutions. The members of each trade elect their representatives in the ratio of 1 representative per 100 members. These elected representatives then form the Trade Councils (*Pratinidhi Mandal*). Trade Council members remain members of their respective Trade Committees as well. Every three years, the Trade Councils elect an Executive Committee of 25 members. The trades represented on the Executive Council are those with the largest proportion of SEWA members.

Office-bearers of the SEWA trade union are elected from among the Executive members. It has become practice to elect the President from the trade with the largest membership.

SEWA Membership in 2012

- All India membership: 1,732,728
- Gujarat membership: 919,712
- Ahmedabad Membership: 396,654

Over the years, the complexion of SEWA's membership has changed significantly. Until 1994, SEWA's membership was predominantly urban. This was partly due to its origins and bases having begun at Ahmedabad. However, in the late 1980s, SEWA intensified its rural organizing, with the resultant increase in membership from rural areas. In 2006, of SEWA's 483,012 memberships in Gujarat, 60.77 per cent were rural and 39.23 per cent urban.

Within three major occupational categories, the picture is as follows:

Table 4 - SEWA's Membership by Sector (2012)			
S.N.	Occupational category	Members	Per cent
1.	Hawkers and vendors	83,229	9.44
2.	Home-based workers	203,121	23.03
3.	Manual labourers - Service providers	595,452	67.53

Part 1: Characteristics of Street Vendors, Their Households and Enterprises

1.1 Individual Vendors

Age Group

Nearly one-third of the street vendors in the study sample are between 40-49 years of age, another third are between 50-59 years of age, and about the same proportion are either under 40 or over 60 years old (table 5). Over 72 per cent of them have been vending for more than 20 years (table 6). Among non-food vendors, around 60 per cent are between 30-49 years of age and around 40 per cent are 50 years or older. In contrast, the food vendors are slightly older with 45 per cent between 30 and 49 years of age and 54 per cent per cent aged 50 or above. Another difference between the food and non-food vendors is that the former are in the trade for longer periods: more than 75 per cent of food vendors, compared to 60 per cent of non-food vendors, have been in the occupation for 20 years. Conversely, nearly one quarter of the non-food vendors, compared to 14 per cent of the food vendors, have been in the business for less than nine years (table 6).

Age group	Food	Non-Food	Total
17 – 29	0.90	0.00	0.70
30 – 39	12.20	27.00	15.80
40 – 49	33.00	35.10	33.60
50 – 59	34.80	29.70	33.60
60+	19.10	8.10	16.40
Total	100.00	100.00	100.00

Source: Ahmedabad IEMS survey data (2012)

How long have you been working?	Food	Non-Food	Total
<9	13.90	24.30	16.40
10 – 19	9.60	16.20	11.20
20+	76.50	59.50	72.40
Total	100.00	100.00	100.00

Source: Ahmedabad IEMS survey data (2012)

Food vendors have also been associated with SEWA for longer periods of time. Over half of the food vendors, compared to 38 per cent of the non-food vendors, have been associated with SEWA for 20 years or more. Vegetable and fruit vendors were among the founding members of SEWA.

Years	Food	Non-Food	Total
<10	25.20	37.80	28.30
10- 19	21.70	24.30	22.40
20+	53.00	37.80	49.30
Total	100.00	100.00	100.00

Source: Ahmedabad IEMS survey data (2012)

In the opening exercise of the focus group discussions, the participants were asked to introduce themselves. Figure 2 presents the introductions from Focus Group #7, in which all of the focus group participants were women between 30 to 50 years of age who sell fruits or vegetables. They have been engaged in the trade for anywhere from 15 to 30 years.

Figure 2 - Introductory Exercise

Mangu ben 50 years old Vegetable seller , Uttam Nagar Market, Nikol road 30 years in Business	Kamu ben samabhai patni 45 years old Vegetable seller, Khodiyar nagar Market 25 yrs in Business	Liluben punam bhai patni 33 years old Vegetable seller, Sardar Nagar Market, Azaad bazaar 15 yrs in Business
Vimla karsan bhai dantani 50 years old Fruit and Vegetable seller, Ambawadi Market 30 yrs in business	Kanta ben sardar bhai patni 45 years old Vegetable seller, Nirnay Nagar Market 25 yrs in business	

Source: Focus Group Discussion #7

Over 92 per cent of the sample vendors belong to a Scheduled Caste (SC), with a higher percentage among those who sell food (96 per cent). Many Scheduled Castes such as *Dantani*, *Devi Pujak*, *Kori*, and *Patni* have been engaged in street vending for generations in Ahmedabad City and elsewhere in Gujarat State (Mahadevia et al. 2012).

Table 8 - Caste Distribution of Vendors by Vending Type (%)

Caste	Food	Non-Food	Total
General	0.00	5.40	1.30
Other Backward Class (OBC)	1.70	16.20	5.30
Scheduled Caste (SC)	96.50	78.40	92.10
Scheduled Tribes (ST)	0.90	0.00	0.70
Not found	0.90	0.00	0.70
Total	100.00	100.00	100.00

Source: Ahmedabad IEMS survey data (2012)

Table 9 - Marital Status (%)

Marital Status	Per cent
Not married	11.84
Married, living together	71.05
Married, living separately	5.92
Widowed	9.87
Divorced	1.32
Total	100.00

Source: Ahmedabad IEMS survey data (2012)

Nearly 71 per cent of the sample are married, 12 per cent not married and 10 per cent widowed (table 9). Education levels for all the vendors are very low: 60 per cent have no formal education, around 12 per cent have completed primary school, and none have completed secondary school (table 10).

Table 10 - Respondent's Level of Education, by Vendor Type (%)			
	Food	Non-Food	Total
None	65.22	45.95	60.53
Some primary	19.13	24.32	20.39
Completed primary	12.17	10.81	11.84
Some secondary	3.48	18.92	7.24
Total	100.0	100.0	100.0
N	115	37	152

Source: Ahmedabad IEMS survey data (2012)

1.2 Street Vendor Households

The average household size of the sample vendors is 6.9 persons, which is above the Gujarat state average of 4.7 persons (table 11). The average household size of food vendors is higher (at 7.24 persons) than that of non-food vendors (5.86 persons). With such large families, 96 per cent of the vendors have other working members to help support their families, the great majority of whom are also engaged in informal work (table 11). Table 12 gives a breakdown by age and average household sizes: it shows that, on average, for every 2.11 dependents (i.e. children and pensioners) there are 4.37 working age adults.

Table 11 - Basic Household Characteristics, by Vendor Type (%)			
	Food	Non-Food	Total
Household size	7.24	5.86	6.90
Ratio of workers to total household size	0.47	0.50	0.47
Percentage with:			
Other workers in the household	96.52	94.59	96.05
Other informal workers in the household	85.22	70.27	81.58
Other formal workers in the household	9.57	24.32	13.16
No response	1.73	0	1.31
N	115	37	152

Source: Ahmedabad IEMS survey data (2012)

Table 12 - Household Demographic Characteristics, by Vendor Type (%)			
	Food	Non-Food	Total
Number of children	1.89	1.97	1.91
Number of working-age adults	4.60	3.67	4.37
Number of pensioners	0.21	0.16	0.20
Number of adults who completed secondary school	0.33	0.43	0.36
N	115	37	152

Source: Ahmedabad IEMS survey data (2012)

The main source of income of the vendors is either their own earnings from street vending or earnings from the informal work of other family members. Only about 7 per cent of the sample said that the earnings of another household member who had formal sector wage employment in the public sector was the main source of income; the percentage was higher amongst non-food vendors than food vendors (table 13). Nearly 11 per cent of the sample vendors had received old age or widow pensions from the state government. However, fewer than 5 per cent had received a government grant and a scant 3 per cent had received scholarships for their children (table 14).

Table 13 - Main Source of Household Income, by Vendor Type (%)			
	Food	Non-Food	Total
Your own informal business/enterprise/work	44.35	40.54	43.42
Earnings from informal work by other household members	48.70	45.95	48.03
Earnings from formal sector wage employment in public sector (respondent)	0.00	2.63	0.66
Earnings from formal sector wage employment in public sector (other household member)	5.22	13.16	6.58
Social assistance/Pension/Other benefits	0.87	0.00	0.66
Other	0.87	0.00	0.66
Total	100	100	100
N	115	37	152

Source: Ahmedabad IEMS survey data (2012)

Table 14 - Access to Other Types of Household Income, by Vendor Type (%)			
	Food	Non-Food	Total
Government grants	4.35	5.41	4.61
Assistance from welfare board	0.87	0.00	0.66
Rental income	0.00	2.70	0.66
Education scholarship	3.48	0.00	2.63
Remittances	0.87	0.00	0.66
Pension	11.30	10.81	11.18
No other assistance	79.13	81.08	79.60
N	115	37	152

Source: Ahmedabad IEMS survey data (2012)

1.3 Characteristics of Vendor Enterprises

Over 87 per cent of the sample vendors are own account workers, while nearly 12 per cent are unpaid contributing family workers (table 15). Over 40 per cent of vendors, more so vendors in the central area and especially food vendors, engage non-paid family members in the business. As one of the vendors in Focus Group 4 put it: "We are 16 members in the family and 4 bread earners, all into vending; it is through this income that our family survives." In contrast, only 1 per cent of the sample vendors are employers who hire paid workers and none are employees of a vendor. However, 10 per cent of the non-food vendors in the central area hire paid workers during busy periods.

Vendors in the central city had more helpers, presumably due to busier locations and larger-scale businesses, than vendors in peripheral areas. Conversely, a higher proportion of vendors in the periphery were single person operators without any paid or unpaid workers (table 16). In normal times, 55 per cent of the non-food vendors in the centre operate with unpaid contributing family members. In the busy seasons, such as festival days and vacations, 60 per cent of them have help from unpaid family members and 10 per cent hire paid workers. The pattern of engaging paid or unpaid workers does not change very much for food vendors between normal and busy times.

	Food	Non-Food	Total
Own account worker	84.34	94.59	86.84
Employer	1.73	0.00	1.31
Contributing family worker	13.91	5.41	11.84
Total	100.0	100.0	100.0
N	115	37	152

Source: Ahmedabad IEMS survey data (2012)

	Food		Non-Food	
	Centre	Periphery	Centre	Periphery
Percentage with:	Last Week			
Unpaid family help	60.53	43.59	55.00	41.18
Unpaid non-family help	1.32	0.00	5.00	0.00
Paid helpers	1.32	2.56	0.00	0.00
No helpers	36.86	53.85	40.00	58.82
Percentage with:	At the busiest time of the year			
Unpaid family help	57.89	43.59	60.00	52.94
Unpaid non-family help	1.32	0.00	0.00	0.00
Paid helpers	1.32	2.56	10.00	0.00
No helpers	39.47	53.85	30.00	47.06
N	76	39	20	17

Source: Ahmedabad IEMS survey data (2012)

When they are unable to work, half the vendors receive no support, while one third receives help from other household members. In a few cases (around 3 per cent), a paid employee will take over running the business (table 17).

	Food			Non-Food		
	Centre	Periphery	Total	Centre	Periphery	Total
No support	46.05	64.10	52.17	65.00	52.94	59.45
An employee will take over	2.63	2.56	2.60	0.00	5.88	2.70
Household member will take over	48.68	33.33	43.47	35.00	29.41	32.43
Another informal worker will take over	1.32	0.00	.87	0.00	0.00	0
Will work more on return to work	5.26	2.56	4.34	0.00	0.00	0
N	76	39	115	20	17	37

Source: Ahmedabad IEMS survey data (2012)

Part 2: Changes in the Occupational Sector

During the focus groups, participants were asked to identify and rank driving forces that affect their trade either positively or negatively. These driving forces were classified as economic trends; government policies and practices, especially at the city-level; value chain dynamics with suppliers, customers, and other players; and other driving forces.

2.1 Economic Driving Forces

All of the focus groups identified two major economic driving forces that have impacts on their business: increased inflation and an increased number of vendors. Over 80 per cent of the survey sample reported that the goods they purchase to sell have become more expensive; and 74 per cent reported that they were charging higher prices for the same commodity as compared to last year. Among all vendors, compared to one year before the study, 58 per cent reported a decline in sales; 49 per cent reported a decline in the number of customers; and 77 per cent reported an increase in the numbers of vendors selling the same goods/services (table 18).

	More	Less	Same
The amount of sale of products/services compared with this time last year	17.76	57.89	17.11
Prices charged as compared with this time last year	73.68	5.92	15.13
Prices of supplies as compared with this time last year	80.26	3.29	9.87
Number of people buying products/services compared with this time last year	19.74	48.68	25.00
Number of people selling the same product/service sold by the vendor compared with this time last year	76.97	3.29	14.47

Source: Ahmedabad IEMS survey data (2012)

The main direct impact of inflation on the vendors is the increased prices of purchased goods and transportation. If they try to pass these costs on to their customers, their sales decline. Further, in times of high inflation, customers reduce their purchases, contributing to a decline in sales. The combined effect of higher prices and fewer sales is lower incomes. Sunitaben in Focus Group #6 said:

Now I have to pay Rs 180 for an auto rickshaw whereas earlier it was only Rs 60. Customers buy less quantity because the commodities have become expensive. Customers ask us why we are selling at high prices. What can we say? Now we are getting a box of apples for Rs 2500 which earlier cost only Rs 700. It's very difficult to manage the inflation in our trade.

When goods, especially perishable goods, don't sell, they can become damaged or depreciate, resulting in a loss for the vendor. Further, inflation affects the prices not only of the goods vendors purchase to sell but also of goods they purchase for home consumption: the higher price of food associated with inflation means that the vendors need to earn more to meet their family's food requirements.

Over half of the food vendors and nearly half of the non-food vendors reported a decrease in revenues over the year prior to the study (table 19). A higher percentage of vendors, especially non-food vendors, in the central city have reported decreased revenues compared to vendors in peripheral areas. This could be due to the fact that a large number of the natural markets of vendors in the central city (as defined by this study) have been affected by urban renewal and infrastructure projects, not only by inflation and competition. A higher percentage of vendors in the centre, especially non-food vendors, expressed a desire to work longer hours than they are working now, presumably to compensate for decreased earnings during the regular work day.

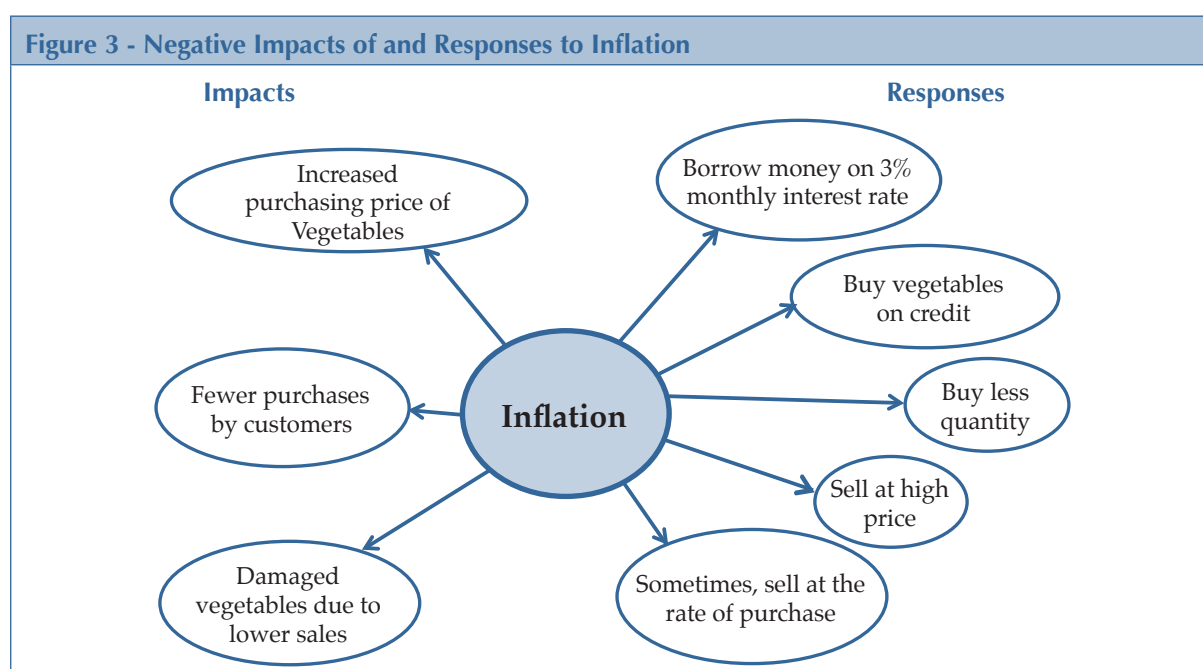
While only 10 per cent of food vendors have a second job (table 19), almost one third of the non-food vendors reported a second job. This could be because demand for a large number of non-food products is seasonal: especially goods purchased for festivals such as dyes for the spring festival

of colours (*holi*) and kites for the winter kite festival. For instance, a vendor in Focus Group #8 sells flowers on a daily basis and other goods like kites and firecrackers during festivals. Several of the focus groups mentioned that vendors use additional pushcarts to sell seasonal goods.

	Food			Non-Food		
	Centre	Periphery	Total	Centre	Periphery	Total
Revenue fallen over past 12 months	55.26	53.85	54.78	60.00	35.29	48.64
Would have liked more hours	14.47	10.26	13.04	30.00	11.76	21.62
Have a second job	7.89	15.38	10.43	30.00	35.29	32.43
N	76	39	115	20	17	37

Source: Ahmedabad IEMS survey data (2012)

In the focus groups, the participants were asked to specify not only driving forces but also their responses to them. Figure 3 presents the impact of and responses to inflation specified by Focus Group #6.

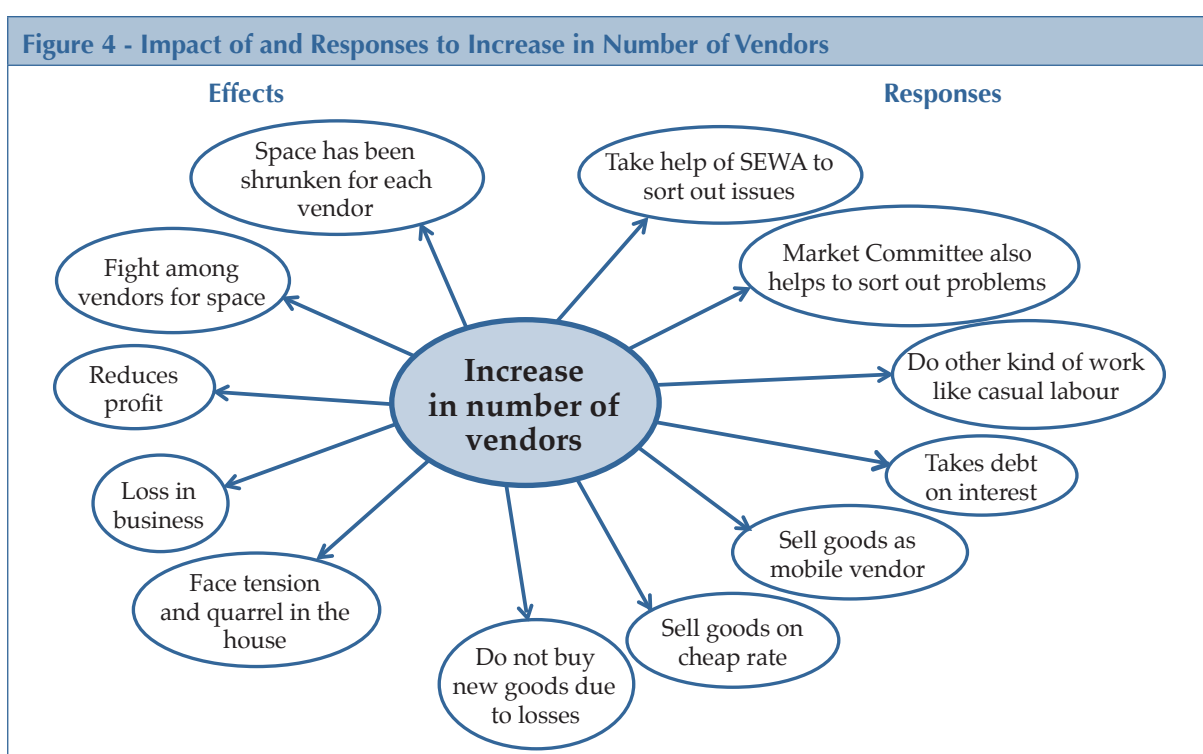


Source: Focus Group Discussion #6

The other economic driving force was the increase in number of vendors, due allegedly to immigration from other states like Bihar, Orissa, and Uttar Pradesh. As noted earlier, 76 per cent of the vendors stated that the number of vendors have increased over the past year (table 18). This has led to greater competition and heightened conflicts over vending space amongst vendors. Whether or not there are conflicts over space, the increased competition forces vendors to sell goods at lower prices or scale down their business. Due to the uncertainty of sales, they prefer not to stock more goods than they can store. Almost 56 per cent reported that they face problems due to an increase in competitors; and half complained about too few customers for their goods (table 20). As explained by a vendor in Focus Group #2, "The number of handcarts in the market increased over the period but space is limited. Vendors from outside Gujarat – from places like Uttar Pradesh, Bihar, Madhya Pradesh and Maharashtra – have only increased the problems faced by Gujarati vendors." Such conflicts in a declining economic space can get converted into feelings of regional chauvinism, which then can escalate into violence.

Table 20 - Reported Problems Related to Product Markets and Competition, by Vendor Type (%)			
	Food	Non-Food	Total
Too few customers of materials or goods	53.91	33.33	49.01
Large variations in sales/income	56.52	54.05	55.92
Low profits	75.65	48.65	69.08
Customers reject products	34.78	24.32	32.24
Don't know what customers want	3.51	2.70	3.31
Customers don't pay their debts	7.83	0.00	5.92
Distance from markets is too great	29.57	37.84	31.58
Too many competitors	60.00	43.24	55.92
N	115	37	152

Source: Ahmedabad IEMS survey data (2012)



Source: Focus Group Discussion #2

2.2 Policies and Practices of Government, Especially Local Government

The focus groups specified a number of government, especially city-level government, policies and practices that have affected their work. The most frequently cited issue was the lack of allotted vending space by local authorities. This was followed by frequent harassments – including bribes and eviction drives – by local authorities, notably the police and officials from the Ahmedabad Municipal Corporation. Similarly, when asked in the survey about work-related problems, a majority of vendors reported insecurity of vending sites (68 per cent) as well as evictions (63 per cent), unspecified harassment (61 per cent), and confiscation of goods (44 per cent) by local authorities (table 25). Also, over 40 per cent reported that they lacked information about regulations and training in dealing with local authorities; and 30 per cent reported that they had not received any legal assistance with court cases or other legal strategies. According to Focus Group #5, the lack of allotted space for vending is at the core of the problems faced by vendors, leading to bribes and evictions by local authorities and harassment by formal shops and housing societies (figure 5). It also leads to frequent conflicts between vendors for market space, sometimes leading to physical violence.

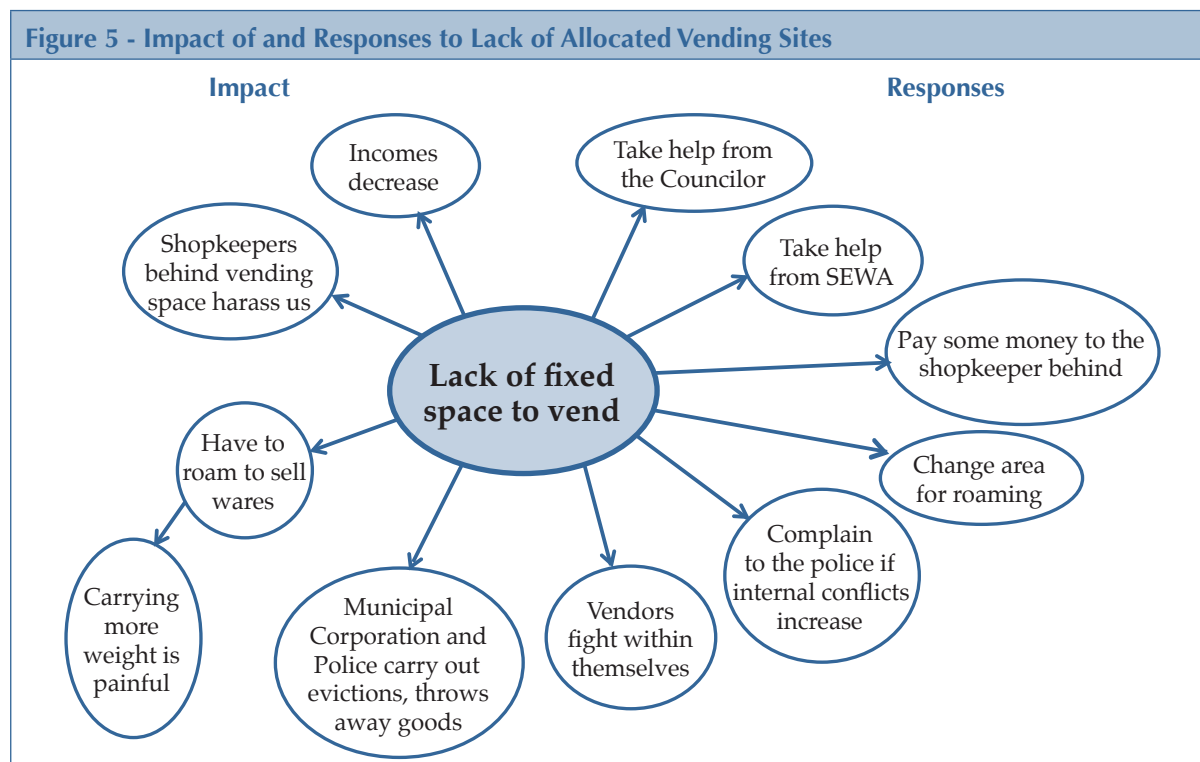
The lack of allotted space drives some vendors to resort to hawking instead of selling their goods from one place. As a vendor in Focus Group #2 put it: “We have to shift our handcarts because of limited space. Police evict us. Some vendors do business as mobile vendors because there is no space in the market.”

The vendors are not able to expand their business due to fear of evictions and also lack the place to store goods in the market. Neemisa ben, a spice vendor who has been a member of SEWA for seven years said, “If we had a permanent space for vending like we have a permanent address where we live, we could keep our goods over there.”

Driving forces	Difficulty/Obstacle	Frequency
City/Urban planning	No fixed space for vending; vending on road leads to traffic congestion	14
	Tax on purchase of goods	4
	Evictions due to development projects like BRTS	3
	Harassment and bribes taken by police	10
	Lack of public transport services	1
	Harassment and evictions by AMC	7
	Traffic congestion leading to evictions	1

Source: All Focus Group Discussions

The vendors try to negotiate for space allocation by the local authority with the help of SEWA and their local councilor. Some of them pay money to local shopkeepers to store their goods since they do not have safe storage space for their goods. In sum, the key constraints faced by vendors are the lack of allotted space for vending and for storing their goods during the off-vending hours.



Source: Focus Group Discussion #5

In Gujarat, local area planning is done through the Town Planning Scheme Mechanism⁹, under the Gujarat Town Planning and Urban Development Act, 1976 (GTPUD Act, 1976), which allocates land for residential, commercial and other land uses. It also reserves land for public purposes, including provision of housing for Socially and Economically Weaker Sections (SEWS) as well as facilities for social and commercial purposes. The local planning authority can therefore use the reserved lands for development of vendor markets as envisaged under the National Street Vendors' Policy and Bill. However, there are few attempts to do this in Ahmedabad City, where land prices are very high and the planning authority is keen to commercially develop their lands rather than allocate them for social purposes, such as markets for street vendors. This is primarily because returns from commercial development give the planning authority the finances it needs for infrastructure such as roads, water supply, sewage and drainage lines. Thus, the current state of municipal finances and the mindsets of the planning authorities do not permit land allocation for the development of vendor markets under the formal planning mechanisms.

The AMC recently formulated the Ahmedabad Street Vendors' Scheme, 2010 under a High Court order in response to a petition filed by SEWA against Gujarat State, AMC and others. SEWA demanded the implementation of the National Street Vendors' Policy. The scheme allocates space to registered vendors by laying out three vending zones designated as Green, Amber and Red Zones. These zones restrict vending activities according to road widths and timings and hence overlook the concept of formation of natural markets in the city. According to SEWA, if the scheme is implemented, 129 natural markets in the city would be adversely affected, depriving 38,908 vendors and their families of their livelihoods (Mahadevia and Vyas 2012).

The vendors also identified bribes and evictions by local authorities as threats linked to the lack of fixed vending spaces. During evictions, the goods of vendors are either confiscated or thrown away, leading to a loss in business and lower earnings. One of the members in Focus Group #1 said, "During the eviction drives by the municipal corporation, they damage our goods and the capital invested in purchasing goods gets wasted." Focus group respondents suggested that when authorities confiscate goods, they make a list of the goods and get the list signed by witnesses. Also, they would like the legal process to get the goods back to be simplified.

Because of their illegal status, vendors also have to pay bribes to the authorities and, in some locations, to formal shopkeepers as well. As shown in table 22, 16 food and non-food vendors had to pay average monthly bribes of Rs 574 to secure their vending space; food vendors paid average bribes of Rs 354 and the non-food vendors had to pay particularly high bribes, averaging Rs 1,235 per month, to secure their trading space. The discrepancy in amounts is probably due to higher profit margins for the non-food products and also the fact that vendors hold large stocks of non-food products during festival seasons, when business is brisk. The focus group discussions confirmed that the amount and frequency of bribes increase during festive season such as *Diwal* and the Kite Flying festival. Paying bribes is one of the common practices used to resolve issues with municipal and police authorities. One of the vendors in Focus Group #4 stated: "I had to suffer this [confiscation of goods] four times in the last month and had to pay Rs 2,200 in bribes to get my goods back." In the survey, over 46 per cent of the sample reported that harassment by the police has increased over the past year. Food vendors were more likely to experience police harassment than non-food vendors (table 23).

	Food	Non-Food	Total
Income tax	---	---	---
Other tax	5,734.78 (n=23)	---	5,734.78 (n=23)
Fee to secure the space used for your activities	354.86 (n=12)	1,235.00 (n=4)	574.89 (n=16)

Source: Ahmedabad IEMS survey data (2012)

⁹ The Town Planning Scheme Mechanism for local area planning is a tool of land pooling and readjustment through which the planning authority takes a proportion of the plot of land from private owners for the provision of infrastructure and for commercial sale to raise funds for infrastructure development, and reserves lands for public good such as social facilities and housing for the urban poor.

The harassment by local authorities is done under various national and local laws, including the Indian Penal Code, 1860; the Bombay Police Act, 1951; the Bombay Provincial Municipal Corporation (BPMC) Act, 1949, etc. Under these laws, the respective authorities have been authorized to regulate vendors and can penalize or harass them for obstructing the free flow of traffic, selling goods in public places without licenses, or simply being accused as a nuisance. Under the BPMC Act, it is the duty of the Municipal Authority to issue licenses to vendors; but the unwillingness of the authority and complex procedures have resulted in licensing of only handful of vendors in the city. These laws do not directly forbid vending but create a range of restrictions or constraints (Mahadevia and Vyas 2012).

	Food	Non-Food	Total
More	49.57	37.84	46.71
Less	20.00	16.22	19.08
Same	10.43	16.22	11.84
Not applicable	20.00	29.73	22.37
Total	100.00	100.00	100.00
N	115	37	152

Source: Ahmedabad IEMS survey data (2012)

Official taxes have been introduced on the transaction of certain goods bought and then sold by the vendors. For example, most vegetable vendors purchase the vegetables they sell from a wholesale market, the Agricultural Produce Market Committee (APMC). The APMC charges a 10-12 per cent tax, which is called *mandi* (agriculture market) tax, on agricultural produce sold at the market. The vendors have to bear this tax. According to one of the vendors in Focus Group #1: “We have to pay up to Rs 500 (per purchase) as tax on the purchase of goods; earlier the APMC imposed this tax on the farmers but, some years ago, they started imposing the tax on purchasers. Big purchasers are not much affected by the tax but small ones like us cannot bear this cost.” On account of the *mandi* tax, the prices of goods have gone up, resulting in lower sales and lower profits. Nearly 20 per cent of the food vendors (23 out of 117) pay Rs 5,734 per month, on average, in *mandi* tax on the goods they purchase at the APMC (table 22). Many vendors take loans from the moneylenders to pay this tax – often getting trapped in a vicious cycle of taking and repaying loans.

Impact of Development Projects in the City on Street Vendors

In recent years many urban development and infrastructure projects like the Bus Rapid Transit System (BRTS) (2006), Model Roads (2011), Bhadra Fort Beautification (2012), Riverfront Development (2004), and road widening have been implemented in Ahmedabad City. In the design and preparation of these urban development and infrastructure projects, natural markets of street vendors and the vendors and hawkers themselves have not been considered. Many natural markets have been destroyed or dispersed through a series of evictions by the AMC. In many cases, the alternate space provided to vendors is not suitable as it does not attract customers. With the extension of the BRTS to the Khodiyar Nagar Market area, for instance, the vendors were forced to relocate on a side service road where it is difficult to accommodate all of the dislocated vendors. Municipal authorities have planned to develop around 27 model roads, where removal of all vendors and hawkers from either side of a road is a specification. Under the model roads scheme, many natural markets like Mansi Tower Market are completely shut down. SEWA has worked on their behalf, and about half of the vendors at Mansi Market have been provided with alternate space; however, the other half are still uncertain about their future. SEWA has estimated that 5,143 vendors have been displaced on account of the first phase of model roads. Bhadra Fort market, an informal, heritage area market, was one of the city’s oldest markets, offering a wide and diverse range of products to a huge customer base. When the work for redevelopment of Bhadra Fort precincts began, the local authorities evicted the vendors and cordoned off the area. As a result, many vendors have lost their livelihoods or had to scale down their business. The vendors are doubtful about their future and whether they will be considered at all in the redevelopment plans.

2.3 Value Chain Dynamics

The focus groups identified and discussed several problems they face in the specific value chains within which they operate. These ranged from a lack of capital to poor quality goods from wholesalers to competition from malls (table 24). More than one focus group mentioned that formal shopkeepers and private property owners do not allow vendors to vend in front of or near their shop or property. In response, some vendors pay bribes to the shopkeepers or agree to sell the shopkeeper's goods.

In the survey, the value chain problem cited by the most vendors was competition from large retailers or supermarkets, which have started selling fruit and vegetables at low prices. In the survey, the vendors were asked whether they face three constraints within value chains: difficulty negotiating lower prices from suppliers (49 per cent), difficulty negotiating higher prices from customers (55 per cent), and competition from large retailers or supermarkets (57 per cent) (table 25). A vendor in Focus Group #6 reported:

“Right now, we are buying potatoes at the rate of Rs 22 per kg and selling at the rate of Rs 25 per kg. While shopping malls are selling [potatoes] at the rate of Rs 18 per kg. How do we expect that anyone would like to buy from us?”

The malls and retail stores also attract customers by offering a variety of discounts. The vendors have responded to the competition from the large retailers and malls by trying to attract customers, asking SEWA to regulate prices, and urging the AMC to provide them with a legal space to vend (figure 6). But, as yet, there has been no well-developed response to this problem, which may intensify now that multinational retail companies have been allowed into India.



Source: Focus Group Discussion #6

Driving forces	Difficulty/Obstacle	Frequency
Value Chain Dynamics	Lack of capital to purchase goods; have to take loans	2
	Wholesalers do not provide goods on credit	1
	Customers do not pay and create ruckus	1
	Decrease in sale due to shopping malls	1
	Formal shopkeepers, private property owners, etc. do not allow vending in front of/in vicinity of their property	2
	Wholesalers do not provide good quality goods	1

Source: 8 Focus Group discussions¹⁰

The vendors face other challenges as well: for example, lack of capital to purchase goods often forces them to take loans from local moneylenders at high interest rates (table 24). As stated by a vendor in Focus Group #12, "There is sometimes no initial capital to pay for the purchase so I take loans from moneylenders or neighbours at 5-10 per cent rate of interest." Also, they often face offensive behaviour of wholesalers and are supplied low quality goods.

Table 25 shows that many of the issues that came up in the focus groups were reiterated in responses to the survey by 152 Ahmedabad vendors. Again, insecurity of vending site, harassment by authorities, evictions, and competition from large retailers were problems experienced by the largest proportion of vendors. Interestingly, more than 40 per cent identified a need to learn more about regulations and about how to manage conflict with others, whether authorities or other community members. One in five also felt that a lack of training in business skills hindered their work.

Do you encounter any of the following problems in your work?	%
Insecurity of vending site/ problems securing a vending site when needed	67.76
Difficulty negotiating lower prices from suppliers	48.68
Difficulty negotiating higher prices from customers	54.61
Harassment by local authorities (e.g. police or other officials)	61.18
Confiscations of goods/ difficulty getting merchandise back after it is confiscated	44.08
Evictions/ lack of support during evictions/ lack of protection from or warnings before evictions	63.16
No relevant training in accounting, marketing, other business skills	21.71
Lack of information about local regulations/ training in dealing with local authorities	43.42
Difficulty negotiating with other street vendors/ mitigating conflicts among street vendors	40.79
No assistance with court cases or other legal strategies	29.61
Competition from large retailers or supermarkets	57.24
Other	1.32
N	152

Source: Ahmedabad IEMS survey data (2012)

¹⁰ Other focus groups listed but did not rank value chain problems.

2.4 Other Driving Forces

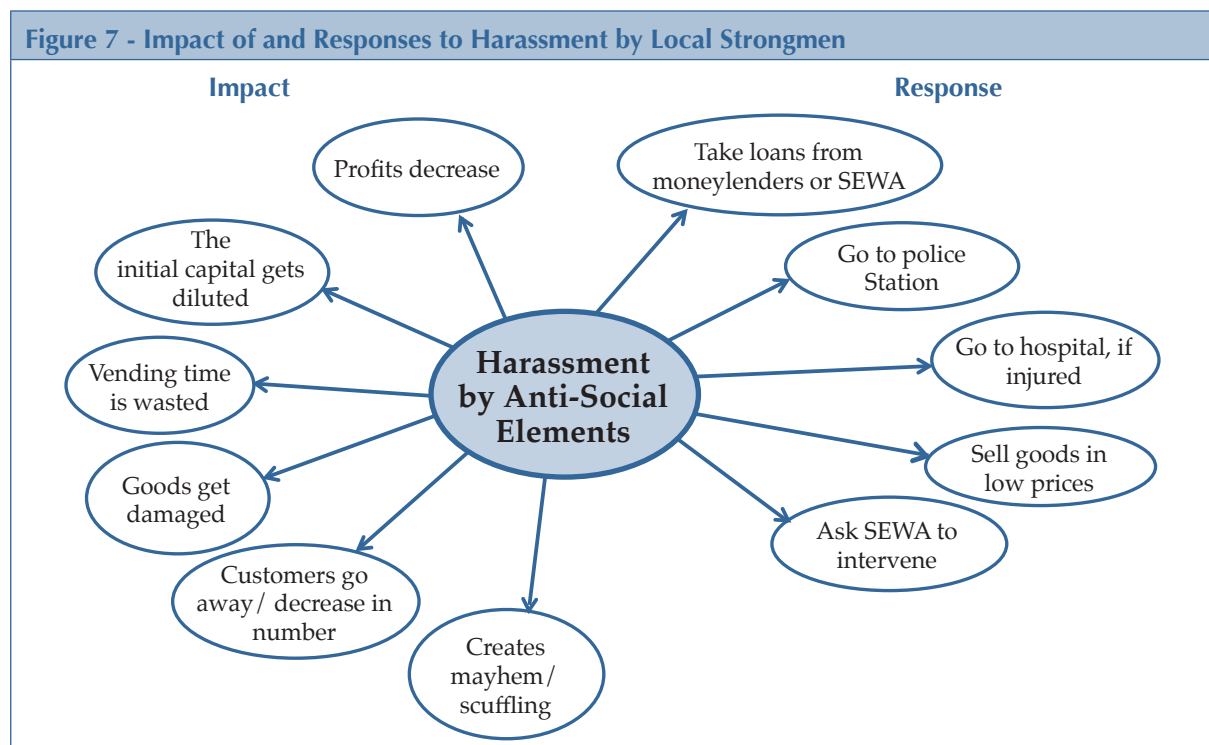
Another negative driving force identified in the focus group discussions were local residents of various types who harass the vendors in various ways: including those who steal goods, charge bribes, or call the police or municipal authorities to evict the vendors. One vendor in Focus Group #5 stated, “They just come to my stall and take whatever they want, without paying. I also do not fight with them, because the fight then continues and much time is wasted, due to which customers are discouraged.”

A vendor in Focus Group #7 mentioned that a local tea seller in Khodiyar Nagar Market forces other vendors to buy his tea at an inflated price. In her words, “There is a tea seller (from the Darbar caste) who forcefully sells tea to the vendors in the market and charges Rs 20 per person per day.” Other vendors complained that nearby residents considered them to be a nuisance – accusing them of causing filth and chaos in their area and often calling the municipal authorities to evict them.

Another negative driving force are local “anti-social elements”¹¹ or local strongmen, who drive away customers or create conflicts that may erupt into violence and, thereby, waste the time and damage the goods of the vendors (figure 7). In response, the vendors seek SEWA’s intermediation, file a complaint at the police station, sell their goods off quickly at a cheap price or, if injured, go to the hospital.

Driving forces	Difficulty/Obstacle	Frequency
Other	Harassment by anti-social elements	1
	Resident societies in vicinity of markets create problems	1

Source: All Focus Group discussions



Source: Focus Group Discussion #5

¹¹ This is a common term for local strongmen, who use threat of violence to control the local population. Such people tend to have political patronage from which they draw power. Another interpretation of the term is criminals.

2.5 Positive Driving Forces

During the focus group discussions, the street vendors identified positive, as well as negative, driving forces. The most important positive factor identified by the vendors was street vending itself. Street vending provides an opportunity to earn a livelihood and generates daily income to support their families (reported by 60 per cent of the focus groups). Independence of work, as well as financial independence, plus good relations with customers were cited as positive features of street vending (reported by 40 per cent of the focus groups). Flexibility of work hours was reported by 27 per cent of the focus groups; this can be particularly important for women who have children and other family obligations. Finally, some groups said having vending sites near their homes or in and around large markets is positive.

For many of the vendors, street trade has been the family occupation for generations. They are well versed in the finer aspects of the business, as they have been working with their parents since childhood. Others resorted to street vending after losing their formal sector jobs due to the closure, downsizing or merger of industries (Bhowmik and Saha 2012). As stated by one of the vendors in Focus Group #1, "My father-in-law used to work in the mills and my mother-in-law was a vegetable vendor. After the closure of mills, we thought vending is our own business and we can survive on that. Hence I started vending to support my family."

If their markets are old and established, vendors may have formed good relations with their customers as well as with the wholesalers from whom they purchase the goods. They may have regular customers who do not bargain down prices. Many non-food vendors like their line of business because their goods are non-perishable and so their risks of loss are low.

The second most important positive factor identified by the vendors was SEWA (reported by 47 per cent of the focus groups), especially SEWA's efforts to fight evictions.

Driving forces	Positive forces	Frequency
City/Urban planning	Police protects from anti- social elements	1
	SEWA helps to fight against evictions	7
	Vendor can register at Welfare board	1
Value Chain Dynamics	Vending provides livelihood and daily income to support family	9
	Absence of anti-social elements	1
	Regular customers	1
	Generations engaged in this work	4
	Good relationships with formal shopkeepers	1
	Wholesaler provides goods on credit	3
	Less loss in business compared to other trades	3
	Flexible timing	4
	Good relations with regular customers	6
	Independence - of work and financial	6
	Easy as compared to other jobs	1
	Market committee provides support	1
	Demand of products is good	1
	Other	Wholesale markets close to residence
Vending markets close to residence		2
Location of markets are very good, big markets		2

Source: All Focus Group discussions

2.6 Responses to Negative Driving Forces

In the focus group discussions, as illustrated in the figures above, the participants reported how they deal with negative driving forces. What follows is a summary analysis of the frequency of different responses to different driving forces from all of the focus groups. Over 70 per cent of the responses by vendors to all the identified negative driving forces were at the individual level, 29 per cent were collective efforts and less than 1 per cent were by the households of the vendors (table 28). Collective responses were mainly to the lack of vending spaces (53 per cent of collective responses) but also to evictions and harassment by the AMC and competition from shopping malls (each representing 3 per cent of collective responses).

Driving forces	Difficulty/Obstacle	Responses			Total
		Individual	Household	Collective	
Macro-Economic	Increase in vendors by in -migration from other states	4		2	6
	Inflation	5			5
City/Urban planning	No fixed space for vending- vending on road leads to traffic congestion	38	1	19	58
	Tax on purchase of goods	5	1	2	8
	Evictions due to development projects like BRTS			3	3
	Harassment and bribes taken by police	16		2	18
	Lack of public transport services	3			3
	Harassment and evictions by AMC	8		3	11
Value Chain Dynamics	Decrease in sales due to shopping malls	1		3	4
	Formal shopkeepers, private plot owners, etc. do not allow vending in front/ vicinity of their property	2			2
Other	Harassment by anti-social elements	3		2	5
Total		85	2	36	123

Source: All Focus Group discussions

Responses to Economic Forces

As a result of increasing competition and increasing conflicts for space, some vendors have resorted to mobile hawking, which involves carrying the goods on their heads or on a *lari* (pushcart); to selling their goods at cheaper prices; or to taking loans to compensate for lower earnings (table 29). Some have changed their occupation: taking up domestic work or working as cooks or waiters at weddings and other catered events (table 29). In response to increased competition, the vendors have turned to market committees and SEWA to help negotiate space and settle conflicts.

Table 29 - Responses to Macroeconomic Driving Forces					
Driving forces	Difficulty/Obstacle	Responses			Total
		Individual	Household	Collective	
Macro-Economic	Increase in vendors by immigration from other states	4		2	6
	Take SEWA's support			1	
	Gain support of Market Committee			1	
	Take up other work	1			
	Take debt on loan	1			
	Resort to mobile vending	1			
	Sell goods at cheap rates	1			

Source: All Focus Group discussions

Responses to Government Policies & Practices

In terms of the government – especially local government – municipal policies, planning, and practices, the three most important negative factors identified in the focus groups were: lack of fixed allocated vending spaces, bribes by the police, and evictions by the municipal corporation. Table 30 presents the composite responses from all the focus groups of responses to these three negative forces. The most common individual response to lack of vending space was to resort to mobile vending (18 per cent of individual responses) followed by paying bribes and fees to local authorities (13 per cent of individual responses). As one vendor in Focus Group #5 put it: “If there is no dedicated space where would I go to vend? I have to roam around and the people do not let us enter in housing societies. They say that [their] afternoon sleep gets disturbed, so do not come in the afternoon. I have to carry a lot of weight around, due to which I get back pain.”

Other common responses were to sell goods at cheaper prices, take loans from moneylenders, run away during evictions, or suspend trade for some period of time (11 per cent each of individual responses). In response to police taking bribes, the most common individual response was to pay the bribes (25 per cent of individual responses). Of the individuals who paid bribes, three out of four had to take loans from moneylenders. One of the vendors in Focus Group #10 stated: “When the police put summons and other charges on us we have to plead them and give 200-300 rupees as bribes or else have to go to court to pay fines in which our whole day gets wasted.” In response to the summons or charges, vendors have to pay fines up to Rs 1,000-1,500 to redeem their goods. Another common individual response was to remain at home to avoid bribes (19 per cent of individual responses).

In response to evictions and confiscation of goods by the AMC, the most common individual response was to pay the fine in hope of recovering the confiscated goods. Other common responses were to plead with the authorities, to move to another location, or to rent carts and take up mobile vending (12.5 per cent each of individual responses).

Overall, the most common collective response was to call upon SEWA (80 per cent of all collective responses) to negotiate vending spaces, to deal with bribes by the police, and to deal with evictions. During evictions by the authorities, the goods of the vendors are confiscated or thrown away and the vendors face fines (see table 25 for incidence and 28 for responses). Other collective responses were to ask local market committees or the local city councillor to negotiate vending spaces (8 per cent each of collective responses) or to negotiate with other vendors to avoid conflicts and traffic jams (4 per cent of collective responses). On occasion, the local city councillor also helps by talking to the police and asking them not to evict vendors from their markets (figure 5).

Table 30 - Responses to State/City Level Planning Driving Forces

Driving forces	Difficulty/Obstacle	Responses			Total
		Individual	Household	Collective	
City/Urban planning	No fixed space for vending; vending on road leads to traffic congestion	38	1	19	58
	Gain support of Market Committee			2	
	Take SEWA's support			14	
	Take help of Councilor			2	
	Sell goods at cheap rates	4			
	Take loans from local money lenders	4			
	Run during evictions	4			
	Pay fines and bribes to authorities	5			
	Get hand carts on rent	1			
	Take up other work	3			
	Do not trade	4			
	Use plastic cover to shed	1			
	Resort to mobile vending	7			
	Work during evenings in summer	1			
	Pay money to formal shopkeepers	1			
	Complain to police if conflicts increase	1			
	Make adjustments to avoid conflicts and traffic jams			1	
	Leave early to secure space	2			
	Spend less		1		
	Harassment and bribes taken by police	16		2	18
	Take SEWA's support			2	
	Pay bribes	2			
	Approach 'Agyavan'	1			
	Try and resolve differences with police by negotiating	1			
	Borrow money	3			
	Take up other work	2			
	Resort to mobile vending	1			
	Stay at home for few days	3			
	Plead with them not to take away goods	1			
	Pay fines imposed by police	2			
	Harassment and evictions by AMC	8		3	11
	Take SEWA's support			3	
	Have to pay fines	2			
	Rent carts at Rs 20/ day	1			

Table 30 - Responses to State/City Level Planning Driving Forces (continued)					
Driving forces	Difficulty/Obstacle	Responses			Total
		Individual	Household	Collective	
	Sell goods at cheap rates	1			
	On loss; purchase goods on credit	2			
	Plead with them not to take away goods	1			
	Change place of vending	1			

Source: All Focus Group discussions

Responses to Value Chain Dynamics

As noted earlier, competition from shopping malls is one of the most significant value chain problems faced by the vendors. In response to this, as members of and with support from SEWA, the vendors have taken collective action: protesting against the shopping malls and shutting their own market for a few days. A vendor from Focus Group #6 stated that, "Once we had organized a rally against shopping malls and called off our market for one day with the help of SEWA."

The vendors try to attract customers by highlighting the difference in price or quality of goods sold by vendors and by formal shops. With the support of SEWA, the vendors also request that the authorities allot them fixed vending space so that they can build good relationships with their customers and attract more and regular customers.

Table 31 - Responses to Value Chain Dynamics					
Driving forces	Difficulty/Obstacle	Responses			Total
		Individual	Household	Collective	
Value Chain Dynamics	Decrease in sales due to shopping malls	1		3	4
	Try and convince customers	1			
	Seek SEWA's help			1	
	Protest against the shopping malls			1	
	Urge the Government to provide space to do business			1	

Source: All Focus Group discussions

Responses to Other Driving Forces

In response to harassment by local drunks or petty thieves the vendors often do not resist. As one of the vendors in Focus Group #2 stated, "Drunken people come and abuse us. To avoid them, I will give them vegetables without any charge. They don't have any respect but we have." A few vendors have been injured in such encounters; some of the injured have been hospitalized. In some cases, the vendors report incidents at the police station, but most often they sell their remaining, often damaged, goods as quickly as possible at lower prices (table 32). SEWA and the market committee also intervene in cases where the harassment persists or intensifies.

Driving forces	Difficulty/Obstacle	Responses			Total
		Individual	Household	Collective	
Other	Harassment, anti-social elements	3		2	5
	Take Loans from SEWA	1		1	
	Take loans from moneylenders				
	Go to police station			1	
	Sell goods at low rates	1			

Source: All Focus Group discussions

Survey Findings on Responses

The combined effect of negative driving forces, and some of the responses to them, is often a decline in earnings. In the survey, the vendors were asked how they responded to declines in earnings. To compensate for lower earnings, nearly three-quarters (73 per cent) of the vendors borrowed money, over two thirds (65 per cent) reduced personal expenditures, and over one-quarter (27 per cent) increased their working hours. Over 11 per cent of the vendors reported that another member of their household took up paid work to help compensate for their loss of income.

	Food	Non-Food	Total
I substituted non-paid family workers for paid workers	4.76	0.00	3.70
I lengthened my work day	31.75	11.11	27.16
I lengthened my workers' work day	6.35	0.00	4.94
I borrowed money	77.78	55.56	72.84
I was late in paying suppliers or making loan payments	0.00	11.11	2.47
I found other work	1.59	22.22	6.17
Another member of my household found additional work	1.59	16.67	4.94
Another member of my household started working	9.52	16.67	11.11
I cut down on my personal expenses	65.08	66.67	65.43
No measures were taken	6.35	5.56	6.17
Other	11.11	0.00	8.64
N	63	18	81

Source: Ahmedabad IEMS survey data (2012)

Over 15 per cent of the vendors have second jobs (table 19), of which 54 per cent are engaged in selling other goods or producing goods for sale (table 34). Around 13 per cent sell their labour or services; 4 per cent work as unpaid workers in a family business; and 45 per cent do "other work" such as domestic work or working for catering firms (e.g. washing utensils, cooking, or serving) at weddings or other functions.

	Food	Non-Food	Total
Selling goods for sale	41.67	25.00	33.33
Producing goods for sale	16.67	25.00	20.83
Domestic cooking for a private individual or household	0.00	8.33	4.17
Services	8.33	8.33	8.33
Helping for free in a family business	0.00	8.33	4.17
Other	41.67	50.00	45.83
N	12	12	24

Source: Ahmedabad IEMS survey data (2012)

2.7 Affect of Intermediary Institutions

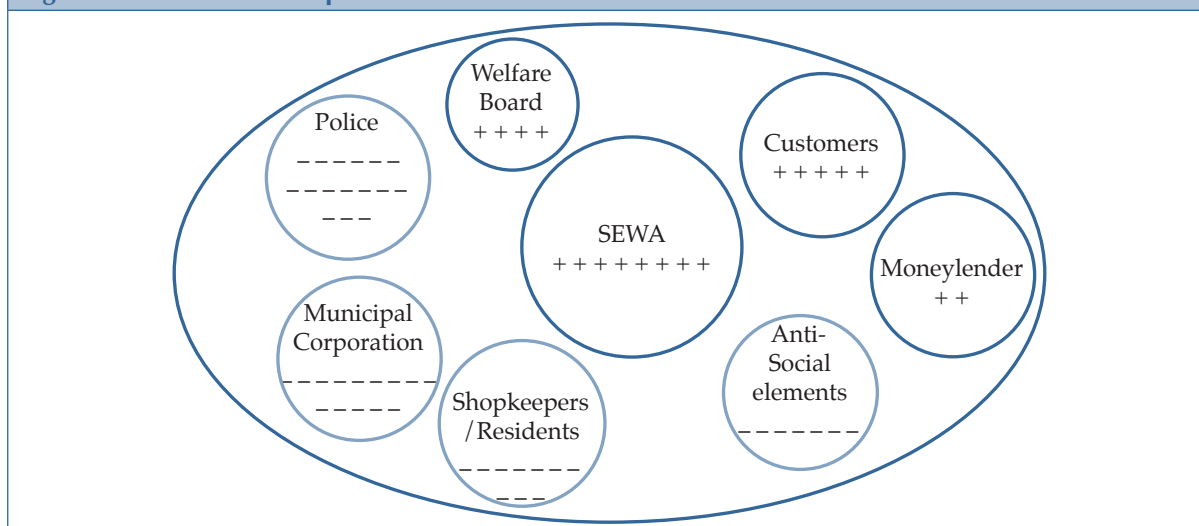
The street vendors across all focus groups identified 14 intermediary institutions which affect their work either positively or negatively. Of these institutions SEWA, the Municipal Corporation, and the police were mentioned by all 15 focus groups (table 35). In the case of SEWA, the impact was entirely positive and the importance was highly significant (except for three groups, which ranked SEWA of medium importance). In contrast, the Municipal Corporation and the police were seen almost entirely as negative intermediaries of medium importance (except for one group, which reported that the AMC played both a positive and negative role). Market-related institutions – market committees, customers, formal shopkeepers and wholesalers – were mentioned by 6-8 focus groups: market committees and customers were seen as positive; formal shopkeepers and wholesalers were seen as both positive and negative; all were ranked as being of small to medium importance. Welfare boards were mentioned by four focus groups as being positive and of varying importance. Of the other institutions mentioned by one or two groups, fellow vendors, the local councilor, and moneylenders were seen as positive; while local drunks or petty thieves, shopping malls, and housing societies were seen as negative.

SEWA is clearly the most important positive institution supporting the vendors in various ways, including: providing financial support; providing legal support in court cases; representing them in the Municipal Corporation or police station in cases of evictions or warrants; giving them an identity as vendors, and resolving conflicts among vendors. A vendor in Focus Group #1 stated, “Due to SEWA’s efforts, the welfare board was made and vendors were registered.” Vendors suggested that SEWA should primarily fight for allotted vending space for vendors and work with the authorities to formulate rules and regulations that govern street vending. They also suggested that SEWA should create more awareness and skill training centers so that their children can get better jobs.

Followed by SEWA, the Gujarat Unorganized Labour Welfare Board (referred to by the respondents as the Welfare Board), councilors and fellow vendors, and moneylenders were recognized as institutions supporting the vendors – no negative impacts of these institutions were reported. The Welfare Board, constituted to provide social assistance and security to the workers, provides them with identity cards, tools required for their trade, education scholarships for their children, and skill upgrading training. It also provides medical aid up to Rs 1,200 per year to its registered members. The vendors gave suggestions on how the Welfare Board might further improve their situation, including: formulating regulations for vendors; launching other welfare schemes like scholarships for children of workers, and providing pensions to its members.

Customers and the market committees also played an important role in the livelihoods of the vendors by providing business and solving the issues and conflicts amongst the vendors. As one of the vendors in Focus Group #14 explained, “We have formed a committee in order to prevent filth in the market. The market committee organizes meetings to discuss various issues and has appointed a person to clean the market.” The market committee manages the orderly arrangement of the stalls to reduce traffic jams.

Figure 8 - Institutional Map



Source: Focus Group Discussion #9

Vendors reported that the Municipal Corporation mainly hinders their work through evictions, confiscation of goods, bribes, and other forms of harassment. Participants in all 15 focus groups mentioned them as hindrances. Over half of the survey sample (52 per cent) reported having problems with the local authorities; and nearly three-quarters (70 per cent) reported that they could not obtain trading licenses from the authorities. One of the vendors in Focus Group #7 explained: “Our goods are worth 5,000-6,000 rupees and if they confiscate [them] we have to bear the loss; and by the time we get them back they are totally damaged.” Another vendor in Focus Group #1 mentioned that, “They put charges on us and apply section 283 (of the Indian Penal Code 1860) on us and confiscate our goods.” Other problems attributed to local authorities were the lack of fixed vending spaces and of basic services in the markets.

Table 35 - Institutional Impact

Institutions	Frequency	Importance			Positive or negative		
		Large	Medium	Small	+	-	+ -
SEWA	15	12	3		15		
Customers	8	1	5	2	7		
Market committee	6		2	4	6		
Formal shopkeepers	7		3	4	5	2	
Wholesalers	6		1	5	4	1	1
Welfare board	4		1	3	4		
Councilor	2		2		2		
Fellow vendors	2			2	2		
Moneylenders	1			1	1		
Police	15	3	10	2		15	
Municipal Corporation	15	3	11	1		14	1
Anti-social elements	2			2		2	
Shopping mall	1		1			1	
Housing societies	1			1		1	

Source: All Focus Group discussions

The survey also asked vendors which institutions were helpful or unhelpful to their business. Over 90 per cent of the vendors, and more so food than non-food vendors, reported that SEWA was helpful; this was especially slightly more true for food and center-city vendors than for their non-food and periphery counterparts. Over 64 per cent reported that fellow vendors were helpful (especially non-food vendors in periphery areas); around 50 per cent mentioned that other civil society institutions (NGOs, trade unions, or worker cooperatives) were helpful; and just 5 per cent reported that government, either local or national, was helpful (table 36).

Agency	Food			Non-Food		
	Centre	Periphery	Total	Centre	Periphery	Total
National government	1.32	2.56	1.74	5.00	0.00	2.70
Local government	5.26	5.13	5.22	0.00	5.88	2.70
NGOs	25.00	25.64	25.22	25.00	11.76	18.92
MBO (SEWA)	96.05	94.87	95.65	95.00	82.35	89.19
Police	7.89	0.00	5.21	10.00	0.00	5.41
Other workers	68.42	53.85	63.48	65.00	82.35	72.97
Trade union	36.84	33.33	35.65	25.00	35.29	29.73
Workers’ co-op	2.63	2.56	2.61	0.00	0.00	0.00
Supermarkets or large retailers	3.95	2.56	3.48	0.00	0.00	0.00
N	76	39	115	20	17	37

Source: Ahmedabad IEMS survey data (2012)

On the other hand, over 90 per cent of the food vendors and 80 per cent of the non-food vendors reported that government, whether national or local, was not helpful. A large percentage of all vendors – and well over 50 per cent of the food vendors – reported that supermarkets and malls were not helpful (table 37). As noted earlier, approximately 60 per cent of the food vendors reported that their businesses had been negatively affected by supermarkets and large retail stores (table 37). Table 40 provides insight into how the authorities have been affecting vendors’ work.

Agency	Food			Non-Food		
	Centre	Periphery	Total	Centre	Periphery	Total
National government	25.00	20.51	23.48	10.00	17.65	13.51
Local government	73.68	79.49	75.65	65.00	64.71	64.87
NGOs	7.89	2.56	6.08	0.00	5.88	2.70
MBO (SEWA)	1.32	2.56	1.74	0.00	5.88	2.70
Police	57.89	79.49	65.22	60.00	70.59	64.87
Other workers	14.47	25.64	18.26	15.00	0.00	8.11
Trade union	6.58	10.26	7.83	5.00	0.00	2.70
Workers’ co-op	11.84	17.95	13.91	10.00	5.88	8.11
Supermarkets or large retailers	55.26	66.67	59.13	25.00	29.41	27.03
N	76	39	115	20	17	37

Source: Ahmedabad IEMS survey data (2012)

One third (34 per cent) of the vendors reported that they lack basic services such as lights, water and electricity in the markets; and 40 per cent reported that they lack access to toilets or rubbish removal (table 38). As stated by one of the members in Focus Group #10, “We don’t have toilets near the market hence we have to go to the open plots near the market and we also do not have dustbins in the market so that we can keep the markets clean.” Another 20 per cent reported a lack of or inadequate storage space near the market. Overall, basic infrastructure in or near their market area was lacking for a majority of vendors. About 45 per cent of the vendors had access to a toilet, 43 per cent had access to storage facilities, and 25 per cent had access to running water (table 39).

	Same location every day	Vending from different locations	Total
Poor access to infrastructure (electricity, water, lights)	34.65	32.00	34.21
Cost of infrastructure (electricity, water, telephone)	3.15	4.00	3.29
Inadequate business space	51.18	32.00	48.03
Expensive rent	3.23	4.00	3.36
Inadequate or lack of storage space	23.62	16.00	22.37
Inadequate access to toilets or rubbish removal	40.94	36.00	40.13
Poor access to small business support centers	2.36	4.00	2.63
Can’t obtain a business license	72.44	60.00	70.39
Occupational hazards affecting safety of workers or self	24.41	28.00	25.00
Treatment by the local authority	57.48	28.00	52.63
N	127	25	152

Source: Ahmedabad IEMS survey data (2012)

	Food	Non-Food	Total
Access to running water	26.96	18.92	25.00
Access to a toilet	44.35	45.95	44.74
Access to storage facilities	50.43	18.92	42.76
N	115	37	152

Source: Ahmedabad IEMS survey data (2012)

Table 40 summarizes the support and hindrances of institutions identified by all focus groups, including suggestions regarding how to increase support and reduce hindrances.

Table 40 - Institutional Intervention Matrix

Institution	Support	Hindrance	Suggestions
1. SEWA	<ul style="list-style-type: none"> • Provides loans. • Resolves conflicts amongst vendors. • Resolves issues with AMC and police. • Negotiates with authorities during evictions. • Fights for space. • Got us registered at Welfare board. • Provides identity as SEWA member. • Provides training and guidance . • Maintains harmony amongst vendors. • Creates awareness. • Provides legal support in court. • Opens saving account. • Helps to reclaim confiscated goods. 		<ul style="list-style-type: none"> • Should help get allotted space and license for vending. • Should help vendors take benefits of government schemes. • Should open some training centers for youngsters to get good jobs. • Should create more awareness amongst vendors. • Should help to formulate regulations for street vendors that governs street vending in the city.
2. Customers	<ul style="list-style-type: none"> • Place order on phone. • Lend money to vendors. • Purchase goods. • Have good relations with vendors. • Bring more customers. 	<ul style="list-style-type: none"> • Don't behave properly. 	<ul style="list-style-type: none"> • Should not bargain. • Should keep trust and maintain good relations. • Should get more customers.
3. Wholesaler/ wholesale market	<ul style="list-style-type: none"> • Provides good quality goods. • Lends goods on credit. • Takes goods back if not of good quality. • Supplies goods at affordable rates. 	<ul style="list-style-type: none"> • Doesn't provide fresh goods. • Cheats on quantity. • Vendors have to pay 10% tax on purchase. 	<ul style="list-style-type: none"> • Should reduce the tax laid on purchase. • Should maintain good relations. • If the goods are not good, should take them back. • Should provide correct quantity and fresh goods.
4. Fellow vendors	<ul style="list-style-type: none"> • Secure trading space for us. • Take care of our goods if we go out. • Reserve space for fellow vendors in their absence. • Support during eviction and conflict among vendors. • Lend money to each other. 	<ul style="list-style-type: none"> • Sometimes there are conflicts among vendors for space. 	<ul style="list-style-type: none"> • Should not fight over space and should sort out issues mutually. • Shouldn't fight and should vend peacefully.

5. Police	<ul style="list-style-type: none"> • Informs beforehand about evictions. • Arrests anti-social elements. 	<ul style="list-style-type: none"> • Does not allow vending at the markets. • Lay fines under sec 283. • Evicts and threatens. • Takes bribe. • Harasses, abuses and beats. • Take goods without paying for the same. • Asks court to issue warrant for vendors. 	<ul style="list-style-type: none"> • Should do proper traffic control in order to avoid traffic congestion. • Should take immediate action on application submitted by vendors. • Shouldn't evict, take bribe and should provide safety. • Should not use abusive language.
6. Municipal Corporation	<ul style="list-style-type: none"> • Provides alternate space to vendors. • Carried out survey to cover all vendors in the city. 	<ul style="list-style-type: none"> • Confiscates goods and carts. • Conducts frequent evictions leading to damage of goods. • Due to road widening, we don't have space to vend on road sides. • Does not provide allotted vending space. • Does not provide basic facilities like water, toilet, etc. • Creates problem in returning seized goods. • Lays fines for using plastic bags. • Prevents vending during visits of VIP. 	<ul style="list-style-type: none"> • Alternate space for vending should be provided near present markets. • Should give license and take fees. • Should create more market spaces. • Should return goods within 2-3 days. • Should do <i>punchnama</i> of seized goods. • Should allot space for vending. • Should give basic services like water, toilets, etc. • Should include vendors in the development of the city. • Should make parking provisions. • Should provide good transport facility.
7. Market committee	<ul style="list-style-type: none"> • Takes problems to SEWA. • Negotiates with authorities during eviction. • Arranges vendors in order to avoid traffic jam. • Resolves issues among vendors and shopkeepers. 	<ul style="list-style-type: none"> • Doesn't work efficiently. 	<ul style="list-style-type: none"> • Should take more responsibility to solve problems. • Should conduct regular meetings. • Should form committees in all markets. • Leaders should not work for themselves. • Should disseminate information to all vendors.
8. Formal shopkeepers	<ul style="list-style-type: none"> • Allow vending in front of their shops. • Provide support during eviction drives. 	<ul style="list-style-type: none"> • Loading and unloading of goods at shops creates traffic congestion. • Don't allow vending in front of their shops. • Ask for money. 	<ul style="list-style-type: none"> • Loading and unloading should be done in late evening. • Should cooperate with vendors to make stall.

9. Councilor/ Corporator	<ul style="list-style-type: none"> • Resolves conflicts. • Offers support to secure livelihood. • Helps during evictions. • Makes arrangements to clean the market. 		<ul style="list-style-type: none"> • Should provide alternate space during eviction. • Should make arrangements to keep cleanliness in markets. • Should make arrangements for clean toilet and water facilities.
10. Shopping Mall		<ul style="list-style-type: none"> • Provides goods at cheap rates. • Attracts more customers. 	<ul style="list-style-type: none"> • Should not open in the vicinity of the formal markets. • Should not provide services already provided by nearby informal markets.
11. Housing Societies		<ul style="list-style-type: none"> • Feel that vendors are spoiling living environment in their locality. • Call police to evict them. 	<ul style="list-style-type: none"> • Should cooperate with vendors.
12. Welfare Board	<ul style="list-style-type: none"> • Gives tools related to trade. • Provides identity and training. • Gives medical aid up to Rs 1200/per year. 		<ul style="list-style-type: none"> • Should help in formulating regulations for street vendors. • Should negotiate for legal space on behalf of vendors. • Should launch other welfare schemes like scholarships for children. • Should increase medi-claim benefit and extend it to other family members. • Should provide pension to its members.
13. Anti- Social element		<ul style="list-style-type: none"> • Throws away goods. • Takes money forcefully. • Takes goods for free. 	<ul style="list-style-type: none"> • Should not threaten.

Source: All Focus Group discussions

Role of the MBO: SEWA

SEWA has been involved in organizing the street vendors for many years. It has been taking appropriate measures to protect their existing livelihoods and provision of available space to sell their goods in the city. SEWA has been carrying out campaigns and fighting legal battles for the lawful rights of the street vendors, as has been mentioned in the earlier sections. As quoted by one of the vendors from Danapith market in Focus Group #1, "At Danapith market earlier, the Municipal Corporation conducted many evictions due to traffic congestions as we sat on the roadsides. But now we have been given licenses by the Corporation and hence the frequency of evictions also has reduced."

SEWA has been mobilizing the women street vendors to stand for their rights by raising awareness about their legal rights. SEWA also defends these rights by pursuing legal cases and other legal strategies to protect natural markets, including forming market committees in all natural markets; relocating vendors who are displaced; and otherwise dealing with local authorities who harass vendors or destroy natural markets. One of the most important roles played by SEWA is dealing with the authorities like the police and Municipal Corporation on a daily basis on issues related to evictions, bribes, and confiscation of goods. As a vendor in Focus Group #12 put it: "Sisters from SEWA help when our goods get confiscated; without them it is impossible to retrieve back our wares from the corporation." SEWA has also taken on the uphill challenge of influencing the municipal authorities to include the vendors in current infrastructure and development projects in the city, including the Bhadra Fort area redevelopment and model roads. As one vendor from the Bhadra Market in Focus Group #1 noted, "Due to redevelopment works at Bhadra market we were not allowed to vend at the market as they are making the pavements. With SEWA's efforts we are allowed to vend at some other place near the market but our business has reduced." The vendors said that SEWA's efforts in negotiating with the authorities for vending space played a significant role in letting them continue to vend there.

The vendors emphasized that being a member of SEWA gives them an identity in the city. SEWA also has played a key role in forming an Urban Unorganized Workers Welfare Board to cater to the issues of the informal sector. The Welfare Board supports the vendors by providing them identity cards, improving their skills through training and workshops, providing tools required in their business (like weighing machines and umbrellas) and providing medical aid (up to Rs 1,200 per annum) to registered members. SEWA also provides financial support to its members by extending loans at 1.5 per cent monthly interest rate, which is very favourable compared to the moneylender rate of 10 to 15 per cent per month (Focus Group #2). Sometimes, SEWA helps individual vendors with their problems. A vendor in Focus Group #14 reported, "Once I was coming back from Mumbai after buying cloths, then Railway Police caught me at Kalupur Railway Station in Ahmedabad. I asked one of the SEWA members [for help]. She came to talk to the police and then the police acquitted me."

Part 3: Linkages and Contributions

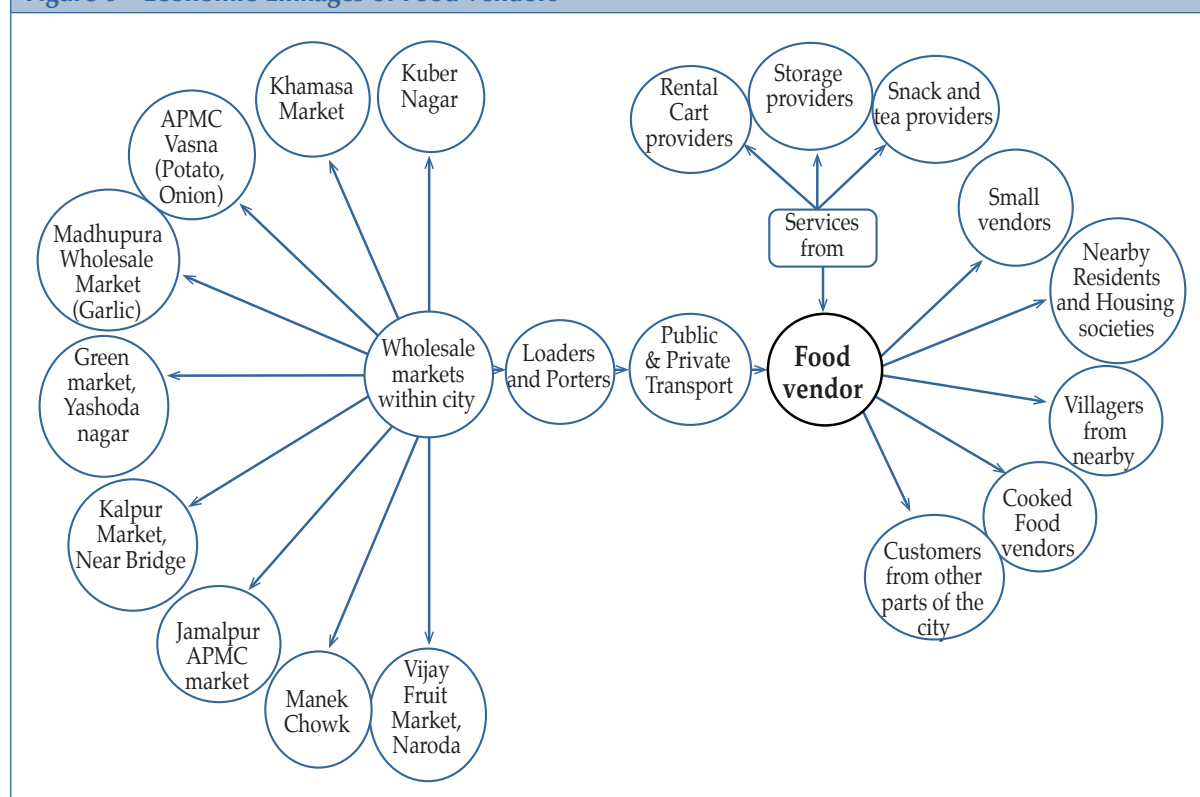
3.1 Linkages to the Formal Economy

Many of the vendors buy their supplies from formal markets and formal shopkeepers and sell their goods to formal establishments or customers.

Food Vendors

The food vendors in the city make their purchases from a number of wholesale markets in the city, including the Agriculture Produce Market Committee (APMC), Vijay Fruit Market at Naroda, Kalapur Market and others. Some of these markets sell specific goods like fruits, onions and potatoes and garlic. APMC is a regulated wholesale market that charges a 10 per cent tax on sales. The formal-informal linkage is strong, with around 86 per cent of the sample vendors purchasing goods from formal businesses like APMC and other wholesale markets, whereas only 8 per cent of the vendors primarily purchase goods from other informal vendors (table 42). On average, food vendors spend Rs 51,700 per month on purchasing goods to sell (table 43).

Figure 9 - Economic Linkages of Food Vendors



Source: All Focus Group discussions

Customers

Nearly 20 per cent of the vendors reported that they sell goods to other informal business like *pani-puri walas*, small scale fruit and vegetable vendors, hotels and restaurants. But the general public are the main customers of nearly all the vendors (97 per cent).

The vendor markets are natural markets that have emerged at locations which cater to the ease and daily requirements of the people in the city. These are located near transport hubs and housing societies. Large-scale markets like Manek Chowk and Jamalpur markets not only cater to urban customers but also rural customers from nearby villages. The vendors at these large markets also sell goods to other small vendors who do not purchase in bulk from the wholesale markets.

Non-Food Vendors

Non-food vendors selling consumer goods (such as artificial jewelery, purses/wallets, stationery, old

clothes, seasonal goods for weddings and festivals); purchase their goods from wholesale markets in Ahmedabad City, like Kalupur, Madhupura Market, Nichi Road (for locations, see figure 12); and also from other cities inside and outside Gujarat State, like Jamnagar, Rajkot, and Mumbai. Nearly 72 per cent of non-food vendors purchased their goods from formal enterprises, 10 per cent from informal enterprises and 5 per cent of them made their goods themselves (these vendors sell seasonal goods like *rakhis* and kites) (table 42). A vendor in Focus Group #8 sells kites, coloured dyes (for making *rangoli* and playing *holi*), artificial jewelry and old clothes which she purchases from local markets in the city as well as markets in Jamnagar, Rajkot and Mumbai. She makes three or four regular visits to Mumbai every month, spending Rs 500 on each visit, and sometimes she also visits Surat when goods become too expensive in Ahmedabad. Vendors selling home decorations and wall clocks made in China purchased these from a local wholesale market (K.T. Plaza) for chinese goods. Customers for these consumer goods range from residents of housing societies to buyers from outside the city. Similar to food vendors, the main customers of non-food vendors are the general public; 13 per cent of non-food vendors sell to informal businesses (table 41). Around 5 per cent of the non-food vendors reported that formal businesses buy goods from them (table 41).

Table 41 - Main Customers or Buyers by Vendor Type (%)			
	Food	Non-Food	Total
Formal businesses	0.88	5.56	2.01
Informal businesses	18.58	13.51	17.33
Other informal workers	10.62	10.81	10.67
Personal Family/Friends	10.62	19.44	12.75
General Public	97.39	97.30	97.37
Private individuals	58.41	75.00	62.42
Other	0.88	5.56	2.01
N	113	36	149

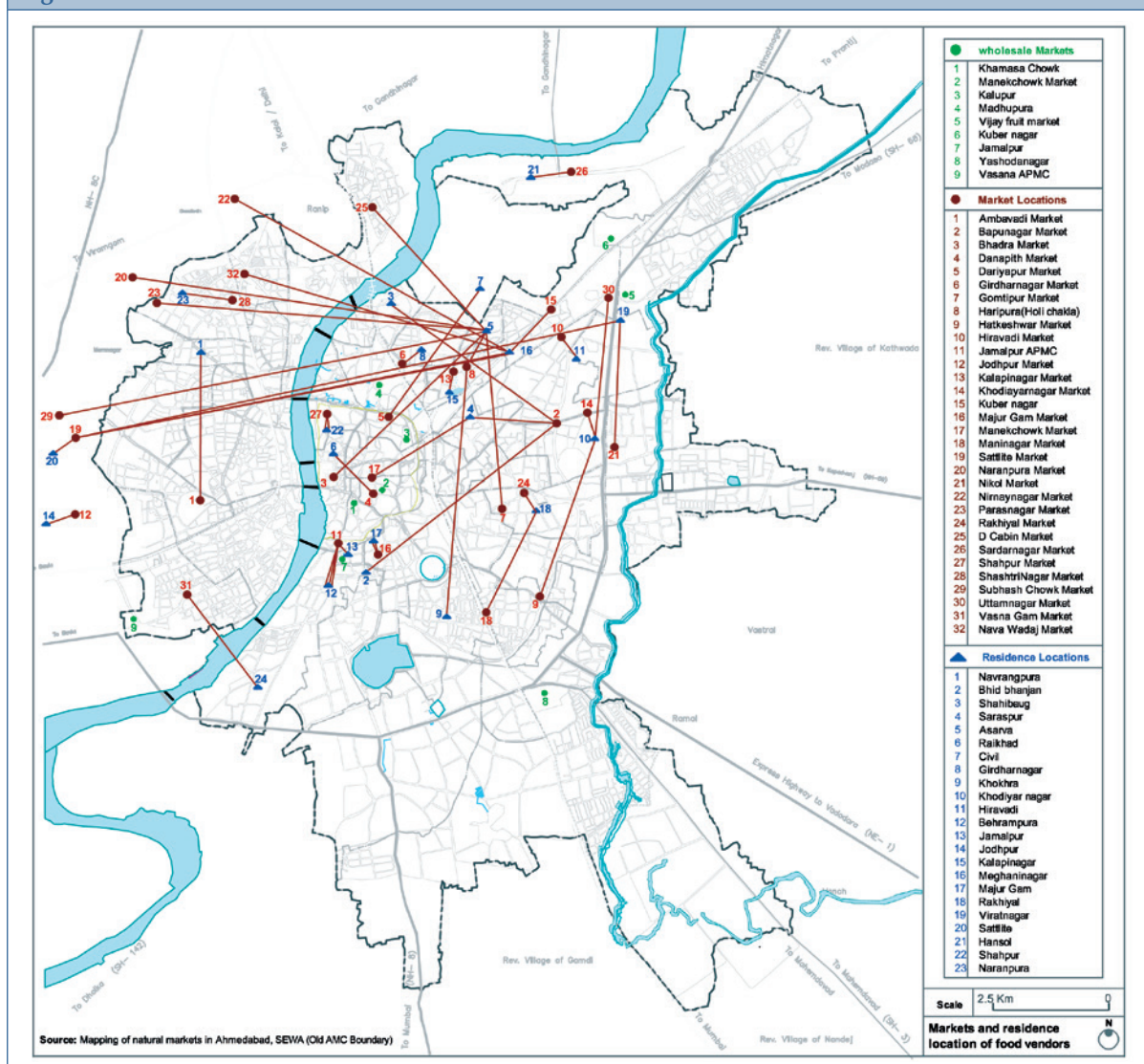
Source: Ahmedabad IEMS survey data (2012)

Vendors selling old clothes in Ahmedabad have a very interesting way of collecting their goods. They first come to Delhi Darwaja to purchase new utensils, then go to the various residential areas of the city where, going door to door, they exchange the new utensils for old clothes, which they sell at Delhi Darwaja at the end of the day or at the Sunday Market. One of the vendors in Focus Group #13 said:

I go to Delhi Darwaja to purchase vessels and then take private auto rickshaw to go to housing societies in Bapunagar area and collect old clothes. After 2 p.m. I sell these old clothes at Delhi Darwaja. If they are not sold here then I go to Rajkot to sell them; there is a similar market for old clothes there, too.

Customers of these old clothes are usually small and big businessmen who, after washing and ironing them, sell them to factories, institutions and residents of nearby villages.

Figure 10 - Residence and Market Locations of Food Vendors



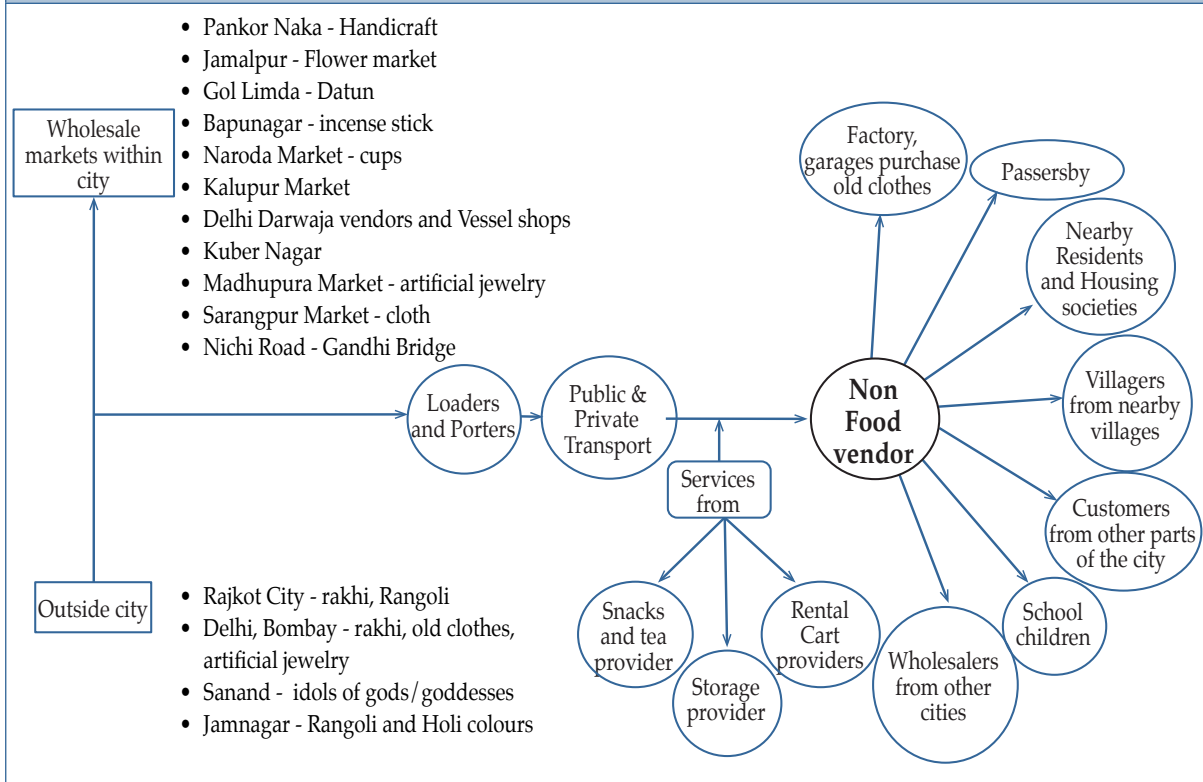
Source: All Focus Group discussions

Table 42 - Main Ways that Goods are Acquired by Vendor Type (%)

	Food	Non-Food	Total
Make or grow them myself	0.00	5.41	1.32
Acquire them free	0.00	0.00	0.00
Buy them from another street vendor	0.00	5.41	1.32
Buy them from an informal enterprise	7.89	5.41	7.28
Buy them from a formal enterprise	85.96	72.97	82.78
Acquire them from a formal supplier to sell on commission	1.75	0.00	1.32
Other	4.39	10.81	5.96
Total	100.00	100.00	100.00
N	115	37	152

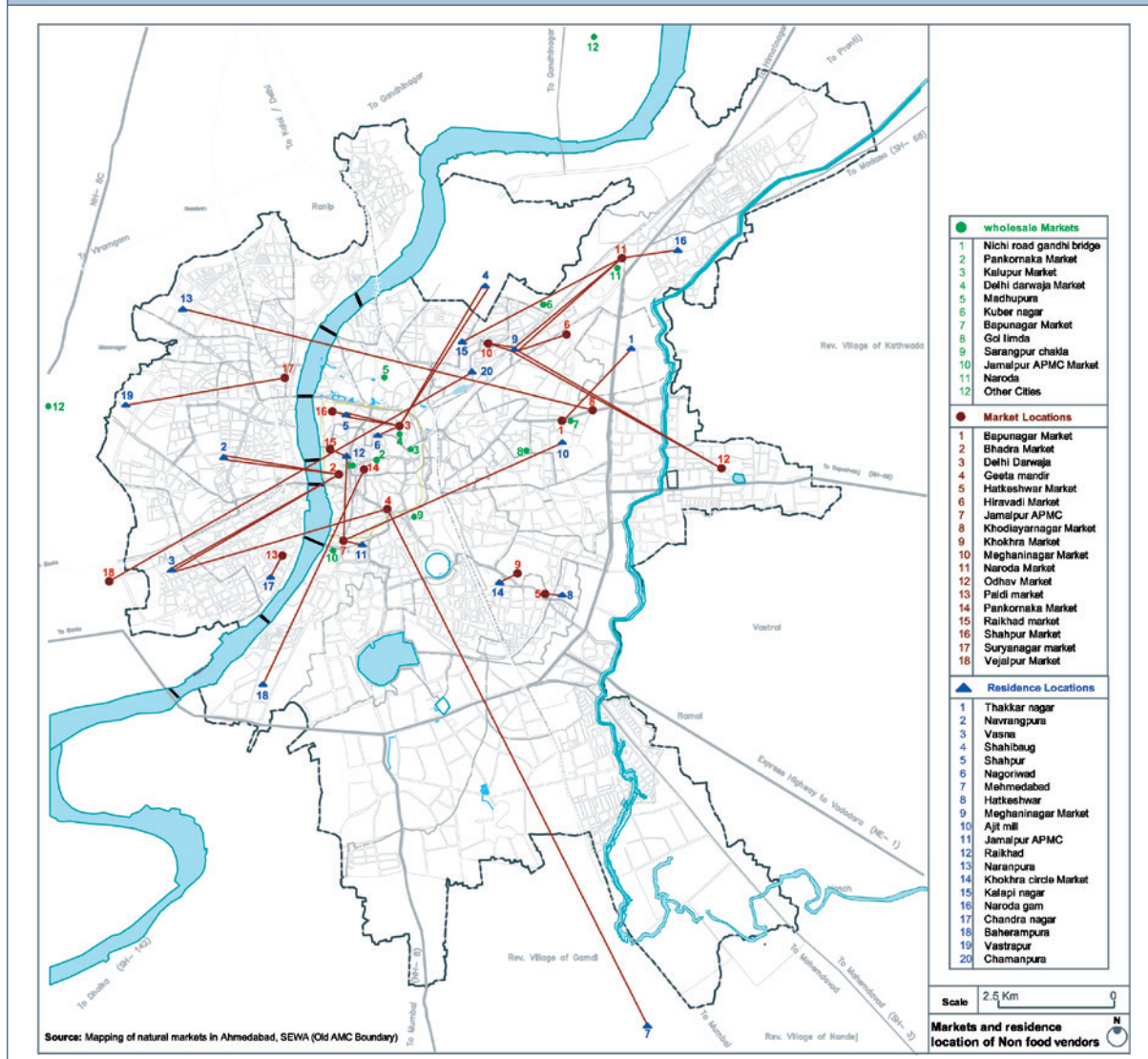
Source: Ahmedabad IEMS survey data (2012)

Figure 11 - Economic Linkages of Non-Food Vendors



Source: All Focus Group discussions

Figure 12 - Residence and Market Location of Non-food Vendors



Source: All Focus Group discussions

On average, the costs of the food vendors are higher than those of non-food vendors, especially the costs of stock, wages, and storage (all of which were more than twice what non-food vendors pay) (table 43). The cost of transportation for food vendors is also high since, firstly, unlike non-food vendors who purchase in bulk, they must purchase the food on a daily basis, and, secondly, due to the bulkiness of their product, food vendors have to hire private transportation, like tempos, which cost more. However, the average gross monthly turnover of food vendors is higher than that of the non-food vendors. A vendor in FG #13 travels daily from a nearby town to Ahmedabad to carry out her trade. In her words:

Some of the households at Machipir¹² did not get rehabilitated hence I moved to Mehmedabad; I commute daily to Ahmedabad by train and then travel by city bus to Geeta Mandir. I work there till evening and then go back again the same way.

An issue particular to vendors and their supplies arose in the Focus Group discussions. The vendors buy plastic bags to package sold goods and electrical batteries to generate light at night. There is a ban on the use of plastic bags, but the vendors have to use them for the convenience of the customers. If they are caught by the authorities, they are charged high fines. According to a vendor in Focus Group #1:

Ban on plastic is a problem because if we don't keep plastic bags, customers would not come to purchase from us. The ban should not be on the use of plastic bags – it should be laid on the companies that produce plastic bags.

¹² The reference is to displacement of the Machipir slum due to the Kankaria Lake development project.

Table 43 - Mean Monthly Expenditure (Rupees) on Business Expenses by Vendor Type

	Food (N)	Non-Food (N)	Combined Average (N)
Materials	1,680.38 (78)	1,153.07 (13)	1,605.05 (91)
Stock	51,707.21 (111)	21,938.24 (34)	44,726.90 (145)
Wages	1262.10 (76)	570.00 (8)	1196.19 (84)
Utilities	417.67 (43)	235.00 (6)	395.30 (49)
Transport	1,933.91 (97)	1,123.93 (33)	1,728.30 (130)
Membership fees	1.35 (94)	1.08 (31)	1.28 (125)
Storage	488.42 (57)	225.00 (4)	471.14 (61)

Earnings vs. Turnover

The data presented here was generated through a question designed to capture *turnover*—that is, the total value of sales. They **do not** take into consideration the cost of sales (opening stock plus later purchases of stock) or other expenses incurred in generating the sales, such as transport, storage and fees. The literature on income clearly establishes that it is very difficult to capture distinctions between turnover, gross earnings and net earnings reliably. As with similar studies, these data should not be taken out of context and should be interpreted with caution.

Data on turnover from all cities included in the IEMS study showed very high standard deviations and means that far exceeded medians. Means (rather than medians) for turnover are presented in the IEMS city reports.

Source: Ahmedabad IEMS survey data (2012)

On average, the gross monthly turnover of food vendors is higher than that of non-food vendors (table 44). Interestingly, food vendors within the city centre have a considerably higher turnover than those on the periphery. However, among non-food vendors, those working on the periphery have a higher turnover.

Table 44 - Mean Turnover and Working Hours by Vendor Type and Location

	Food			Non-Food		
	Centre	Periphery	Combined average	Centre	Periphery	Combined Average
Mean monthly turnover (rupees)	52,500.00	37,066.15	45,439.82	17,875.00	27,926.67	22,493.33
Mean hours per week (last week)	45.06	33.10	39.44	38.85	37.64	38.29
Mean months per year	10.11	10.38	9.85	10.85	9.05	10.02
N	72	39	115	20	17	37

Source: Ahmedabad IEMS survey data (2012)

3.2 Contributions to the City

In the closing exercise, the focus groups were asked what contributions they make to the city. As illustrated in figures 9 and 11, the vendors were very clear about their linkages to the local economy, and those linkages relate closely to the contributions they make to the city as economic actors. The vendors buy from a range of suppliers and sell goods at affordable prices in convenient locations. The vendors also mentioned the following ways that they channel money into the economy of the city.

Transport Services – After making their purchases, the vendors hire porters or head loaders to transport their goods from the wholesale market to their mode of transport and from their mode of transport to their vending spot. The loaders and porters charge for loading and unloading goods at the rate of Rs 10 per *bori* (one sack of vegetables weighing approximately 10 kg). The average amount paid monthly to loaders and porters is estimated to be around Rs 1,200 (table 43). After making purchases, the vendors transport their goods by sharing auto-rickshaws or private tempos. The expense varies by the distance between point of purchase and point of sale. Average transport costs per day came to between Rs 50 to 100 for those using auto-rickshaws and tempos for transportation. On average, food vendors spend around Rs 1,900 per month to transport their goods (table 43). A fruit vendor in Focus Group #11 spends Rs 300 per day on a private auto to transport fruit from Vijay Fruit Market in Naroda to Shastrinagar Market in Naranpura (see figure 10 for these locations). Among all the focus group participants, 22 vendors had markets close to their residence while 53 vendors had to travel to other areas in the city. For many vendors, this has been a family business and many generations have engaged in street vending; hence they have inherited family spaces in the markets. Others have to go far away to locations due to lack of space in the existing markets. A food vendor in Focus Group #10 reported:

We sell at far away markets like Sabarmati D-cabin and Parasnagar because our families have been trading here since years and now other market vendors would not allow us to vend in their markets; and also we will not have good business at chamanpura as compared to Parasnagar because at Parasnagar customers from wealthy societies come to buy goods.

A non-food vendor in FG #5 reported:

I wake up early in the morning and after doing work at home I take an auto-rickshaw and go to Gol Limda market to buy Datun [twig used for brushing teeth] from small vendors who come from villages from nearby Ahmedabad. I go back home carrying my wares in a pedal rickshaw. My vending time starts at 3:00 p.m. at Shahpur Chakla Market which is very near to my home, so I walk there.

Supplies – The vendors purchase a range of supplies for their businesses, such as plastic bags. As shown in table 43, the mean amount spent on materials exceeds Rs 1,600 per month.

Other Services – The vendors buy food and drink from other informal vendors: local food vendors and tea shop owners.

Storage Facilities – The vendors have to pay for storage facilities to store their goods and equipment and for persons to guard their goods and equipment. One food vendor in FG #10 has to pay Rs 300/month to a person (*Rabari*) to take care of her cart after working hours; another had to pay Rs 1,200/month for storing three carts with a shopkeeper. A non-food vendor in FG #1 reported that nearby shopkeepers and residents provide them with a storage facility, charging Rs 1,000 to 1,500 per month.

In sum, street vending not only enables the poor to generate livelihoods for themselves, but also supports the livelihoods of others engaged in ancillary occupations like porters, loaders, transporters, plastic bag vendors, storage guards and farmers. As stated by one of the vendors: “Persons who are associated with our trade get livelihoods due to our work. If we don’t buy from the wholesaler, the loss ultimately goes to the farmer.”

Food vendors also contribute revenue to the city through the taxes paid at the wholesale markets, where they also serve as customers, generating business for these wholesale markets. Because street vendors sell affordable goods in small quantities, they offer the poor access to consumer goods that they otherwise could not afford. The vendors also sell indigenous goods like *datun*,¹³ discarded

¹³ *Datun* is a *neem* twig commonly used in India for cleaning teeth.

printing blocks, etc., which one cannot buy from anywhere else. Many of the vendors sell reused products which are further processed and used by other formal and informal businesses.

Above all, street vendors contribute to the city life by making the street livelier. In the words of a vendor in Focus Group #5, "Our existence in a city adds to vibrancy. Without us everything would be barren and non-lively."

Figure 13 - Economic Contribution of Vendors		
Provide employment to loaders, porters, tea sellers, auto rickshaw drivers, etc	Purchase of second-hand goods helps in recycling	Formal shop keepers benefit from their customers
Create business for wholesalers	Provide goods close to the residents	Middle-men benefit by purchase of goods
Support farmers by purchasing their produce	Provide fresh fruits and vegetables	Customers benefit from the sale of indigenous goods
Pay taxes	Cater to the needs of the poor	
	Provide door-to-door services	
	Provide goods at lower rates than super markets	

Source: All Focus Group discussions

Part 4: Key Findings and Policy Implications

4.1 Key Findings

From the study it was apparent that street vending in Ahmedabad has been an outcome of many factors: some low-caste communities like the *Patni* and *Dantani* have been engaged in street vending for generations as a family and caste occupation; a significant share of the some 135,000 former textile workers who lost their employment with the closure in Ahmedabad of over 50 textile mills and related industries during the 1970s, '80s, and '90s turned to street trade to earn a living (Breman 2004); and lastly migrants from other cities, rural areas or small towns with low levels of education and a lack of employment options have taken up street vending as an entry-level occupation. Street vending has been found to be the main source of income for a large percentage of the sample households. This is despite the fact that, with large family sizes, most of the sample households have other family members engaged in other work, mainly informal activities.

The most frequently cited issue was the lack of allotted vending space by local authorities. This was followed by frequent harassment – including bribes, confiscation of merchandise and eviction drives – by local authorities, notably the police and officials from the Ahmedabad Municipal Corporation. The study shows that nearly 67 per cent of the sample face insecurity of vending sites. The vendors are not able to expand their business due to fear of evictions by the authorities. To resolve the issues with the authorities, the most common strategies exercised by the vendors are to take support from SEWA, resort to mobile hawking and pay bribes to the authorities. A large proportion of their income goes to paying bribes and protection money; especially for the non-food vendors who pay an average of Rs 1,235 per month in bribes. Since the vendors did not state their mean monthly income, we could not calculate the burden of bribes on the vendors. But another study by Mahadevia et al. (2013) found that, on average, vendors in the Bhadra Fort area earned around Rs 10,000 per month but paid around one quarter (Rs 2,500) per month in bribes.

The study indicates that, in spite of the services provided by street vendors in the city, they have been working in a hostile environment, subjected to constant harassment from governing authorities like the police and the Municipal Corporation due to the vendors' lack of identity as workers and the lack of an appropriate regulatory environment. The laws defending the rights of vendors are very weak, verging on non-existent. The local authorities see the vendors as a nuisance, as a threat to public safety and as an obstruction to the flow of traffic; they respond by harassing and evicting vendors. Sections 231 and 384 of the Bombay Provincial Municipal Corporation Act, 1949,¹⁴ have time and again been used to evict and prosecute street vendors. Frequent eviction drives conducted by the Municipal Corporation lead to confiscation of goods and loss in business, along with mental and physical harassment. When suffering such losses, vendors often do not have the money to invest and hence have to purchase goods on credit or borrow from moneylenders at high interest rates.

Along with the hostile regulations, vendors are also threatened by the evictions conducted in the guise of beautification of the city, such as the Kankaria Lake and Bhadra Fort redevelopment projects. Recently, the Municipal Corporation announced that 27 roads in the city will be developed as model roads, which, by definition, will exclude street vending. Over 5,000 vendors have already been displaced under the implementation of the Model Road scheme, and another 2,000 vendors have been displaced by the first phase of the Bus Rapid Transit System (BRTS) project.

Another problem cited was competition from large retailers or supermarkets, which have started selling fruit and vegetables at low prices. The supermarkets and large retail stores also attract customers by offering a variety of discounts; this has reduced the number of customers buying from street traders.

The vendors cope with these problems by taking loans and reducing expenditures, both personal and household. Collectively, the vendors seek help from SEWA in dealing with the authorities and fighting for their rights. SEWA has been carrying out advocacy campaigns and working with the authorities to include the vendors in urban renewal and infrastructure projects like the model roads and BRTS.

In terms of their contributions to the city, vendors provide employment to those who carry and load the goods they buy at the wholesale markets and to those who transport their goods from the

¹⁴ Ahmedabad Municipal Corporation has been formed under this legislation.

wholesale markets to their vending spots. Vendors also sell goods, typically made by local producers, at affordable prices in convenient locations. The poorer sections of the city, in particular, procure a large portion of their daily needs from the street vendors. The vendors procure goods from the formal economy and hence they are linked to the formal sector. The study thus proves that street vendors are embedded within the contemporary economy of Ahmedabad and, in that sense, the modern economy. The vendors make significant contributions to the city's economy in terms of providing services to the city dwellers on one hand and employment opportunities to those who carry, load and transport their goods on the other hand. Also, vending is an important livelihood option for those with little or no education. Thus, the role played by them in the economy has to be given due credit and their rights should be protected under the law.

4.2 Policy Recommendations

It is evident from the study that street vendors have been operating their businesses in a hostile regulatory framework resulting in, most fundamentally, the lack of a secure place to vend but also constant harassment by the police and municipal authorities in the form of bribes and merchandise confiscation on a daily basis and of evictions with increasing frequency and scale, especially under the current urban renewal and urban infrastructure schemes. Lack of legal status and recognition as economic agents who contribute to the local economy leads to the exclusion of street vendors – and the natural markets of street vendors – from local economic development and urban renewal plans, perpetuating and compounding these chronic problems. In fact, current urban renewal and infrastructure schemes are transforming these chronic problems into acute problems as the natural markets and livelihoods of street vendors are being destroyed or undermined at an accelerated pace and scale.

The following are the key policy messages arising from the study to improve the situation of street vendors in Ahmedabad, as well as related recommendations from the Self-Employed Women's Association for legislative and governance reforms at both the national and local levels.

Key Policy Messages

1: Recognize the Right to Vend as a Fundamental Right – The Constitution of India, under Articles 14, 19 and 21, guarantees equality before the law, protection of certain rights, including the freedom to practice any profession or engage in any occupation; trade or business, and the right to livelihood as an inclusive part of right to life. The National Policy on Urban Street Vendors as well as the The Street Vendors (Protection of Livelihood and Regulation of Street Vending) Act, 2014, recognizes the need to protect the rights of urban street vendors with spatial and institutional regulations.

2: Protect Natural Markets of Street Vendors – “Natural markets” are areas where street vendors and their customers have naturally congregated, to their mutual convenience, for over a decade or more to sell and buy goods. There are some 150 natural markets in Ahmedabad, of which around 130 (with nearly 40,000 vendors) will likely be closed or severely curtailed in the zoning areas where street trade is restricted, as demarcated under the Ahmedabad Street Vendors' Scheme, 2010.

3: Allocate Space to Vendors – By using the available provisions in the planning legislation, spaces for vending that support the concept of natural markets can be provided.

4: Stop Unnecessary Forced Evictions – An estimated 10,000 street vendors (out of 80,000 in the city) have already been evicted from their vending sites due to the riverfront development, model roads, the heritage plaza and the Bus Rapid Transport System. Yet, as mandated in the 2009 National Urban Vending Policy, evictions should not be done in the name of beautifying the city. If an eviction is absolutely necessary, alternative space in a good location should be made available before the eviction is carried out.

5: Stop Harassment by Police and Municipal Officers – Street vendors are subject to bribes and merchandise confiscation on a near-daily basis. This study and other recent studies found that some street vendors pay up to a quarter of their earnings in bribes. Also, confiscated goods are seldom recovered, as those who confiscate the goods either gift or sell them to others. If recovered, the vendor has to pay a significant fee and the goods are often too damaged (especially if they are perishables) to be sold.

6: Prevent Construction of Malls, Supermarkets and Large Retail Shops within Close Proximity to Natural Markets – A large percentage of street vendors in the study, especially those who sell fresh fruit and vegetables, reported increased competition from malls, supermarkets and large retail chains; of particular concern are the multi-brand markets selling fruits and vegetables.

Key Legislative Reforms

1: National Law on Street Trade – This law has been approved by Parliament as well as the Cabinet of India. It builds on the 2009 National Urban Street Vendors Policy, upholds the right to vend as a right and includes provisions for the formation of Town Vending Committees (TVCs) to demarcate vending zones and negotiate licenses or permits. This law now needs to be adapted at the local levels.

2: Amendments to Existing National and State Laws – Key articles under the Indian Penal Code (section 328), the Motor Vehicle Act (section 2010) and the Bombay Police Act (section 102) that authorize the police to treat street vendors, who are not licensed, as criminals need to be amended to ensure street vendors are not harassed unfairly and their right to vend/earn a livelihood is protected.

3: Amendments to Municipal Acts – Key articles under existing municipal acts (often dating back to the British colonial era), such as the Bombay Municipal Act (sections 231 and 384), that criminalize street trade need to be amended to ensure street vendors are not harassed unfairly and their right to vend/earn a livelihood is protected.

Key Municipal/Urban Planning Reforms

1: Town Planning Schemes – 2 per cent of public land in every city, including in new areas coming under the purview of municipal governments, should be earmarked for natural markets of street vendors and also for street vendors operating outside natural markets (e.g. on streets, sidewalks and around housing societies, schools or hospitals).

2: Schematic Plans for Managing Natural Markets – The schematic plan developed for the natural market around the Jamalpur Wholesale Market in Ahmedabad should be documented and replicated to preserve and manage other natural markets in the city. In developing similar schematic plans, local street vendors should be involved in participatory planning processes. Also, planning and designing streets to include the vendors should become institutionalized in city planning processes.

3: Historic Preservation Sites – Long-standing natural markets near historic monuments should be considered historic and preserved alongside the monuments themselves: e.g. the Bhadra Fort natural market, which is being converted into a heritage plaza.

4: Infrastructure Services and Management for Markets – Water supply, toilets and waste management services should be provided at natural markets by involving local waste collectors, local street vendors and municipal personnel in the design and management of these services.

5: Licensing and Permitting System – Registration and licensing procedures should be made simpler and local authorities should issue more licenses to vendors, initially to those who have been surveyed and listed by Planning and Resources for Urban Development Affairs (PRUDA). This list should then be regularly updated through periodic bio-metric surveys.

6: Special Markets for Women Vendors – Special markets should be created for women vendors.

7: Necessary Planned Evictions – Procedures for planning necessary evictions, including identification of alternative vending sites within close proximity of the original vending site, should be made more precise and comprehensive.

8: Confiscation of Merchandise – When goods are confiscated, the police should prepare a statement (*panchanama*) listing the goods confiscated and describing the location and other details of the confiscation, to be verified by an eyewitness.

9: Municipal Budgets – Municipal corporations in all cities should make budgetary allocations for regulating and promoting the livelihoods of street vendors. Operating and licensing fees and taxes paid to wholesale markets should be earmarked for the preservation and management of natural markets. Further, the 20-25 per cent reservation of the municipal budget for the urban poor, mandated under the Rajiv Awas Yojana (RAY) programme, should be used for developing and providing services in existing natural markets.

Key Institutional Reforms

1: At the national level, a Central Committee should be constituted by the national government to oversee the implementation of the National Law and Policy on urban street vending.

2: At all levels, separate Appellate Authorities headed by a judge should be established by the national government to resolve all issues that arise relating to street trade.

3: At the city level, a single authority should be established to oversee the prosecution of street vendors after giving them sufficient notice, whether by local police, traffic police or the Ahmedabad Municipal Corporation.

In conclusion, street vendors contribute to the economy of Ahmedabad in several important ways and should be integrated into the local planning of the city, including land allocation and local economic development. There are promising examples of how this might be done from elsewhere in India and from other countries. The key is to involve the street vendors and their associations, in this case SEWA, in a participatory planning process and also to implement the provisions of the national policy and national law on street vending.

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The Informal Economy Monitoring Study is being led by Women in Informal Employment: Globalizing and Organizing – WIEGO (see www.wiego.org) – a global action-research-policy network that seeks to improve the status of the working poor in the informal economy, especially women. WIEGO has convened a Technical Advisory Committee (TAC) to guide the project.

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SEWA



Women in Informal Employment
Globalizing and Organizing