

---

## SUSTAINABILITY AND INCLUSION OF INFORMAL SECTOR: CASE STUDY OF STREET VENDORS IN GREATER MUMBAI

---

Prof. Dr. Moushumi Datta

Director and Principal Nagindas Khandwala College

### ABSTRACT

*Street vendors in Greater Mumbai represent a vital segment of the informal sector, contributing significantly to the urban economy by providing affordable goods and services. Despite their socio-economic relevance, street vendors face persistent challenges including lack of legal recognition, harassment by authorities, limited access to financial and social security systems, and competition from organized retail. This study **investigates** the demographic, occupational, and socio-economic characteristics of street vendors in the eastern suburbs of Greater Mumbai through a case study approach. A **sample** of 100 street vendors was surveyed using random sampling, and data was analyzed using MS Excel, SPSS, and QGIS tools. **Findings** reveal that hawking is predominantly undertaken by individuals in the 30–50 years age group, with male vendors outnumbering females. Most vendors come from joint families and fall within the lower income and education brackets. The majority reported working long hours with low daily earnings, lack of access to licenses, and dependence on informal credit systems. Health issues, police harassment, absence of social security, and physical abuse were also commonly reported. However, respondents also demonstrated resilience through strategies such as forming alliances, adjusting pricing, and building customer loyalty. **Correlation** analysis indicated a significant relationship between working hours and earnings, as well as between challenges faced and financial management. The study highlights the urgent need for inclusive policy frameworks to formalize street vending through licensing, infrastructure provision, digital literacy, and access to credit. **Recommendations** include creation of hawking zones, awareness programs, and welfare schemes to enhance the sustainability and dignity of street vendors in Mumbai.*

**Keywords:** informal sector, inclusion, socio-economic status, hawkers

### INTRODUCTION

In Mumbai, street vendors, commonly known as hawkers, play a vital role in providing affordable goods and services to the city's vast population. Life of a street vendor is full of uncertainties. They do not have any kind of identity cards for recognition or license to make their presence legal. They are constantly harassed by the authorities. They often encounter municipal raid where municipal workers chasing street vendors and these people try to run away. The survival needs in a hostile environment are yet to be developed. Besides these sudden raids, street vendors normally have to regularly bribe the authorities in order to carry out their business on the streets. Despite their importance, street vendors in Mumbai face numerous challenges, including harassment by authorities, competition from organized retail and limited access to formal credit and social security benefits.

### REVIEW OF LITERATURE

(Siddiqui, 2021) In this research, the researcher found out that there is no significant difference of the income between the street vendors of different age groups. So, the research is based on income earned by street vendors which does not depend on the age and caste of people but it depends on the number of hours they work each day. Also, the income varies for the people who migrated to Mumbai for different number of years. (Cavale, 2023) The study examines the role of judicial intervention in shaping street vending policies, highlighting the motivations of social actors, legal procedures, and the dynamics of bargaining within the legal framework. The research identifies challenges in achieving a balance between securing tenure for street vendors and addressing competing urban interests, suggesting that legal mobilization alone may not suffice to resolve these tensions. (Gokhale, 2024) discussed in his article the growing issue of illegal street vending in Mumbai. The Bombay High Court highlights how the unchecked presence of unauthorized hawkers is not only creating obstruction but also leading to severe inconvenience for pedestrians. The article sheds light on the negative impacts of this issue on the daily lives of Mumbai's residents, as well as the lack of effective regulation to address the problem. It underlines the urgent need for solutions to balance the interests of street vendors with the safety and convenience of pedestrians.

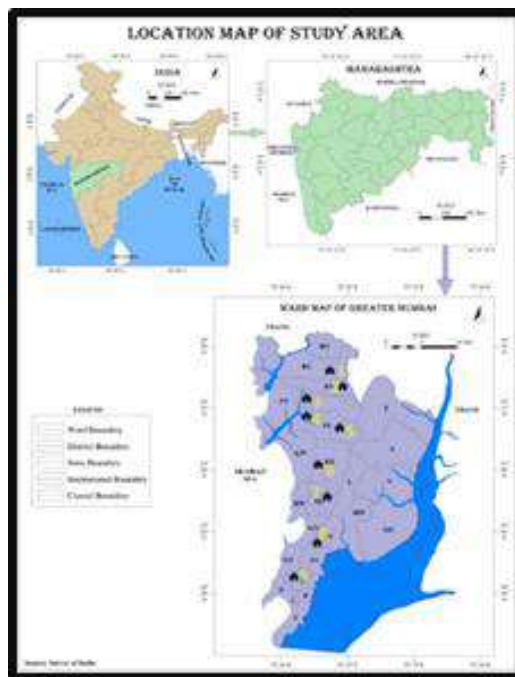
### RESEARCH OBJECTIVES

- To explore the demographic and occupational characteristics of street vendors in eastern suburbs of Mumbai.

- To assess the socio-economic status of street vendors in eastern suburbs including their income, expenditure and access to basic amenities.
- To identify the challenges faced by street vendors including licenses, police harassment and competition from organized retail.

## RESEARCH METHODOLOGY

- Coverage

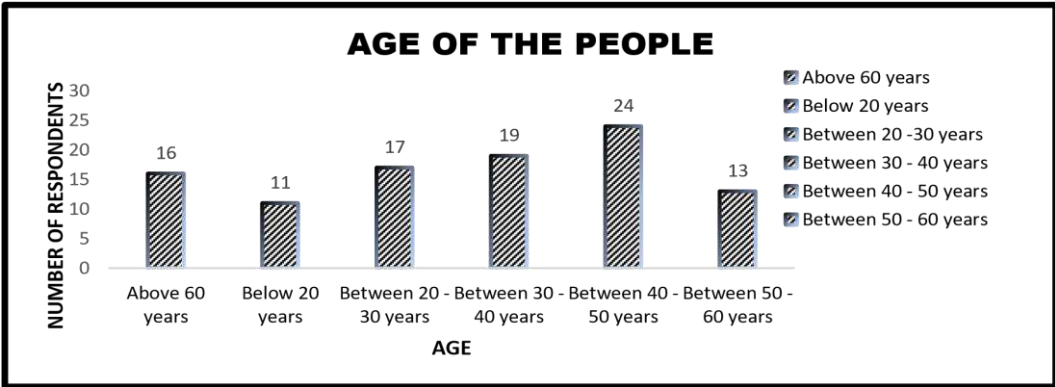


The area chosen for the research is Greater Mumbai. Its latitudinal extension is from 180 East to 190 East and longitudinal extension is from 72.820 North to 73.000 North approximately. There are 24 wards in Greater Mumbai. The area comprises of Mumbai District and Mumbai Suburban District. The Arabian Sea borders it on the south and west, the Ulhas River on the north, and Thane Creek on the east. It serves as both the financial and state capital of Maharashtra. It is a significant industrial center for the entire country. The area is under the management of Municipal Corporation of Greater Mumbai and is one of the largest (administrative area) municipal corporations of the country. The total area of Greater Mumbai is 437.71 sq. kms.

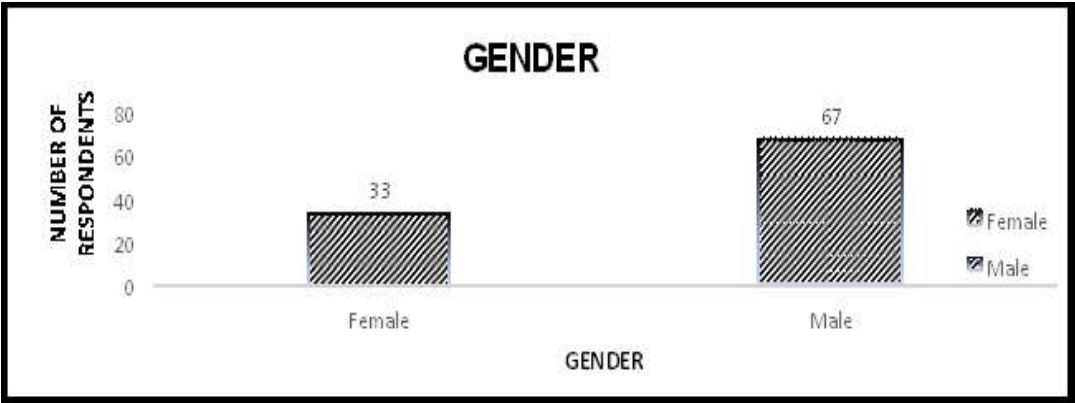
### • Methods of Data Collection and Analysis

This research paper is mainly based on primary data collection and information. Also, secondary sources like academic journals including published books, articles and research papers were referred to as complete research papers in a more systematic and holistic manner. Primary data is collected with close ended questionnaire. The method used for collecting data is a survey method. Considering objective and hypothesis, questionnaire was prepared using google form to collect data from required sample. The sample size is 100 and the sampling method is random sampling. The obtained data is visualized through charts, graphs and plots to identify the trends or pattern of the study area. hypothesis have been tested using various statistical tools. Data was extracted in excel file and have been analysed and processed using MS-Excel, QGIS and IBM-SPSS software. Graph was extracted from Google doc and Microsoft Excel using Pivot table and Pivot chart.

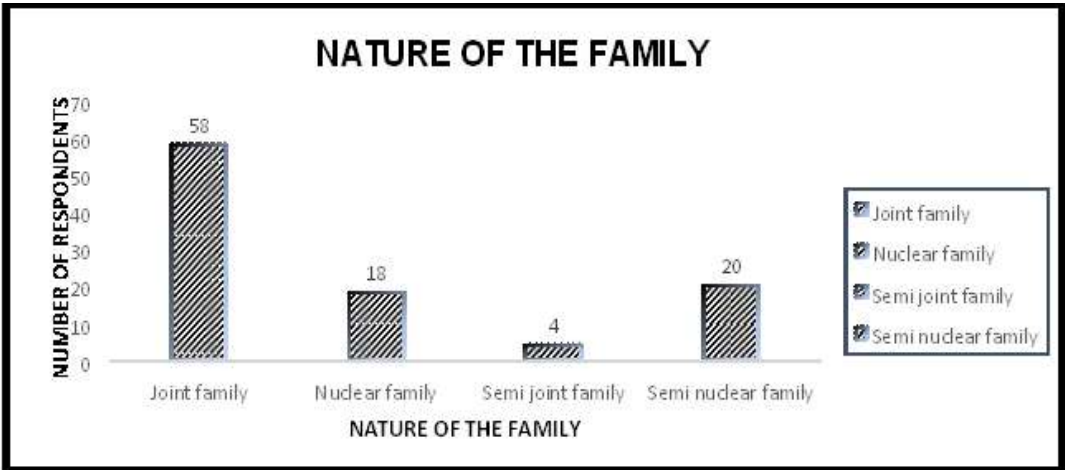
DATA ANALYSIS AND DISCUSSION



The graph categorizes respondents into six age groups i.e., Below 20 years, 20–30 years, 30–40 years, 40–50 years, 50–60 years and above 60 years. The age group 40–50 years has the highest number of respondents (24 individuals). This indicates that middle-aged individuals are the most prominent age group among street vendors in this city. The age group Below 20 years has the lowest number of respondents (11 individuals). This suggests that younger individuals are less likely to be engaged in hawking. Age groups 30–40 years and 20–30 years have 19 and 17 respondents, respectively, showing consistent participation among younger adults. The 50–60 years group has 13 respondents, which is relatively low compared to middle-aged groups. Above 60 years has 16 respondents, indicating some elderly involvement in hawking. The data suggests that hawking is more prevalent among individuals in their prime working age (30–50 years).

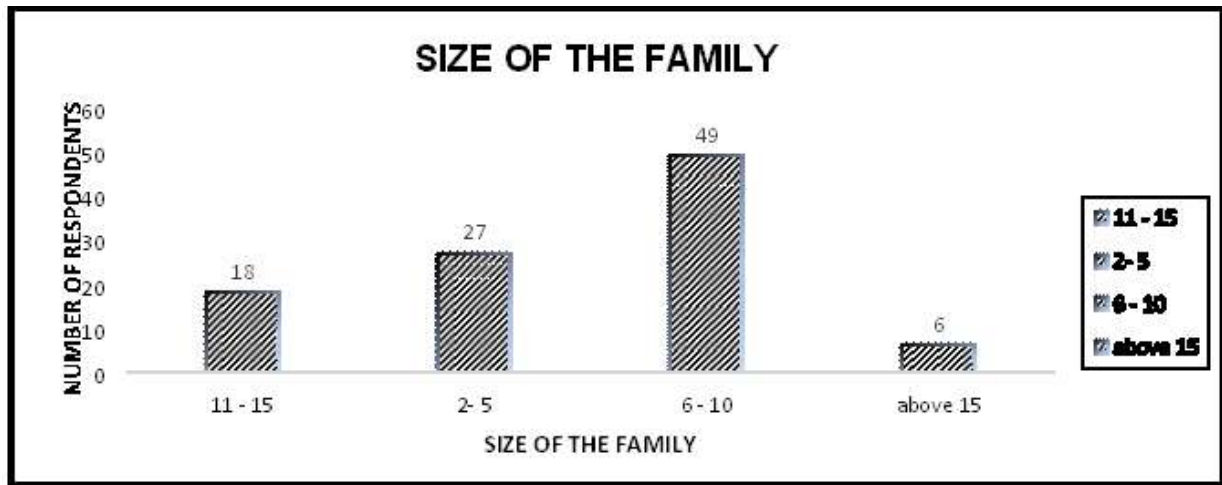


It highlights the number of male and female respondents, with males making up the majority (67) and females accounting for 33 respondents. The possible reason of gender in equality could be that Men are traditionally seen as the primary earners, Hawking often involves working long hours in public spaces, sometimes late into the evening, which may not feel safe or culturally acceptable for women in certain areas which could lead to a higher number of males taking up hawking as a source of livelihood as compared to females.

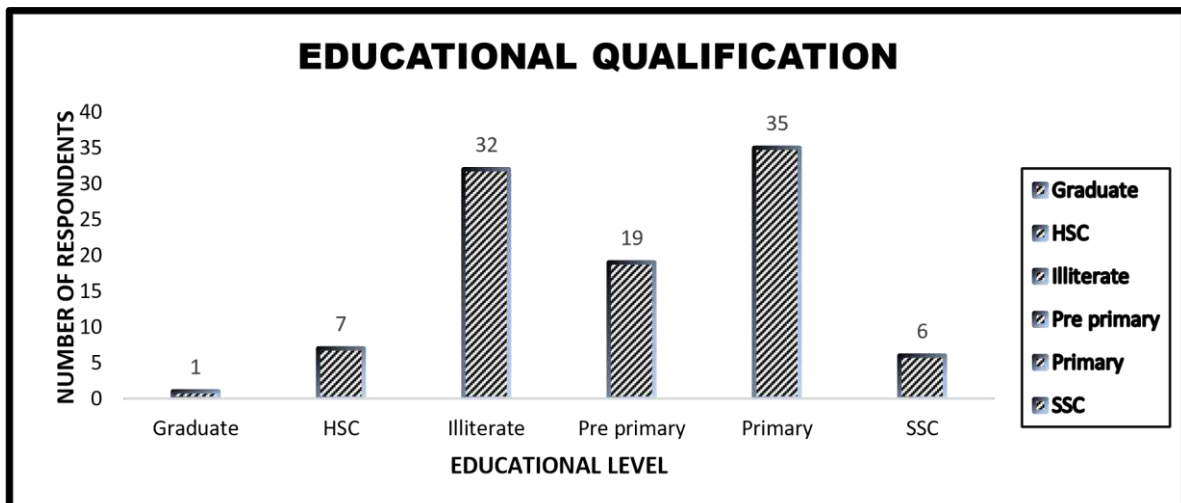


It is observed that largest group of hawking with 58 respondents lives in joint family which is the traditional family structure. Joint families likely provide a support system for hawking activities, where multiple family

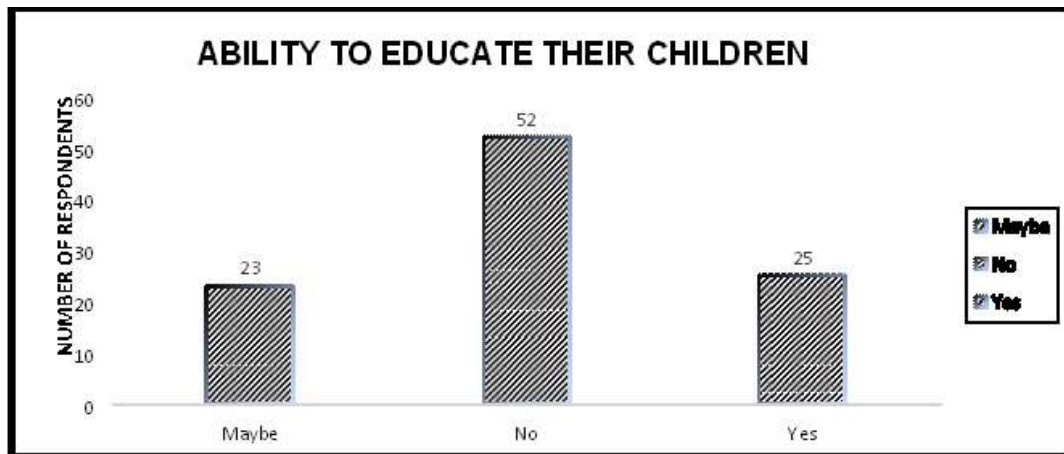
members may contribute to the same trade or business. The presence of Nuclear (18 respondents) and Semi-nuclear (20 respondents) families suggests the impact of urbanization, limited housing space, and individualistic trends on the family structures of hawking people. The minimal representation of Semi-joint families (4 respondents) suggests that this structure is less suitable or practical for hawking families in the city.



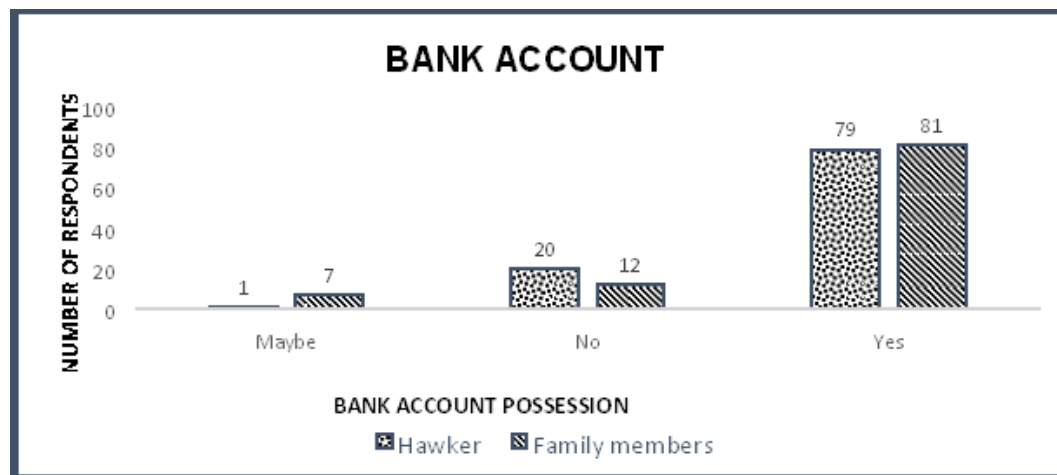
The above graph represents the size of the family. The most common group size 6 – 10 members with 49 respondents, representing a significant portion of street vendors in the region. It indicates that the majority of hawking activities are conducted in small to medium-sized groups may be better able to share resources, manage sales, and handle logistics compared to larger or smaller groups. There could also be a communal aspect where members support each other in their business activities. The second largest groups size 2-5 members with 27 respondents could reflect need for flexibility in operating in smaller spaces. A smaller proportion of street vendors in group size 11-15 members with 18 respondents, represents medium group. This size could indicate a more formalized structure or coordination, perhaps due to the scale of their operations or the need for more manpower. Only 6 respondents have family size above 15 suggesting that very large hawking groups are rare in the region. A group of this size might be difficult to manage effectively and could face challenges in terms of organization, resource allocation, and space management.



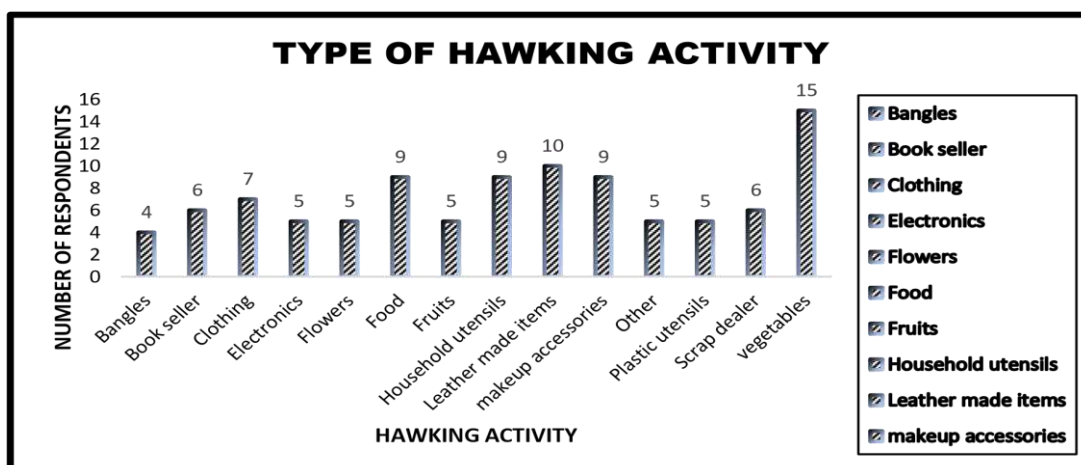
The majority of respondents, 35 individuals, fall into the "Primary" education category, indicating this is the most common educational level in the region. A significant portion, 32 respondents, are illiterate, which highlights the challenges in literacy within the region. Pre-primary category has 19 respondents, representing those with some basic or early education but below primary school level. There are 6 respondents with SSC (Secondary School Certificate) level education, showing fewer people attaining secondary education. Only 7 respondents have completed HSC (Higher Secondary Certificate) education, reflecting a low percentage of individuals pursuing education beyond secondary school. The least number of respondents, only 1, have achieved graduation, pointing to minimal higher education attainment in the region. The graph suggests that educational attainment beyond the primary level is quite low and Illiteracy is prevalent, affecting a large portion of the population also with a steep decline in the number of respondents with education levels above primary, which may indicate advantage of higher education opportunities.



It is observed that 25 out of 100 street vendors feel confident in their ability to educate their children. This reflects a small segment of the population that might have stable incomes, access to resources, or other supportive conditions. 52 street vendors believe they cannot educate their children. This majority suggests financial instability, lack of access to quality education, or other socioeconomic challenges faced by the street vendors. 23 street vendors are uncertain about their ability to educate their children. This reflects a lack of confidence or fluctuating conditions that prevent them from making a definite judgment.



Majority of respondents have bank accounts. i.e., 79% as compared to 20% non – ownership rate and the possible reason could be Lack of income or savings, unavailability of banking infrastructure, limited knowledge of banking services. This indicates that many respondents are integrated into formal banking systems, which could facilitate savings and access to credit. The single maybe respondent might reflect uncertainty due to Lack of clarity about what constitutes ownership (e.g., dormant accounts) or limited interaction with banking services.

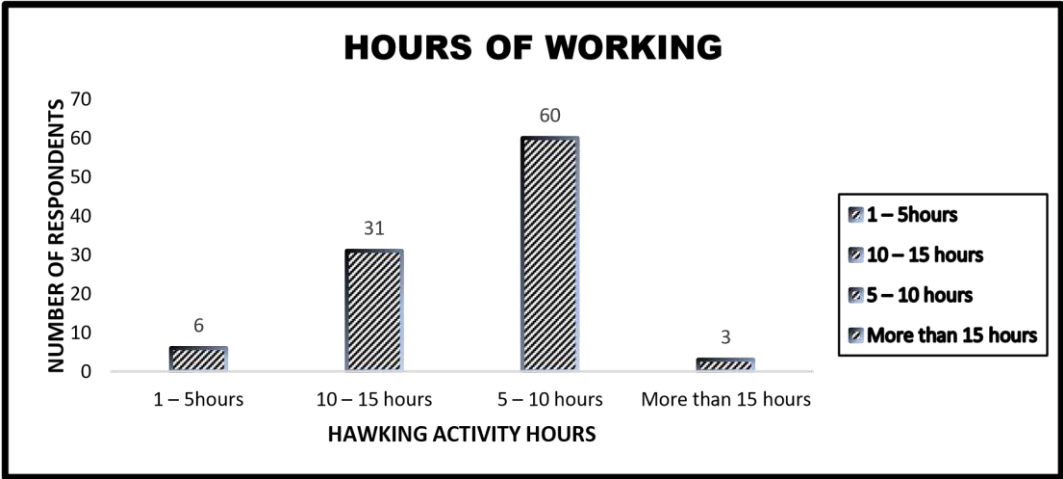


Vegetables are the most common hawking activity, with 15 respondents engaged in selling them. This highlights vegetables as a staple product for street vendors in this area. Household utensils and makeup accessories are tied for the second most popular activities, each with 10 respondents. Food (9 respondents) and

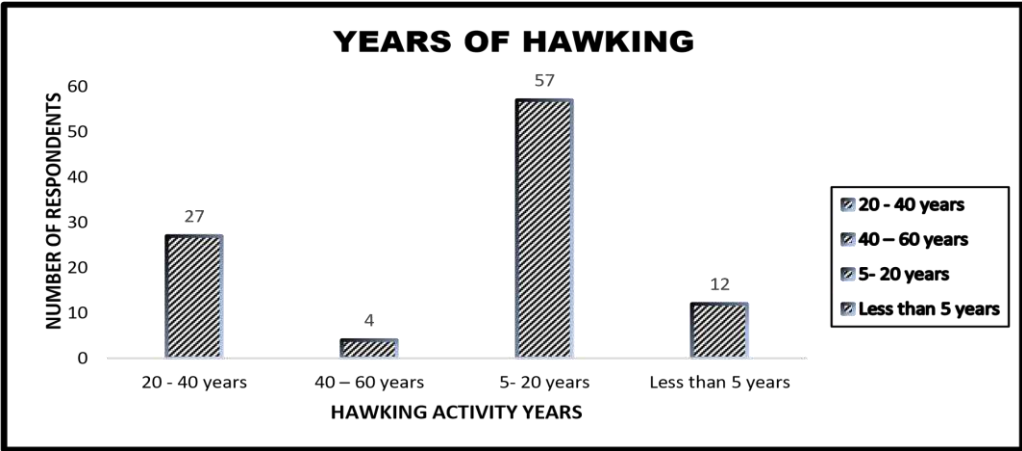


fruits (9 respondents) are also significant categories, likely due to the high demand for perishable and essential goods. Leather-made items (9 respondents) indicate a demand for durable goods, possibly targeting urban consumers. Categories like bangles (4 respondents), flowers (5 respondents), scrap dealers (5 respondents), and electronics (5 respondents) have fewer respondents, suggesting either limited demand or a niche market. Book sellers and clothing street vendors (6 respondents each) have moderate representation, indicating some interest in non-essential goods. The category labelled "Other" (9 respondents) likely represents diverse hawking activities not explicitly listed, showcasing a broad spectrum of offerings.

Products like vegetables, fruits, food, and household utensils dominate, reflecting the demand for daily-use and essential items in the community. The presence of leather-made items and utensils indicates that street vendors cater to both short-term consumable goods and longer-term durable items. Bangles, flowers, and books represent smaller, more specific markets. These goods might be sold in areas with a targeted customer base, such as near places of worship or schools.

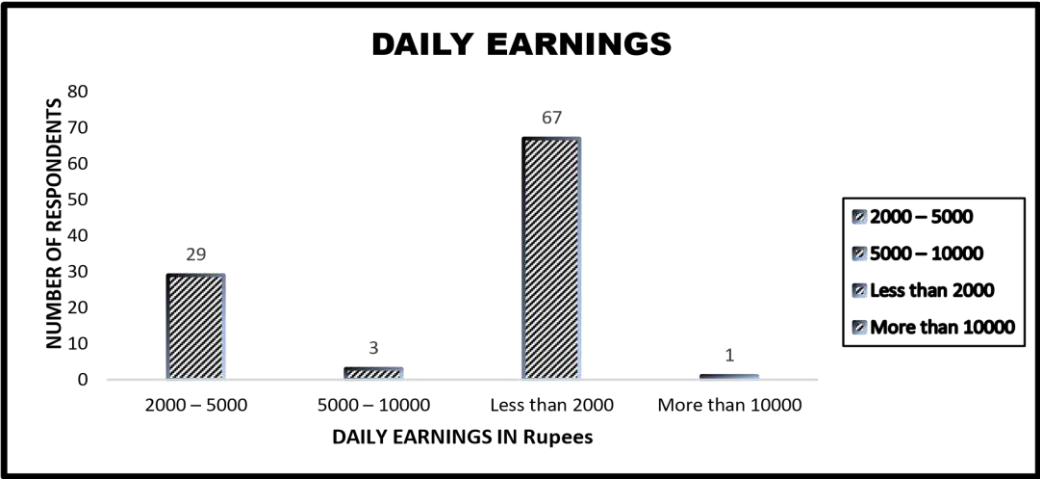


The largest group 5–10 hours (60 respondents, 60%), indicating that the majority of street vendors work a moderate number of hours daily. This group may find a reasonable balance between work, income, and personal life. 10–15 hours (31 respondents, 31%), the second largest group works significantly long hours, suggesting a portion of street vendors needs to put in extra effort to meet financial goals or sustain their livelihood. They have less time for family and other activities. The two extreme vulnerable groups are smaller but significant, that may require specific attention —those working very few hours (6 respondents) due to part-time hawking, limited demand, or other sources of support or excessively long hours (3 respondents) indicates extreme work hours, likely overburdened and in need of better support systems. These individuals are at risk of severe physical and mental health issues due to overwork.

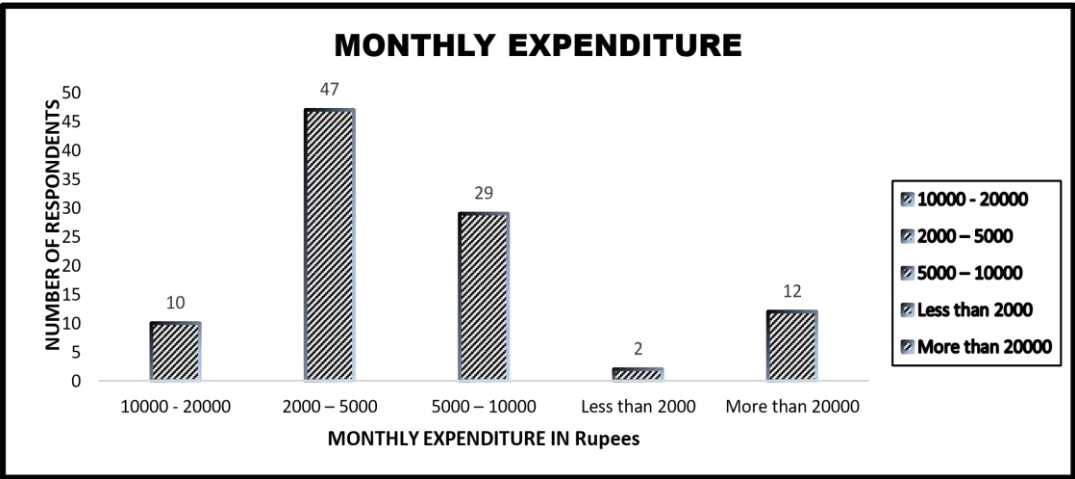


The majority of street vendors fall in the range of 5–20 Years (57 respondents), suggesting that hawking is a stable longterm occupation for most. This group represents individuals who have gained significant experience but may still be in their most productive years, balancing effort and earnings. The second-largest group i.e., 20–40 Years (27 respondents) has even greater experience, suggesting hawking is a viable career over decades. This group likely has a stable customer base, expertise in their business, and strategies to maximize income with reduced effort. A smaller group Less than 5 Years (12 respondents) represents newer entrants into hawking.

These individuals might still be learning the trade, building their network, and facing challenges like low earnings or irregular work patterns. The smallest group of 40–60 Years (4 respondents), consisting of veteran street vendors who have been in the business for decades. They are likely older individuals who may face physical limitations, health challenges, or a reduced ability to work long hours compared to younger street vendors.



The majority of respondents (67 people) fall into less than ₹ 2000 category, indicating that a significant portion of the population earns a very low daily income. 29 respondents fall into ₹2000–₹5,000 category which is the second-largest group, suggests that a smaller yet notable percentage earns slightly better daily wages. Only 3 respondents are in the category of ₹5000–₹10,000, indicating that very few people earn moderate daily incomes in this region. More than ₹10,000 Just 1 respondent falls into this range, highlighting those high daily earnings are extremely rare in this area. The data suggests a high level of income inequality in the region, with a concentration of respondents in the lower income brackets and may have limited access to high-paying opportunities in this area.



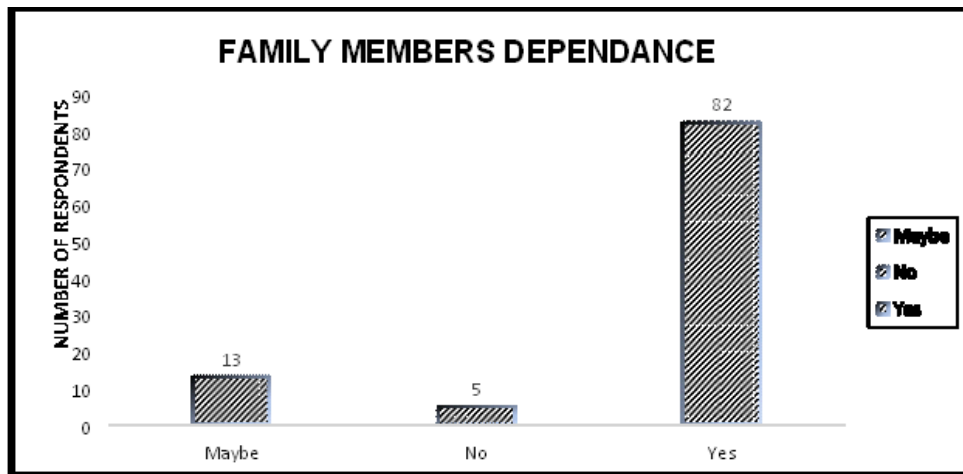
₹2000–₹5000: The majority of respondents (47 individuals) fall into this category, indicating that most households in this region have a low monthly expenditure within this range. This might reflect limited income levels or a frugal cost of living.

₹5000–₹10,000: The second-largest group consists of 29 respondents with a slightly higher monthly expenditure, suggesting moderate spending capacity.

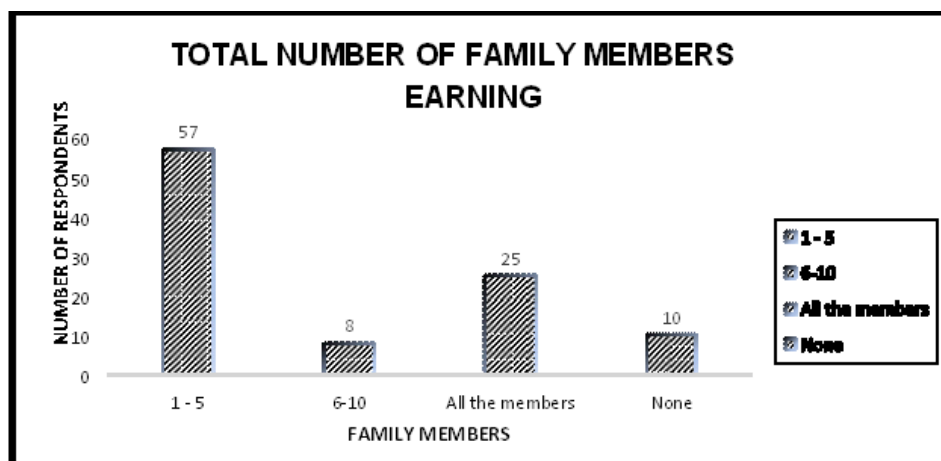
₹10,000–₹20,000: Only 10 respondents spend in this range, representing a smaller proportion of individuals with a higher spending capacity.

More than ₹20,000: A small group of 12 respondents spend over ₹20,000 monthly, indicating relatively high-income households.

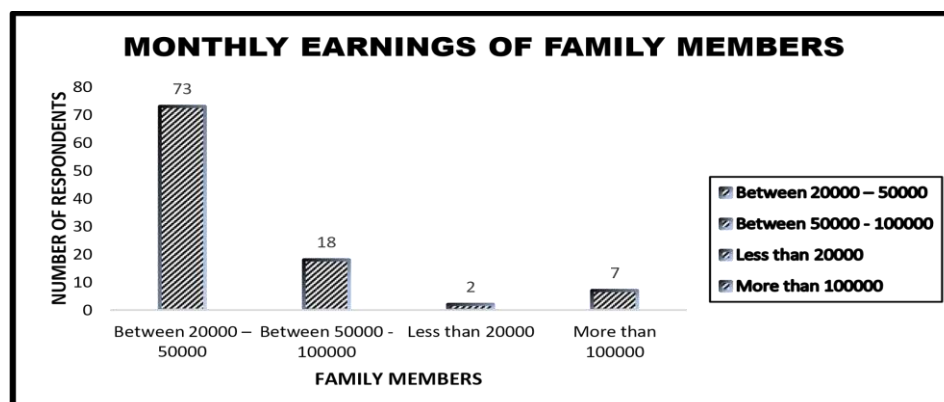
Less than ₹2000: Only 2 respondents fall into this category, which suggests that very few individuals live on extremely low monthly expenditures, possibly due to the cost of living in the area being above this level.



A significant majority (82%) of respondents reported that their family members depend on them. This indicates a high level of familial responsibility for most individuals in this region. It suggests that the respondents are likely the primary or sole earners in their households and lives in joint family. Only 5% of respondents stated that their family members do not depend on them. This is a small group, potentially consisting of individuals with independent or self-reliant family members. 13% of respondents were unsure about the dependence of their family members. This could indicate that they shared responsibilities among family members.



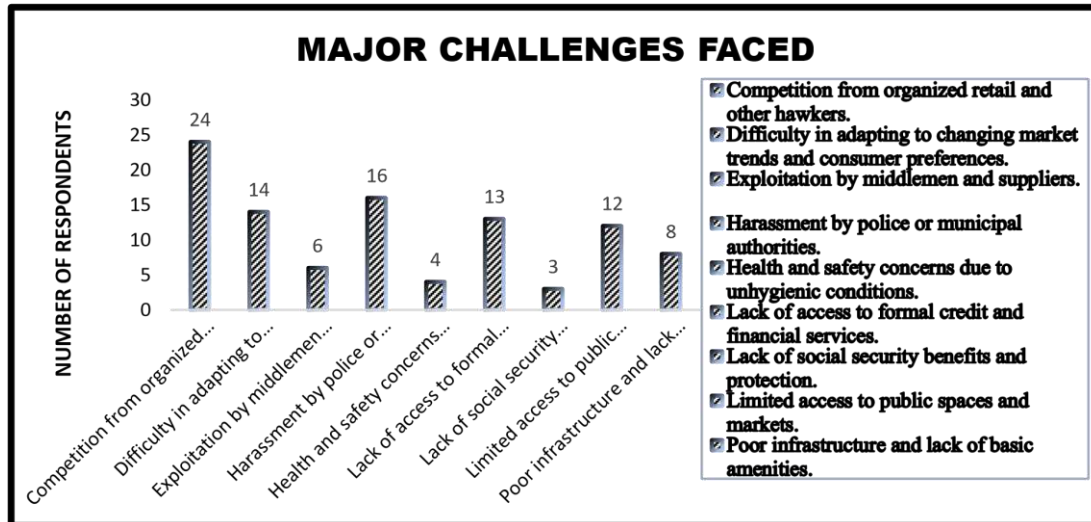
Most respondents (57 individuals) reported that their families have 1-5 members earning. This indicates that smaller family units primarily contribute to the household income which reflect how they shared financial responsibilities. A significant number of respondents (25 individuals) indicated that all family members are earning. This suggests that in some households, economic necessity drives every member to participate in income-generating activities to reduce burden. Only 8 respondents reported having 6-10 family members earning. This is likely uncommon and may represent extended families or joint-family setups where multiple members contribute to income. A small segment (10 respondents) reported no earning members in the family.



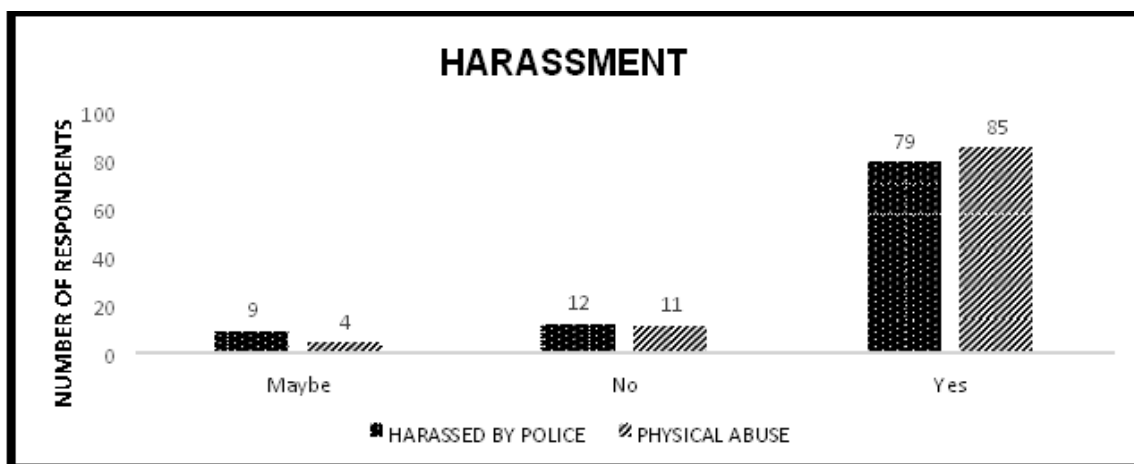
Earnings Between ₹20,000–₹50,000 have majority of respondents (73), indicating that most families in this region have modest earnings. Earnings Between ₹50,000–₹1,00,000 have 18 respondents, showing a smaller yet



significant group with higher monthly family income. Earnings Less than ₹20,000 have only 2 respondents, suggesting that very few families face extreme financial challenges. Earnings More than ₹1,00,000 have 7 respondents with high-income category, indicating the presence of a small affluent group in the region.



The most significant challenge, identified by 24 respondents, highlighting intense market competition that affects earnings and stability. 16 respondents faced health and safety issues, likely linked to working or living in unhygienic conditions. 14 respondents cited the issue with Difficulty in Adapting to Changing Market Trends and Consumer Preferences, showing struggles in keeping up with evolving demands or trends, potentially due to a lack of resources or knowledge. 13 respondents raised the concern Lack of Social Security Benefits and Protection, showing vulnerability in terms of safety nets or social welfare. 12 respondents reported difficulty accessing spaces necessary for work, indicating issues with urban infrastructure or regulations. 8 respondents highlighted the issue of Poor Infrastructure and Lack of Basic Amenities, which could include inadequate roads, water, or sanitation facilities. 6 respondents mentioned Exploitation by Middlemen and Suppliers, suggesting a relatively lower but still notable impact of unfair practices in supply chains. 4 respondents for Harassment by Police or Municipal Authorities, indicating concerns about governance or enforcement issues. Lack of Access to Formal Credit and Financial Services only 3 respondents reported this as a challenge, which could mean a relatively smaller portion struggles with financial inclusion.

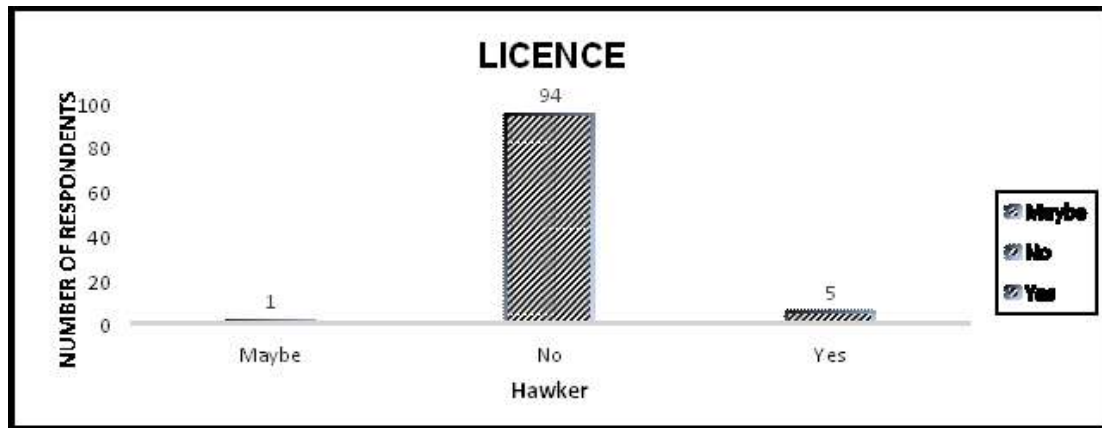


A large majority of respondents (79 individuals) reported experiencing harassment by police. This highlights a significant challenge faced by street vendors, possibly linked to legal or regulatory issues regarding street vending. A small group (12 respondents) mentioned not facing police harassment, suggesting that some street vendors operate without interference, likely due to specific permits, locations, or circumstances. A minor portion (9 respondents) was uncertain about whether they were harassed, which could reflect indirect or less overt forms of pressure from authorities.

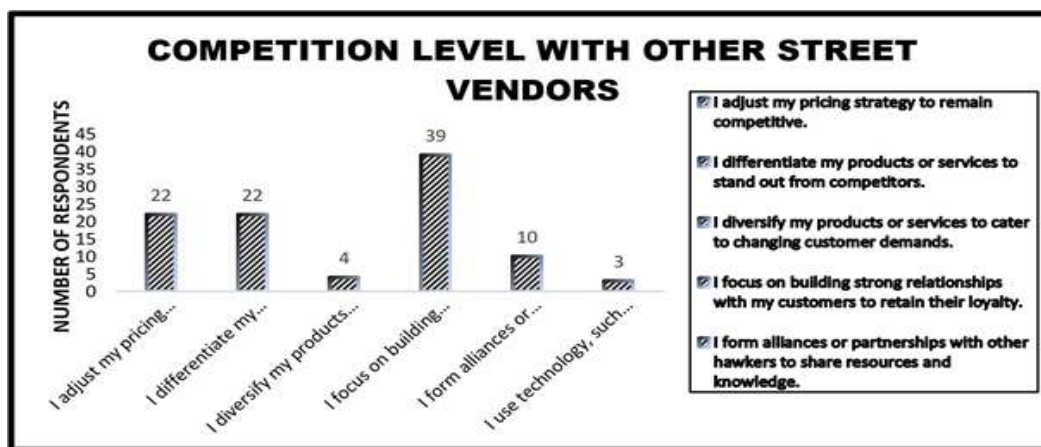
The highest number of respondents (85 individuals) reported experiencing physical abuse. This is alarming and indicates the prevalence of violence faced by street vendors in their line of work, likely stopping from conflicts over space, law enforcement actions, or disputes with other groups. Only 11 respondents indicated no physical

abuse, suggesting that it is a rare experience for this group. A very small group (4 respondents) was uncertain about physical abuse, perhaps due to ambiguous or infrequent incidents.

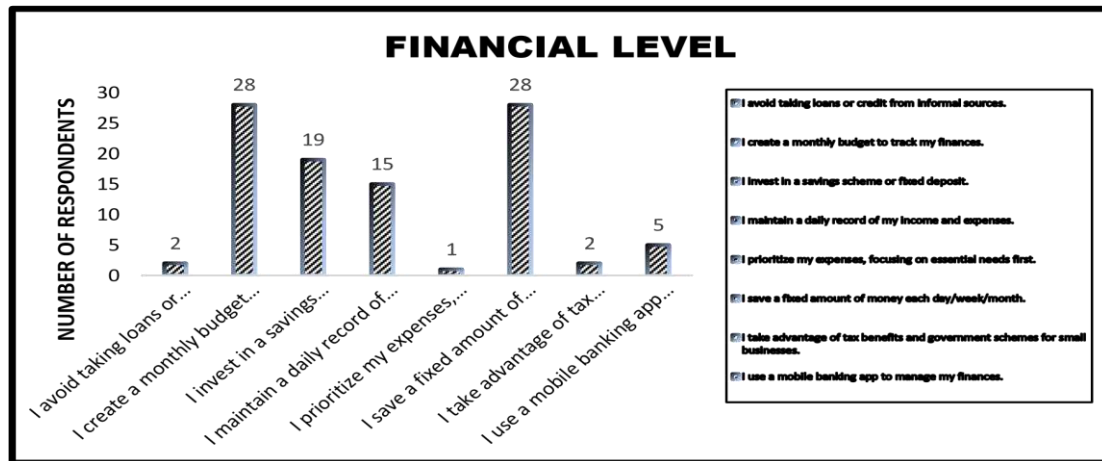
The data reveals that a significant majority of street vendors face harassment, both from authorities and in the form of physical abuse. This graph sheds light on the difficult realities of street vending in the city, underscoring the need for systemic change to ensure the safety and dignity of street vendors.



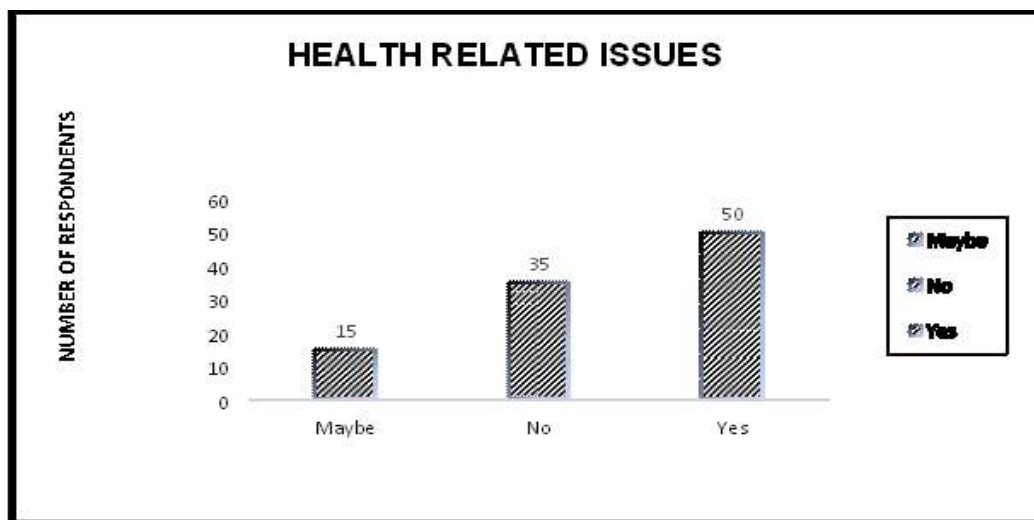
The majority of respondents (94 out of 100) reported that their family members do not possess licenses. This indicates a significant gap in formal documentation or legal compliance among the population. Only 5 respondents stated that their family members possess licenses. This suggests limited participation in formalized or regulated economic activities, which might also reflect barriers to obtaining licenses, such as bureaucratic challenges or a lack of awareness. 1 respondent marked Maybe, indicating some uncertainty or lack of clarity regarding the possession of licenses within their family. This could highlight a knowledge gap or lack of importance given to licensing.



The bar graph illustrates the strategies employed by respondents to address competition with other street vendors. 39 respondents indicated "Forming alliances or partnerships to share resources and knowledge as their primary approach. This suggests a strong preference for collaboration and mutual support among street vendors to overcome competition. In "Adjusting pricing strategy to remain competitive" and "Differentiating products or services to stand out", Both strategies were chosen by 22 respondents each, indicating that pricing and uniqueness in offerings are equally valued as competitive tools. "Using technology such as social media or online platforms to promote business" Only 3 respondents reported leveraging technology, highlighting a significant underutilization of digital tools compared to their potential. 10 respondents emphasized "Focusing on building strong relationships with customers to retain loyalty" strategy, reflecting moderate attention to customer relationship management. Just 4 respondents adopted "Diversifying products or services to cater to changing demands" approach, suggesting limited interest in product diversification as a response to competition. The high number of respondents forming alliances indicates a community-driven approach to competition. Strengthening such networks can further enhance resource-sharing and mutual growth. The balanced focus on competitive pricing and unique offerings suggests street vendors recognize the importance of both cost-effectiveness and innovation. The minimal use of technology is a missed opportunity for street vendors to expand their reach and visibility.



28 respondents reported that they create a monthly budget to track their finances and take advantage of tax benefits and government schemes for small businesses. These practices indicate a strong inclination toward organized financial management and leveraging available government incentives. 19 respondents invest in a savings scheme or fixed deposit, while 15 respondents maintain a daily record of income and expenses. This reflects a moderate level of financial discipline in terms of savings and record-keeping. 1 respondent stated they prioritize their expenses by focusing on essential needs, indicating that this practice is not widely adopted among the surveyed group. Only 2 respondents avoid taking loans or credit from informal sources, suggesting a potential reliance on informal credit systems in the region. Just 5 respondents use a mobile banking app to manage their finances, highlighting a low adoption of digital financial tools, which may point to a digital literacy gap or trust issues with technology. 2 respondents save a fixed amount of money each day, week, or month, which indicates a limited practice of consistent saving habits.



A significant proportion (50 out of 100 responses) highlighted the presence of health-related issues, suggesting this might be a pressing concern in the area. 35 respondents answering No suggest that while health concerns are prevalent, there is still a noticeable segment of the population not currently facing them. Maybe responses reflect a degree of ambiguity or lack of awareness among respondents, which might

## RECOMMENDATIONS

- Based on the findings of this study, the following recommendations are made:
- To reduce harassment by the authorities, the government should consider formalizing hawking by providing licenses and permits to street vendors. So, that they can benefit security.
- The government should invest in infrastructure development, including the creation of designated hawking zones, provision of storage facilities, and improvement of sanitation and hygiene facilities.
- This would help to improve the working conditions of street vendors and provide a better environment for their customers.

- The government and NGOs should support the formation of hawker associations. These associations can provide a platform for street vendors to come together, share their experiences, and advocate for their rights.
- The government and financial institutions should provide access to formal credit to street vendors. This would help to reduce their dependence on informal sources of credit and provide them with the necessary funds to invest in their businesses.
- The government and NGOs should provide training and capacity-building programs for street vendors. This would help to improve their business skills, provide them with knowledge about new technologies and market trends, and enhance their overall competitiveness.
- There must be insurance and health policy schemes for the street vendors for their future safety.
- There must be availability of pension schemes to street vendors, which could help their family members for reducing their financial burden.
- For the younger age group (Below 20 years), need to investigate why their representation is low in hawking—whether due to education, lack of interest, or other factors.
- Governance to create a more enabling environment for small businesses i.e., hygienic work environments including waste management and sanitation campaigns.
- For the elderly (Above 60 years), programs focusing on health and well-being could be beneficial.
- Training programs to promote digital literacy could help to unlock the potential capabilities of street vendors.
- Awareness campaigns to provide alertness about digital marketing and customer trends.

## CONCLUSION

H0= There is no significant relationship between working hours of street vendors and average daily earnings of street vendors

H1 = There is significant relationship between working hours of street vendors and average daily earnings of street vendors

		Working Hours	Average Daily Earnings
<b>Working Hours</b>	Spearman's Correlation Sig. (2-tailed) N	0.37 0.01 100	0.01** 0.01 100
<b>Average Daily Earnings</b>	Spearman's Correlation Sig. (2-tailed) N	0.01** 0.01 100	0.37 0.01 100

\*\*The Correlation is significant at the 0.01 level (99%)

The value of Spearman's Rank correlation( $r$ ) is +0.37. The value of  $p$  at 95% confidence for 100 degrees of freedom is 0.01 which suggests that the value of  $r$  is greater than the  $p$  value. This implies that the null hypothesis is rejected with 95% confidence. This further implies that There is significant relationship between working hours of street vendors and average daily earnings of street vendors.

H0= There is no significant relationship between major challenges faced by street vendors and managing finances and savings

H2 = There is significant relationship between major challenges faced by street vendors and managing finances and savings

		Major Challenges Faced by Street Vendors	Managing Finances and Savings
<b>Major Challenges Faced by Street Vendors</b>	Spearman's Correlation Sig. (2-tailed) N	0.41 0.01 100	0.01** 0.01 100
<b>Managing Finances and Savings</b>	Spearman's Correlation Sig. (2-tailed) N	0.01** 0.01 100	0.41 0.01 100

\*\*The Correlation is significant at the 0.01 level (99%)

The value of Spearman's Rank correlation( $r$ ) is +0.41. The value of  $p$  at 95% confidence for 100 degrees of freedom is 0.01 which suggests that the value of  $r$  is greater than the  $p$  value. This implies that the null hypothesis is rejected with 95% confidence. This further implies that There is significant relationship between working hours of street vendors and average daily earnings of street vendors.

The study highlights the challenges faced by street vendors in the eastern suburbs of Mumbai, including harassment by authorities, competition from organized retail, and limited access to formal credit and social security benefits. The study also reveals the coping mechanisms and strategies adopted by street vendors to deal with these challenges, including forming alliances with other street vendors, using technology to reach new customers, and focusing on providing excellent customer service.

## REFERENCES

1. Cavale, K. (2023). Street vendor politics and legal mobilization in metropolitan india: a retrospective view India: A retrospective view. Socio-Legal Review. Chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://repository.nls.ac.in/cgi/viewcontent.cgi?article=1478&context=slr
2. Gokhlae, O (2024). Unauthorized street vendors have taken over Mumbai's streets, pedestrians' tolerance doesn't reduce their sufferings: HC. The Indian Express, Journalism of Courage. <https://indianexpress.com/article/cities/mumbai/streetvendors-mumbai-streets-high-court-9430148/>
3. Siddiqui, A., Patra, S. C (2021). A study of the income of street vendors in ward G in Mumbai City. Peer Reviewed & Refereed Journal, Aug-Sept, 2021, Vol-9/47. <https://www.jstor.org/stable/4418270file:///C:/Users/Archana/Downloads/163513919634.%20Asema%20Siddiqui.pdf>