

# Contents

<b>A Prelude</b> . . . . .	xxiii
<b>1 Introduction: Financial Inclusion and Street Vendors</b> . . . . .	1
1.1 Definition of Financial Inclusion . . . . .	2
1.2 Why Financial Inclusion? . . . . .	3
1.3 Status of Financial Inclusion in India . . . . .	4
1.4 Achievements of Financial Inclusion Programme in India . . . . .	5
1.5 Programme Target Failure . . . . .	6
1.6 Why Street Vendors? . . . . .	6
1.7 Why This Study? . . . . .	8
1.8 Specific Research Questions . . . . .	11
1.9 Methodology and Data Collection . . . . .	11
1.9.1 Unit of Analysis . . . . .	11
1.9.2 Data Sources . . . . .	12
1.9.3 Rationale for Selecting the Cities . . . . .	13
1.9.4 Data Analysis . . . . .	16
<b>2 The Field: Profile of the Cities</b> . . . . .	19
2.1 Introduction . . . . .	19
2.1.1 Delhi . . . . .	20
2.1.2 Government Responses . . . . .	21
2.1.3 Jaipur . . . . .	21
2.1.4 Government Responses . . . . .	22
2.1.5 Kanpur . . . . .	22
2.1.6 Government Responses . . . . .	23
2.1.7 Lucknow . . . . .	23
2.1.8 Government Responses . . . . .	23
2.1.9 Bhopal . . . . .	23
2.1.10 Government Initiatives . . . . .	24
2.1.11 Patna . . . . .	24
2.1.12 Government Initiatives . . . . .	25
2.1.13 Ranchi . . . . .	25

2.1.14	Government Responses . . . . .	26
2.1.15	Schemes Which Have Indirectly Benefited the Vendors . .	27
2.1.16	Urban Self Employment Programme (USEP) . . . . .	27
2.1.17	Urban Women Self Help Programme (UWSHP) . . . . .	28
2.1.18	Kolkata . . . . .	28
2.1.19	Government Responses . . . . .	29
2.1.20	Bhubaneswar . . . . .	30
2.1.21	Government Initiatives . . . . .	30
2.1.22	Guwahati . . . . .	31
2.1.23	Government Responses . . . . .	32
2.1.24	Hyderabad . . . . .	32
2.1.25	Government Responses . . . . .	33
2.1.26	Social Security Measures . . . . .	34
2.1.27	Bengaluru . . . . .	34
2.1.28	Vijayawada . . . . .	35
2.1.29	Government Initiatives . . . . .	35
2.1.30	Mumbai . . . . .	36
2.1.31	Ahmedabad . . . . .	37
2.1.32	Government Responses . . . . .	37
2.2	Conclusion . . . . .	38
<b>3</b>	<b>Why Do Street Vendors Need Finance?</b> . . . . .	<b>41</b>
3.1	Introduction . . . . .	41
3.2	Socio-demographic Profile . . . . .	41
3.2.1	Marital Status . . . . .	41
3.2.2	Religious Status . . . . .	42
3.2.3	Educational Attainment . . . . .	42
3.2.4	Caste Considerations . . . . .	43
3.2.5	Age Profile . . . . .	43
3.2.6	Familial Status . . . . .	44
3.2.7	Migration . . . . .	44
3.2.8	Amount of Remittance . . . . .	45
3.3	Work-Related Characteristics . . . . .	46
3.3.1	Nature of Vending . . . . .	46
3.3.2	Years of Vending . . . . .	46
3.3.3	Working Hours . . . . .	47
3.4	Economic Profile . . . . .	48
3.4.1	Earnings . . . . .	48
3.4.2	Expenditure . . . . .	48
3.4.3	Investment . . . . .	49
3.4.4	Daily Sales . . . . .	50
3.5	Access to Finance: Amount, Nature, Types and Sources . . . . .	50
3.5.1	Principal Amount of Borrowing . . . . .	51
3.5.2	Source of Credit . . . . .	52

3.5.3	Purpose of Credit . . . . .	53
3.5.4	Role of Introducer . . . . .	53
3.5.5	Frequency of Loan . . . . .	55
3.5.6	Rate of Interest . . . . .	55
3.5.7	Rate of Interest Charged by Different Sources . . . . .	56
3.6	Conclusion . . . . .	57
<b>4</b>	<b>Sources of Finance . . . . .</b>	<b>61</b>
4.1	Introduction . . . . .	61
4.2	Types of Moneylenders . . . . .	62
4.3	Process of Transaction and Debt . . . . .	64
4.4	High Rate of Interest and Its Impact . . . . .	65
4.4.1	Case Study-1: <i>Informal Sources in Mumbai</i> . . . . .	66
4.5	Street Vendors' Perspective on Informal Sources of Credit . . . . .	67
4.6	Social Networks in Financial Mechanism . . . . .	69
4.7	Conclusion . . . . .	70
<b>5</b>	<b>How Can Financial Institutions Help Out? . . . . .</b>	<b>73</b>
5.1	Introduction . . . . .	73
5.1.1	Ahmedabad . . . . .	75
5.1.2	Bengaluru . . . . .	76
5.1.3	Canara Bank . . . . .	76
5.1.4	Bhopal . . . . .	78
5.1.5	Role of Trade Unions . . . . .	79
5.1.6	Bhubaneswar . . . . .	79
5.1.7	Delhi . . . . .	80
5.1.8	Guwahati . . . . .	81
5.1.9	Hyderabad . . . . .	82
5.1.10	Jaipur . . . . .	82
5.1.11	Kolkata . . . . .	83
5.1.12	Lucknow and Kanpur . . . . .	84
5.1.13	Patna . . . . .	84
5.1.14	Ranchi . . . . .	85
5.1.15	Vijayawada . . . . .	88
5.2	Conclusion . . . . .	88
<b>6</b>	<b>Recommendations and Conclusion . . . . .</b>	<b>93</b>
6.1	Response of Civic Authorities . . . . .	95
6.2	Review of Present Financial Position . . . . .	95
6.3	Role of Current Financial Institutions . . . . .	97
6.4	Women and Empowerment . . . . .	98
6.5	Economic Security Through Financial Inclusion . . . . .	99
6.6	Recommendations . . . . .	99
6.6.1	Banks . . . . .	99

6.6.2	Civic Authority . . . . .	100
6.6.3	Microfinance Institutions (MFIs) . . . . .	100
6.6.4	Trade Unions . . . . .	101
6.7	Conclusion . . . . .	101
<b>Appendices . . . . .</b>		<b>103</b>
Appendix A: Initiative of Banks . . . . .		103
Appendix B: Microfinance Institutions (MFIs) . . . . .		111
Appendix C: SEWA Bank . . . . .		123
Appendix D: Organisations/Associations . . . . .		127
Appendix E: Cooperatives . . . . .		130
Appendix F: NGOs, SHGs and Trusts . . . . .		131
<b>References . . . . .</b>		<b>133</b>

Financial Inclusion of the Marginalised  
Street Vendors in the Urban Economy

Bhowmik, S.K.; Saha, D.

2013, XXIV, 134 p.,

ISBN: 978-81-322-1506-6